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

If you have sold or transferred all your shares in Great Wall Technology Company Limited, you should at once hand this circular to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

CONNECTED TRANSACTION

JOINT VENTURE WITH CEC PANDA LCD TECHNOLOGY CO., LTD

**Independent Financial Adviser to the Independent Board Committee
and Independent Shareholders**



A letter from the Board is set out on pages 4 to 9 of this circular and a letter from the Independent Board Committee is set out on pages 10 to 11 of this circular. A letter from Get Nice Capital Limited, the Independent Financial Adviser, containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 12 to 21 of this circular.

A notice convening an extraordinary general meeting of the Company to be held at 16th Floor, Great Wall Technology Building, No. 2 Keyuan Road, Technology and Industry Park, Nanshan District, Shenzhen, PRC on 31 July 2012 at 9:30 a.m. is set out on pages 27 to 28 of this circular. Whether or not you are able to attend the meeting, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 24 hours before the time of meeting to the office of the Company's H shares registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong (for holders of H shares) or to the Company's legal address at No. 2 Keyuan Road, Technology and Industry Park, Nanshan District, Shenzhen, PRC (for holders of domestic shares). Completion of the form of proxy will not preclude you from attending and voting at the meeting should you so wish.

17 May 2012

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DEFINITIONS

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

“Board”	the board of Directors
“CEC”	中國電子信息產業集團有限公司 (China Electronics Corporation), a state-owned company incorporated in the PRC with limited liability and the controlling shareholder of the Company
“CGCSZ”	China Great Wall Computer (Shenzhen) Co., Ltd (中國長城計算機深圳股份有限公司), a joint stock 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
“Company”	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, an indirect subsidiary of CEC
“connected person(s)”	has the meaning given to it under the Listing Rules
“Director(s)”	director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened on 31 July 2012 for the purposes of considering and, if thought fit, approving the establishment of the Joint Venture
“Great Wall Group”	中國長城計算機集團公司 (China Great Wall Computer Group Corporation), a company incorporated in the PRC, a substantial shareholder holding 62.11% of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	an independent committee of the Board comprising all the independent non-executive Directors established to review and consider the establishment of the Joint Venture
“Independent Financial Adviser”	Get Nice Capital Limited, a corporation licensed under the SFO for carrying out type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the establishment of the Joint Venture

DEFINITIONS

“Independent Shareholders”	Shareholders other than Great Wall Group and its associates
“Intellectual Properties”	any patent, trademark, copyright, trade secret and any other intellectual property or proprietary rights
“Joint Venture”	南京中電熊貓平板顯示科技有限公司 CEC Panda Flat Panel Display Technology Co., Ltd, being the joint venture company to be established in the PRC with limited liability pursuant to the Joint Venture Agreement, which will be owned as to 0.8% by Top Victory and 99.2% by Panda LCD
“Joint Venture Agreement”	the joint venture agreement dated 27 April 2012 entered into between Top Victory and Panda LCD in relation to the establishment of the Joint Venture
“Latest Practicable Date”	15 May 2012, being the latest practicable date for ascertaining certain information referred to in this circular prior to printing of this circular
“LCD”	liquid crystal display
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Nanjing Factory”	the factory to be established by the Joint Venture in Nanjing, the PRC for manufacturing of the Products
“ODM”	original design manufacturer
“Panda LCD”	南京中電熊貓液晶顯示科技有限公司 CEC Panda LCD Technology Co., Ltd, a company established in the PRC with limited liability and a non-wholly owned subsidiary of CEC
“PC”	personal computer
“PRC” or “China”	the People’s Republic of China and, for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Products”	G10 TFT-LCD panels, colour filters and LCD modules and such other product to be agreed between the parties to the Joint Venture Agreement from time to time
“Put Option”	an option of Top Victory to require Panda LCD to acquire Top Victory’s equity stake in the Joint Venture

DEFINITIONS

“Registration Date”	the issuing date of the business license for the Joint Venture by the State Administration for Industry and Commerce of the PRC or a local branch thereof
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the share(s) of RMB1.00 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“SFO”	the Securities and Future Ordinance (Cap. 571 of the Laws of Hong Kong)
“Shenzhen Kaifa”	Shenzhen Kaifa Technology Co., Ltd. (深圳長城開發科技股份有限公司), a company incorporated in the PRC whose shares are listed on the Shenzhen Stock Exchange in the PRC; a subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supply Framework Agreement”	a supply framework agreement to be entered into between the Joint Venture and Top Victory for the purchase of the Products by Top Victory from the Joint Venture
“TFT-LCD”	thin film transistor liquid crystal display
“Top Victory”	Top Victory Investments Limited, a company incorporated in Hong Kong and a subsidiary of the Company wholly-owned by TPV
“TV”	televisions
“TPV”	TPV Technology Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are primarily listed on the main board of the Stock Exchange and secondarily listed on the Singapore Exchange Securities Trading Limited
“TPV Group”	TPV and its subsidiaries
“US\$”	United States dollars, the lawful currency of the United States

LETTER FROM THE BOARD

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)

Executive Directors

Mr. Liu Liehong (*Chairman*)
Mr. Lu Ming
Mr. Tam Man Chi
Mr. Yang Jun
Mr. Su Duan
Mr. Du Heping

Registered address and head office:

No.2 Keyuan Road
Technology and Industry Park
Nanshan District
Shenzhen, PRC

Independent non-executive Directors

Mr. Yao Xiaocong
Mr. James Kong Tin Wong
Mr. Zeng Zhijie

17 May 2012

To the shareholders

Dear Sirs and Madams,

CONNECTED TRANSACTION

JOINT VENTURE WITH CEC PANDA LCD TECHNOLOGY CO., LTD

INTRODUCTION

Reference is made to the announcement of the Company dated 27 April 2012 whereby the Company announced that on 27 April 2012, Top Victory, a subsidiary of the Company wholly-owned by TPV, and Panda LCD, a subsidiary of CEC, entered into the Joint Venture Agreement in relation to the establishment of the Joint Venture.

The purpose of this circular is to provide you with the details of the establishment of the Joint Venture, to set out the recommendation of the Independent Board Committee and the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the terms of the Joint Venture Agreement and to give the Shareholders notice of EGM and other information required by the Listing Rules.

LETTER FROM THE BOARD

THE JOINT VENTURE AGREEMENT

On 27 April 2012, Top Victory, a subsidiary of the Company wholly-owned by TPV, and Panda LCD, a subsidiary of CEC, entered into the Joint Venture Agreement in relation to the establishment of the Joint Venture.

Date

27 April 2012

Parties

- (1) Top Victory; and
- (2) Panda LCD

Panda LCD is a company established in the PRC with limited liability and a non-wholly owned subsidiary of CEC. It is principally engaged in the manufacture of LCD panels and displays.

Principal activities of the Joint Venture

The purpose of establishing the Joint Venture is to build a G10 TFT-LCD factory in Nanjing, the PRC and to manufacture and to sell the Products.

The principal business activities of the Joint Venture will be including, among other things, (a) to manufacture and sell the Products; (b) to conduct the business-related research and development works in relation to the Products; and (c) to provide services in relation to the Products, including after-sales service to the customers of the Joint Venture.

Shareholding of and capital contribution to the Joint Venture

The Joint Venture will be a company to be established in the PRC and will be owned as to 0.8% by Top Victory and 99.2% by Panda LCD. The board of the directors of the Joint Venture will consist of five members, who shall be appointed by Panda LCD.

The total investment of the Joint Venture will be RMB35,000 million and the registered capital of the Joint Venture will be RMB17,500 million, of which Top Victory will contribute 0.8% (i.e. RMB140 million) and Panda LCD will contribute 99.2% (RMB17,360 million). The registered capital of the Joint Venture will be made in cash by both Top Victory and Panda LCD. Each of Top Victory and Panda LCD shall deposit at least 20% of the respective contribution within one month after the Registration Date and shall deposit the respective remaining contribution within two years of the Registration Date.

Save for the registered capital, parties to the Joint Venture Agreement are not obliged or required to make any additional funding contribution to the Joint Venture. The capital contribution of RMB140 million to be made by Top Victory shall be funded by internal resources of the TPV Group.

LETTER FROM THE BOARD

The capital contribution to be made by each party was determined after arm's length negotiation with reference to the amount of registered capital of the Joint Venture and the shareholding held by the respective parties to the Joint Venture Agreement.

Term of the Joint Venture

The Joint Venture Agreement shall become effective as of 27 April 2012. Unless terminated earlier, the term of the Joint Venture shall be 50 years from the Registration Date. The term of the Joint Venture may be extended if mutually agreed by the parties to the Joint Venture Agreement no less than six months prior to the expiration of the term of the Joint Venture.

Conditions precedent

The registered capital contribution obligations are conditional upon:

- (a) confirmation by each of Top Victory and Panda LCD that its representations and warranties under the Joint Venture Agreement are true and correct;
- (b) obtaining of the required approvals from the independent shareholders of each of TPV (if required), CGCSZ and the Company in relation to the entering of the Joint Venture Agreement under the Listing Rules and the listing rules of the Shenzhen Stock Exchange;
- (c) obtaining of the required approvals from the board of the directors of each of Top Victory and Panda LCD to enter into the Joint Venture Agreement and all such agreements in relation to the Joint Venture Agreement;
- (d) obtaining by Panda LCD of the approval of commencement of the construction of the buildings in the Nanjing Factory from the relevant government authorities;
- (e) provision of other necessary certificates of approval/permit regarding the Nanjing Factory at the request of Top Victory (including the documents mentioned in item (d) above); and
- (f) obtaining of the required approvals or consents of such third parties (including Koninklijke Philips Electronics N.V. ("Philips")) as may be required under the existing agreements between Top Victory and the relevant parties.

Other than the conditions precedent set out in items (b), (c) and (d) above which cannot be waived by either Top Victory or Panda LCD, each of Top Victory and Panda LCD may waive any of the conditions precedent set out above at their respective sole discretion provided that condition precedent (e) above may only be waived by Top Victory.

If any of the above conditions precedent is neither fulfilled nor waived by both Top Victory and Panda LCD within one month after the Registration Date (as the case may be, or such other date as may be agreed to between Top Victory and Panda LCD) and as a result there is a material adverse effect, each of Top Victory and Panda LCD shall have the right to terminate the Joint Venture Agreement immediately.

LETTER FROM THE BOARD

Upon termination of the Joint Venture Agreement, each of Top Victory and Panda LCD shall be discharged from any further obligations or liabilities under the Joint Venture Agreement (including the obligation to make any contribution to the registered capital), without prejudice to any rights, obligations or liabilities which have accrued up to the date of termination.

Transfer restrictions

Unless otherwise agreed by Top Victory and Panda LCD, neither Top Victory nor Panda LCD shall be permitted to sell, assign, transfer or otherwise dispose of all or part of its equity interest in the Joint Venture for four years starting from the Registration Date. After the aforesaid lock-up period, if any of Top Victory or Panda LCD desires to sell all or any part of its equity interest in the Joint Venture, the selling party shall offer all such interest to the other party specifying the price and other terms and conditions of sale.

Supply Framework Agreement

It is agreed under the Joint Venture Agreement that the Supply Framework Agreement between the Joint Venture and Top Victory shall be made and entered into within one year from the date of the Joint Venture Agreement. The Supply Framework Agreement shall include a term that Top Victory shall have the right of first refusal to purchase the Products on such terms and conditions to be agreed between the parties in the Supply Framework Agreement. The Supply Framework Agreement will be subject to the approval of the board of directors of TPV and the independent shareholders of each of the Company, CGCSZ and TPV as required under the Listing Rules and the listing rules of the Shenzhen Stock Exchange.

Put Option

Top Victory may at its sole discretion exercise an option to require Panda LCD to acquire Top Victory's equity stake in the Joint Venture at a price equivalent to the original registered capital contributed by Top Victory (i.e. RMB140 million) plus an interest which is equivalent to 4% per annum within three years from the earlier of: (i) the fourth anniversary of the Registration Date; and (ii) the date on which the Joint Venture issues its first invoice in relation to the Products (the "**Put Option Exercise Date**").

Top Victory will also have the right to exercise at its sole discretion the Put Option at any time prior to the Put Option Exercise Date if (i) the Joint Venture Agreement is terminated pursuant to the Joint Venture Agreement; (ii) the Supply Framework Agreement between the Joint Venture and the Company is not entered or signed into within one year from the date of the Joint Venture Agreement; or (iii) the Joint Venture fails to obtain such Intellectual Properties, technology rights and know hows in relation to the manufacturing of the Products within 18 months from the date of the Joint Venture Agreement.

REASONS FOR AND BENEFITS OF THE ESTABLISHMENT OF THE JOINT VENTURE

TPV is a leading display solutions provider. The TPV Group designs and produces a full range of PC monitors and LCD televisions on an ODM basis for its long list of customers which comprise many of the top-tier PC and televisions brands. TPV's products add value to its customers through cost leadership, timely delivery and superior quality. The TPV Group also distributes its products globally under its own

LETTER FROM THE BOARD

brands AOC and Envision. Today, TPV is the world's largest PC monitor manufacturer and third largest LCD TV maker in terms of unit shipments. The shares of TPV have been primarily listed on the Main Board of the Stock Exchange and secondarily listed on the Singapore Exchange since October 1999.

The Joint Venture will be the first G10 LCD factory in China with competitive economic cutting for 60"/70" LCD panel. The factory is also expected to adopt the most advanced technologies on matured G10 production. By investing in the Joint Venture, TPV will secure stable 60"/70" panel supply to develop high value-added products such as very large screen TV and public signage. TPV will also enjoy a saving on import tariff from such local procurement which will enhance its product competitiveness in the growing China market.

The Directors consider that the terms of the Joint Venture Agreement are on normal commercial terms and fair and reasonable and the formation of the Joint Venture is in the interests of the Company and the Shareholders as a whole. None of the Directors has any material interest in the transactions contemplated under the Joint Venture Agreement and none of them was required to abstain from voting on the board resolution in respect of the approving of the establishment of the Joint Venture.

INFORMATION ON THE COMPANY

The Company is principally engaged in the development, manufacture, sale and research of PC and information terminal products, storage products, power supply products, monitoring terminals, LCD TV products and EMS business.

LISTING RULES IMPLICATIONS

Panda LCD is a connected person of the Company under the Listing Rules by virtue of being a subsidiary of CEC, the controlling shareholder of the Company. The establishment of the Joint Venture therefore constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. As the consideration percentage ratio is more than 5% and the consideration exceeds HK\$10,000,000, the establishment of the Joint Venture is subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

EGM

A notice convening the EGM to be held at 16th Floor, Great Wall Technology Building, No. 2 Keyuan Road, Technology and Industry Park, Nanshan District, Shenzhen, the People's Republic of China is set out on pages 27 to 28 of this circular.

Pursuant to Rule 13.94(4) of the Listing Rules, the votes of Independent Shareholders taken at the EGM for the approval of the establishment of the Joint Venture must be taken by poll and the results of which will be announced following the conclusion of the EGM.

LETTER FROM THE BOARD

Great Wall Group and its associates will abstain from voting on the resolution to approve the establishment of the Joint Venture and the respective transactions contemplated thereunder at the EGM. Great Wall Group has no associates which are Shareholders.

RECOMMENDATION

The Board (including the independent non-executive Directors) considers that the establishment of the Joint Venture and the transactions contemplated thereunder are in the interests of the Company and the Shareholders as a whole and the terms of which are normal commercial terms, fair and reasonable so far as the Independent Shareholders are concerned. The Board therefore recommends the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the establishment of the Joint Venture.

ADDITIONAL INFORMATION

Your attention is drawn to the advice of the Independent Board Committee set out on pages 10 to 11 of this circular and the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders set out on pages 12 to 21 of this circular.

Your attention is also drawn to the general information of the Group contained in Appendix I to this circular.

Yours faithfully,

By Order of the Board
Great Wall Technology Company Limited
Liu Liehong
Chairman

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)

Independent non-executive Directors

Yao Xiaocong
James Kong Tin Wong
Zhen Zhijie

Registered address and head office:

No.2 Keyuan Road
Technology and Industry Park
Nanshan District
Shenzhen, PRC

To the Independent Shareholders

17 May 2012

Dear Sirs and Madams,

CONNECTED TRANSACTION

JOINT VENTURE WITH CEC PANDA LCD TECHNOLOGY CO., LTD

We refer to this circular dated 17 May 2012 issued by the Company to its shareholders, of which this letter forms part. Unless the context otherwise requires, terms defined in this circular shall have the same meanings when used in this letter.

We have been appointed as the Independent Board Committee to advise the Independent Shareholders as to whether, in our opinion, the entering into the Joint Venture Agreement and the transactions contemplated thereunder are in the interests of the Company and the Shareholders as a whole and the terms of which are normal commercial terms, fair and reasonable so far as the Independent Shareholders are concerned. None of the members of the Independent Board Committee have any direct or indirect interest in the establishment of the Joint Venture. In addition, Get Nice Capital Limited has been appointed as independent financial adviser to advise the Independent Board Committee in respect of the establishment of the Joint Venture.

We wish to draw your attention to (i) the letter of advice from the Independent Financial Adviser as set out on pages 12 to 21 of this circular; and (ii) the letter from the Board as set out on pages 4 to 9 of this circular, which contains information relating to, and the reasons for and benefits of the establishment of the Joint Venture.

LETTER FROM INDEPENDENT BOARD COMMITTEE

We have considered the factors and reasons taken into account by, and the opinions and recommendations of, the Independent Financial Adviser as set out on pages 12 to 21 of this circular. We consider that the entering into the Joint Venture Agreement and the transactions contemplated thereunder are in the interests of the Company and the Shareholders as a whole and the terms of which are normal commercial terms, fair and reasonable as far as the Independent Shareholders are concerned. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution approving the establishment of the Joint Venture to be proposed at the EGM.

Yours faithfully,
Independent Board Committee
Great Wall Technology Company Limited
Mr. Yao Xiacong
Mr. James Kong Tin Wong
Mr. Zeng Zhijie

LETTER FROM INDEPENDENT FINANCIAL ADVISER

The following is the full text of a letter from Get Nice Capital Limited for the purpose of incorporation in this circular, in connection with its advice to the Independent Board Committee and the Independent Shareholders in relation to the establishment of the Joint Venture:



10/F, Cosco Tower
Grand Millennium Plaza
183 Queen's Road Central
Hong Kong

17 May 2012

To the Independent Board Committee and the Independent Shareholders of
Great Wall Technology Company Limited

Dear Sirs,

CONNECTED TRANSACTION

JOINT VENTURE WITH CEC PANDA LCD TECHNOLOGY CO., LIMITED

We refer to our engagement as the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the establishment of the Joint Venture, details of which are set out in the "Letter from the Board" (the "**Board Letter**") contained in the circular of the Company dated 17 May 2012 (the "**Circular**"), of which this letter forms part. Terms defined in the Circular shall have the same meanings in this letter unless the context of this letter otherwise requires.

As disclosed in the announcement of the Company dated 27 April 2012, Top Victory, a subsidiary of the Company wholly-owned by TPV, has entered into the Joint Venture Agreement with Panda LCD in relation to the establishment of the Joint Venture to build a G10 TFT-LCD factory in Nanjing, the PRC and to manufacture and to sell the Products. Panda LCD is a subsidiary of CEC, the controlling shareholder of the Company and therefore is a connected person of the Company under the Listing Rules. The establishment of the Joint Venture constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. As each of the applicable percentage ratios is more than 5% but less than 25% and the consideration is more than HK\$10,000,000, the establishment of the Joint Venture also constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement and the Independent Shareholders' approval requirements under the Listing Rules. Pursuant to the Listing Rules, Great Wall Group and its respective associates (as defined in the Listing Rules) will abstain from voting on the resolutions to approve the establishment of Joint Venture at the EGM.

The Independent Board Committee has been established to advise the Independent Shareholders in respect of the establishment of the Joint Venture.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

In formulating our recommendation, we have relied on the statements, information, opinions and representations contained in the Circular and the information, facts and representations provided to us by the Directors and management of the Company. We have assumed that all information, representations and opinions contained or referred to in the Circular and all information, representations and opinions which have been provided by the Directors or management of the Company for which they are solely responsible, are true and accurate at the time they were made and will continue to be accurate at the date of the despatch of the Circular. We are also not aware that any statements of belief, opinion and intention made by the Directors in the Circular were not reasonably made after due and careful enquiry and not based on honestly-held opinions. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the Directors and we have been advised by the Directors that no material facts have been omitted from the information and representations provided in and referred to in the Circular.

We consider that we have been provided with sufficient information to enable us to reach an informed view and to justify our reliance on the accuracy of the information and representations contained in the Circular and to provide a reasonable basis for our opinion. We have not, however, carried out any independent verification of the information provided by the Directors and management of the Company, nor have we conducted an independent investigation into the business and affairs of the Company or any of its respective subsidiaries or associates.

PRINCIPAL FACTORS AND REASONS TAKEN INTO ACCOUNT

In arriving at our advice to the Independent Board Committee and the Independent Shareholders in respect of the establishment of the Joint Venture, we have taken the following principal factors and reasons into consideration:

1. Background of the establishment of the Joint Venture

The Company is principally engaged in the development, manufacture, sale and research of PC and information terminal products, storage products, power supply products, monitoring terminals, LCD TV products and EMS business.

Top Victory is a subsidiary of the Company wholly-owned by TPV. TPV is a leading display solutions provider. The TPV Group designs and produces a full range of PC monitors and LCD televisions on an ODM basis for its long list of customers which comprise many of the top-tier PC and televisions brands. The TPV Group also distributes its products globally under its own brands AOC and Envision. Today, TPV is the world's largest PC monitor manufacturer and third largest LCD TV maker in terms of unit shipments. The shares of TPV have been primarily listed on the Main Board of the Stock Exchange and secondarily listed on the Singapore Exchange since October 1999.

Panda LCD is a company established in the PRC with limited liability and a non-wholly owned subsidiary of CEC. It is principally engaged in the manufacture of LCD panels and displays.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

On 27 April 2012, the Joint Venture Agreement was entered into between Top Victory and Panda LCD in relation to the establishment of the Joint Venture, which will be owned as to 0.8% by Top Victory and 99.2% by Panda LCD. The principal activities of the Joint Venture will be including, among other things, (a) to manufacture and sell the Products; (b) to conduct the business-related research and development works in relation to the Products; and (c) to provide services in relation to the Products, including after-sales service to the customers of the Joint Venture.

The purpose of establishing the Joint Venture is to build a G10 TFT-LCD factory in Nanjing, the PRC and to manufacture and to sell the Products. The Joint Venture will be the first G10 LCD factory in China with competitive economic cutting for 60"/70" LCD panel. The factory is also expected to adopt the most advanced technologies on matured G10 production.

Since TPV is the major subsidiary of the Company which is engaged in the Group's operating segment of TVs and the financial statements of the TPV Group is consolidated into the financial statements of the Group, we are advised by the management of the Company that the information disclosed in the 2010 and 2011 annual reports of TPV reflects the Group's financial results and view of the Group's management on its TV segment. Accordingly, we believe the information disclosed in the relevant annual reports of TPV will serve our purpose of analysing the Group's TV segment.

Set out below is the summary of the TPV Group's financial results and segment revenues by geography for the three years ended 31 December 2011 as extracted from the 2010 annual report and 2011 annual report of TPV:

	For the year ended 31 December					
	2009		2010		2011	
	<i>US\$'000</i>	%	<i>US\$'000</i>	%	<i>US\$'000</i>	%
REVENUE						
Monitors	5,098,464	63.5	6,300,234	54.2	6,079,480	55.1
TVs	2,683,383	33.4	4,042,620	34.8	3,721,925	33.7
Others	250,125	3.1	1,288,722	11.0	1,238,719	11.2
	<u>8,031,972</u>	<u>100.0</u>	<u>11,631,576</u>	<u>100.0</u>	<u>11,040,124</u>	<u>100.0</u>
SEGMENT REVENUE BY GEOGRAPHY						
PRC	2,380,379	29.6	3,589,024	30.9	3,236,756	29.3
Europe	2,298,266	28.6	3,651,774	31.4	2,887,527	26.2
North America	1,943,292	24.2	2,184,219	18.8	1,954,860	17.7
South America	476,324	5.9	701,900	6.0	1,146,889	10.4
Rest of the world	933,711	11.7	1,504,659	12.9	1,814,092	16.4
	<u>8,031,972</u>	<u>100.0</u>	<u>11,631,576</u>	<u>100.0</u>	<u>11,040,124</u>	<u>100.0</u>

LETTER FROM INDEPENDENT FINANCIAL ADVISER

For the three years ended 31 December 2011, TPV Group's revenues from its TV segment have increased rapidly from approximately US\$2,683,383 million for the year ended 31 December 2009 to US\$3,721,925 million for the year ended 31 December 2011, representing an increase of approximately 38.7% or compound annual growth rate of approximately 17.77%.

Moreover, the PRC has been the TPV Group's largest market in terms of geographical contribution for the period from 31 December 2009 to 31 December 2011. In 2011, the TPV Group acquired licensing rights to distribute Philips TVs in the PRC for a period of five years. It expanded the product range as well as tripled the number of sales outlets to over 2,000 nationwide, extending its coverage to the third and fourth-tier cities. The Group expects the distribution of Philips TVs to be powerful growth drivers in the future.

As set out in the 2011 annual report of TPV, TV panel prices fell sharply during the year 2011 as a result of insipid demand in the market. The TPV Group's LCD TV shipments also declined by 8.5% due to a fall in the market shares of its clients. Nevertheless, the gross profit margin of the TPV Group's clients improved a little, partly because migration to larger-size screen products offsets the impact of lower TV panel prices.

According to the 2011 annual report of TPV, the global LCD TV shipments are forecasted to grow by 8% to 220 million units in 2012. In particular, consumer demand for larger screen products is expected, especially in the world's two largest LCD TV markets, PRC and North America, as consumers increasingly favour new sizes and have greater affordability. Furthermore, more TV brands will introduce new sizes TVs with innovative features, such as interactive TV and 3D viewing, which will encourage consumers to upgrade for better viewing experience.

We are of the view that the investment in the Joint Venture will allow the Group to secure a stable supply of large sizes LCD panel, which can cope up with the anticipated upward trend of the consumer demand for larger screen products, and to maintain the competitive advantage of the Group in the large screen LCD TV products market. Accordingly, we consider that the establishment of the Joint Venture is in line with the anticipated market demand and the business strategy of the Group.

2. Reasons for and benefits of the establishment of the Joint Venture

By investing in the Joint Venture, the Group will secure stable 60"/70" panel supply to develop high value-added products such as very large screen TV and public signage. The Group will also enjoy a saving on import tariff from such local procurement which will enhance its product competitiveness in the growing China market.

As advised by the Directors, the market for the LCD TV products faces keen competition and therefore it is the strategy of the Group to sell the products to its customer with added value through cost leadership, timely delivery and superior quality. We believe that by virtue of the Supply Framework Agreement (details can be referred to in the section headed "Principal terms of the Joint Venture Agreement" below) to be entered into between the parties to the Joint Venture, the Group will be able to secure a steady supply of 60"/70" panel from the Joint Venture which will enhance the Group's capability to meet tight production schedule for large screen LCD TV and to ensure timely delivery of the products to its customers. On the other hand, the saving on import tariff from local procurement of the 60"/70"

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panel from the Joint Venture will reduce the production costs of the Group which in turn will improve the price competitiveness of its products. In addition, the pursue of the most advanced technologies on matured G10 production shall secure the Group remaining competitive in the rapid and ever changing environment driven by technological development so as to maintain its leadership position in the large screen LCD TV market.

Based on the above, we consider that the establishment of the Joint Venture will enhance the competitive edge of the Group and therefore is in the interests of the Company and the Shareholders as a whole.

3. Principal terms of the Joint Venture Agreement

The following principal terms of the Joint Venture Agreement were arrived at an arm's length negotiation basis with Panda LCD.

(A) Shareholding of and capital contribution to the Joint Venture

The Joint Venture will be a company to be established in the PRC and will be owned as to 0.8% by Top Victory and 99.2% by Panda LCD. The board of the directors of the Joint Venture will consist of five members, who shall be appointed by Panda LCD.

The total investment of the Joint Venture will be RMB35,000 million and the registered capital of the Joint Venture will be RMB17,500 million, of which Top Victory will contribute 0.8% (i.e. RMB140 million) and Panda LCD will contribute 99.2% (RMB17,360 million). The registered capital of the Joint Venture will be made in cash by both Top Victory and Panda LCD. Each of Top Victory and Panda LCD shall deposit at least 20% of the respective contribution within one month after the Registration Date and shall deposit the respective remaining contribution within two years of the Registration Date.

Save for the registered capital, parties to the Joint Venture Agreement are not obliged or required to make any additional funding contribution to the Joint Venture. The capital contribution of RMB140 million to be made by Top Victory shall be funded by internal resources of the TPV Group.

The capital contribution to be made by each party was determined after arm's length negotiation with reference to the amount of registered capital of the Joint Venture and the shareholding held by the respective parties to the Joint Venture Agreement.

(B) Term of the Joint Venture

The Joint Venture Agreement shall become effective as of 27 April 2012. Unless terminated earlier, the term of the Joint Venture shall be 50 years from the Registration Date. The term of the Joint Venture may be extended if mutually agreed by the parties to the Joint Venture Agreement no less than six months prior to the expiration of the term of the Joint Venture.

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(C) *Conditions precedent*

The registered capital contribution obligations are conditional upon:

- (a) confirmation by each of Top Victory and Panda LCD that its representations and warranties under the Joint Venture Agreement are true and correct;
- (b) obtaining of the required approvals from the independent shareholders of each of TPV (if required), China Great Wall Computer (Shenzhen) Company Limited and the Company in relation to the entering of the Joint Venture Agreement under the Listing Rules and the listing rules of the Shenzhen Stock Exchange;
- (c) obtaining of the required approvals from the board of the directors of each of Top Victory and Panda LCD to enter into the Joint Venture Agreement and all such agreements in relation to the Joint Venture Agreement;
- (d) obtaining by Panda LCD of the approval of commencement of the construction of the buildings in the Nanjing Factory from the relevant government authorities;
- (e) provision of other necessary certificates of approval/permit regarding the Nanjing Factory at the request of Top Victory (including the documents mentioned in item (d) above); and
- (f) obtaining of the required approvals or consents of such third parties (including Philips) as may be required under the existing agreements between Top Victory and the relevant parties.

Other than the conditions precedent set out in items (b), (c) and (d) above which cannot be waived by either Top Victory or Panda LCD, each of Top Victory and Panda LCD may waive any of the conditions precedent set out above at their respective sole discretion provided that condition precedent (e) above may only be waived by Top Victory.

If any of the above conditions precedent is neither fulfilled nor waived by both Top Victory and Panda LCD within one month after the Registration Date (as the case may be, or such other date as may be agreed to between Top Victory and Panda LCD) and as a result there is a material adverse effect, each of Top Victory and Panda LCD shall have the right to terminate the Joint Venture Agreement immediately.

Upon termination of the Joint Venture Agreement, each of Top Victory and Panda LCD shall be discharged from any further obligations or liabilities under the Joint Venture Agreement (including the obligation to make any contribution to the registered capital), without prejudice to any rights, obligations or liabilities which have accrued up to the date of termination.

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(D) Transfer restrictions

Unless otherwise agreed by Top Victory and Panda LCD, neither of Top Victory nor Panda LCD shall be permitted to sell, assign, transfer or otherwise dispose of all or part of its equity interest in the Joint Venture for four years starting from the Registration Date. After the aforesaid lock-up period, if any of Top Victory or Panda LCD desires to sell all or any part of its equity interest in the Joint Venture, the selling party shall offer all such interest to the other party specifying the price and other terms and conditions of sale.

(E) Supply Framework Agreement

It is agreed under the Joint Venture Agreement that the Supply Framework Agreement between the Joint Venture and Top Victory shall be made and entered into within one year from the date of the Joint Venture Agreement. The Supply Framework Agreement shall include a term that Top Victory shall have the right of first refusal to purchase the Products on such terms and conditions to be agreed between the parties in the Supply Framework Agreement.

The Supply Framework Agreement is the means by which the Group will be able to secure a steady supply of 60"/70" panel from the Joint Venture while enjoying a saving on import tariff from such local procurement. Accordingly, we consider the entering into the Supply Framework Agreement (together with the terms therein) by Top Victory and the Joint Venture is of prime importance. However, the Supply Framework Agreement is not executed as at the Latest Practicable Date and we have no knowledge on whether it could be executed or on the terms of the Supply Framework Agreement to be agreed. Even the Supply Framework Agreement could be entered, it is still uncertain whether the terms and conditions of the actual purchase of the Products could be agreed between Top Victory and the Joint Venture resulting that Top Victory refuses to make the relevant purchase.

We have discussed the above situation with the management of the Company. We are advised that the Directors are confident to have the Supply Framework Agreement between the Joint Venture and Top Victory be entered into within one year from the date of the Joint Venture Agreement as they believe that it will bring mutual benefit to both parties to the Supply Framework Agreement. Top Victory will secure the supply of 60"/70" panel while the Joint Venture will secure a steady income stream inflow. In the event that the Supply Framework Agreement could not be entered into within the prescribed time limit as set out in the Joint Venture Agreement, the Group's interests can still be protected by the Put Option as discussed in the next sub-section below.

By the virtue of the right of first refusal under the Supply Framework Agreement, the Group will have the preemptive right to purchase the Products. We consider it important that the Group could secure panel supply, without any interruption, to develop high-end large screen TV and public signage. Moreover, we consider such right could provide commercial flexibility to the Group as it can enter into similar arrangement with any independent third party, in the event Top Victory might not be able to agree with the Joint Venture on terms or pricing consideration. Accordingly, we are of the view that the Supply Framework Agreement is in the interests of the Company and the Shareholders as a whole.

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(F) Put Option

Top Victory may at its sole discretion exercise an option to require Panda LCD to acquire Top Victory's equity stake in the Joint Venture at a price equivalent to the original registered capital contributed by Top Victory (i.e. RMB140 million) plus an interest which is equivalent to 4% per annum within three years from the earlier of: (i) the fourth anniversary of the Registration Date; and (ii) the date on which the Joint Venture issues its first invoice in relation to the Products (the "**Put Option Exercise Date**").

Top Victory will also have the right to exercise at its sole discretion the Put Option at any time prior to the Put Option Exercise Date if (i) the Joint Venture Agreement is terminated pursuant to the Joint Venture Agreement; (ii) the Supply Framework Agreement between the Joint Venture and the Company is not entered or signed into within one year from the date of the Joint Venture Agreement; or (iii) the Joint Venture fails to obtain such Intellectual Properties, technology rights and know hows in relation to the manufacturing of the Products within 18 months from the date of the Joint Venture Agreement.

The Put Option Exercise Date implies that the Group cannot exercise the Put Option and redeem its investment of RMB140 million in the Joint Venture for several years and may not be able to exercise shortly after the date of the Joint Venture Agreement. We have discussed with the management of the Company on this issue and are advised that the Put Option Exercise Date has been determined after careful and thorough consideration in view of the fact that the establishment of G10 TFT-LCD factory requires a long period of time for, among others, the construction of the buildings in the Nanjing Factory, the research and development works in relation to the manufacturing of the Products, and the test run and the final large scale production of the Products. Accordingly, the Group regards the investment in the Joint Venture as a long term investment. In addition, the Group will need sufficient time to strengthen the existing LCD TV business and then broaden the product range to cover the market for larger screen products, which is in line with the Group's long term strategy of marketing and branding. On such basis, we consider that the Put Option Exercise Date is justifiable and is in the interests of the Company and the Shareholders as a whole.

As advised by the Directors, the G10 LCD technology is now in the preliminary stage of development and therefore there are inherent risks associated with investment in such new technology by the Group. In order to fully develop the G10 LCD technology, substantial amount of resources and funds are expected to contribute in order to develop technological know how and acquire relevant licenses. The Group's investment of RMB 140 million, which is on a pro-rata basis between the partners to the Joint Venture, is a relatively small amount when compared to the total investment of RMB 17,500 million. Nevertheless, it represents the Group's commitment to such a huge project but does not have a drag or pressure on the financial resources of the Group. In view of the fact that the Group only contributes 0.8% of the registered share capital of the Joint Venture (i.e. RMB 140 million) in return for the secure supply of 60"/70" panel from the Joint Venture, we believe that the investment in the Joint Venture is a commercially prudent approach to mitigate the inherent risks.

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In addition, the Put Option protects the Group's investment in the Joint Venture to full extent in case the Joint Venture fails to obtain such Intellectual Properties, technology rights and know hows in relation to the manufacturing of the Products within 18 months from the date of the Joint Venture Agreement. Given that the Put Option can safeguard the Group's investment in the Joint Venture, we consider that the Put Option is in the best interests of the Company and the Shareholders as a whole.

In light of the above, we share the same view of the Directors (including the independent non-executive Directors) that the terms of the Joint Venture Agreement are on normal commercial terms and fair and reasonable so far as the Independent Shareholders are concerned and therefore the entering into of the Joint Venture Agreement is in the interests of the Company and the Shareholders as a whole.

4. Financial effects of the Joint Venture Agreement

The Group's total capital contribution to the Joint Venture will be RMB140 million. The Group intends to fund the Joint Venture by the internal resources of the TPV Group. Pursuant to the Joint Venture Agreement, the Group will satisfy the capital contribution of at least RMB 28 million (20% of the capital contribution) within one month after the Registration Date, and the remaining RMB 112 million (80% of the capital contribution) within two years of the Registration Date. As set out in the 2011 annual report of the TPV Group, the balance of cash and cash equivalents of the TPV Group and the total net assets of the TPV Group as at 31 December 2011 amounted to approximately US\$303 million (equivalent to approximately RMB 1.91 billion*) and approximately US\$1,827 million (equivalent to approximately RMB 11.51 billion*) respectively. The total capital contribution of RMB140 million will account for (i) approximately 7.33% of the cash and cash equivalents of the TPV Group as at 31 December 2011; and (ii) approximately 1.22% of the total net assets of the TPV Group as at 31 December 2011. Accordingly, we believe that the Group should have sufficient financial resources to satisfy its capital contribution under the Joint Venture Agreement and expect that such capital contribution will not have any material adverse effect on the Group's financial position.

* Amounts denominated in US\$ have been translated into RMB at a rate of US\$1.00 = RMB6.30 for illustration purposes.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

RECOMMENDATION

Based on the information and representations provided and opinions given by the Board and having taken into account the above principal factors and reasons, we are of the view that the establishment of the Joint Venture is in the ordinary and usual course of business of the Group and the terms of the Joint Venture Agreement are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, we advise the Independent Board Committee to recommend the Independent Shareholders to vote in favour of the resolution in connection with the establishment of the Joint Venture at the EGM.

Yours faithfully,
For and on behalf of
Get Nice Capital Limited

Louis Yiu
Director

Gary Hung
Director

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. INTERESTS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE OFFICERS

As at the Latest Practicable Date, the interests and short positions of the Directors, supervisors and chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were 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 the Directors, supervisors and chief executives of the Company were deemed or taken to have under such provisions of the SFO) or which were required to be and were recorded in the register required to be kept pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers adopted by the Company (the “**Model Code**”) were as follows:

Personal Interests

Name of Director/ Chief Executive	Number of shares held	Approximate percentage of total registered share capital of the relevant entity
Mr. Tam Man Chi	1,670,817 shares of Shenzhen Kaifa (L)	0.13%
Mr. Du Heping	60,000 shares of CGCSZ (L)	0.0045%
	6,270 shares of Shenzhen Kaifa (L)	0.0005%

Corporate Interests

Name of Director	Number of shares held	Approximate percentage of total registered share capital of the relevant entity
Mr. Tam Man Chi	106,649,381 shares of Shenzhen Kaifa (L) (<i>Note</i>)	8.10%

Note: Broadata (HK) Limited (“**Broadata**”) held approximately 8.10% of these shares. Flash Bright Investment Limited held 69.08% shares in Broadata. Mr. Tam Man Chi and his spouse held in aggregate 100% equity shares in Flash Bright Investment Limited.

The letter “L” denotes a long position.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors, supervisors and chief executives of the Company had or was deemed to have any interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which was 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/she was taken or deemed to have under such provisions of the SFO) or which was required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or which was required, pursuant to the Model Code contained in the Listing Rules, to be notified to the Company and the Stock Exchange.

As at the Latest Practicable Date, none of the Directors, supervisors or chief executives of the Company had any interest, direct or indirect, in any asset which have been, since 31 December 2011, being the date to which the latest published audited financial statements of the Group were made up, acquired or disposed of by or leased to any member of the Group or are proposed to be acquired or disposed of by or leased to any member of the Group.

As at the Latest Practicable Date, none of the Directors, supervisors or chief executive of the Company was materially interested in any contract or arrangement entered into by any member of the Group since 31 December 2011, being the date to which the latest published audited financial statements of the Company were made up, and which was significant in relation to the business of the Group.

3. DISCLOSURE OF INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as is known to the Directors, supervisors and chief executives of the Company, the following persons (not being a Director, supervisor or chief executive of the Company) had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, 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 member of the Group, were as follows:

Long position in the shares and underlying shares of the Company

Name of Shareholder	Class of shares	Number of shares held	Shareholding percentage of issued state- owned legal person shares	Shareholding percentage of issued Shares
Great Wall Group	State-owned legal person shares	743,870,000	100%	62.11%

Since 18 August 2006, Great Wall Group has been wholly owned by CEC which in turn, has become the ultimate controlling shareholder of the Company by holding 62.11% of the Company's total issued share capital.

	Position(s) in the Company	Position(s) in Great Wall Group
Mr. Lu Ming	director	president and director
Mr. Yang Jun	director	director and vice-president

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or senior management had any interest or position in the substantial shareholder of the Company.

Save as disclosed above, so far as is known to the Directors, supervisor and chief executive of the Company, as at the Latest Practicable Date, no other person (other than the Directors, supervisors and chief executives of the Company) had an interest or short position in the shares or 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, and/or, who was, directly or indirectly, to be 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 member of the Group.

4. DIRECTORS' INTERESTS IN COMPETING BUSINESS

Each of the Directors has confirmed that he and his respective associates do not have any interests in a business apart from the Group's business, which competes or is likely to compete, either directly or indirectly with the Group's business.

5. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2011, the date to which the latest audited financial statements of the Group were made up.

6. DIRECTORS' SERVICE CONTRACTS

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

7. EXPERT AND CONSENT

The following sets out the qualifications of the expert which has given an opinion or advice on the information contained in this circular:

Name	Qualification
Get Nice Capital Limited	a corporation licensed under the SFO for carrying out type 6 (advising on corporate finance) regulated activities under the SFO

- (a) As at the Latest Practicable Date, the Independent Financial Adviser had no interest, direct or indirect, in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.
- (b) As at the Latest Practicable Date, the Independent Financial Adviser had no interest, direct or indirect, in any assets which have been since 31 December 2011, the date to which the latest published audited financial statements of the Company were made up, acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.
- (c) The Independent Financial Adviser has given and has not withdrawn its written consent to the issue of this circular with its letter included in the form and context in which it is included.
- (d) The letter and recommendation provided by the Independent Financial Adviser are given as of the date of this circular for incorporation therein.

8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at 2201, H.K. Worsted Mills Industrial Building, 31-39 Wo Tong Tsui Street, Kwai Chung, New Territories, Hong Kong during normal business hours from the date of this circular up and including the date which is 14 days from the date of this circular:

- (a) the articles of association of the Company;
- (b) the Joint Venture Agreement;
- (c) the annual report of the Company for the year ended 31 December 2011;
- (d) the letter of recommendation from the Independent Board Committee, the text of which is set out in this circular;
- (e) the letter from the Independent Financial Adviser, the text of which is set out in this circular; and

- (f) this circular.

9. GENERAL

- (a) The company secretary of the Company is Mr. Siu Yuchun, a fellow of the Hong Kong Institute of Certified Public Accountants and the Association of Certified Chartered Accountants in the United Kingdom. Mr. Siu also holds a Bachelor degree in economics from Acadia University, Canada and a Master degree in business administration from Dalhousie University, Canada.
- (b) The Company's H shares registrar and transfer office is Computershare Hong Kong Investor Services Limited, Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (c) The registered address of the Company is No. 2, Keyuan Road, Technology & Industry Park, Nanshan District, Shenzhen, PRC.
- (d) The English text of this circular shall prevail over the Chinese text in case of any inconsistency.

NOTICE OF EXTRAORDINARY GENERAL MEETING

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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting (“EGM”) of the Company will be held at 16th Floor, Great Wall Technology Building, No. 2 Keyuan Road, Technology and Industry Park, Nanshan District, Shenzhen, PRC on 31 July 2012 at 9:30 a.m. to consider and if thought fit, pass with or without amendments, the following resolution:

ORDINARY RESOLUTION

“**THAT** the Joint Venture Agreement (as more particularly described in the circular dated 17 May 2012 (the “**Circular**”)), a copy of which has been produced to the meeting marked “A” and signed by the chairman of the meeting for identification purpose, and the transactions contemplated thereunder be and are hereby approved and the directors of the Company be and are hereby authorized to take any step as they consider necessary, desirable or expedient in connection therewith.”

By order of the Board

Great Wall Technology Company Limited

Liu Lihong

Chairman

Shenzhen, PRC, 17 May 2012

Notes:

1. The register of members of the Company will be closed from 29 June 2012 to 31 July 2012, both days inclusive, during which period no transfer of shares will be effected. In order to qualify to attend and vote at the EGM, holders of H shares shall lodge all share transfers accompanied by the relevant share certificates with the H share registrar of the Company, Computershare Hong Kong Investor Services Limited at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 4:30 p.m. on 28 June 2012.
2. Holders of H shares and domestic shares whose names appear on the register of members of the Company at the close of business on 28 June are entitled to attend the EGM. Any shareholder entitled to attend and vote at the EGM may appoint one or more proxies to attend and vote in his stead. A proxy need not be a shareholder of the Company.
3. In order to be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power of attorney or other authority, must be deposited to the H share registrar of the Company Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong (for holders of H shares) or the legal address of the Company (for holders of domestic shares) not less than 24 hours before the time appointed for holding the EGM or any adjournment thereof.

NOTICE OF EXTRAORDINARY GENERAL MEETING

4. Shareholders who intend to attend the EGM should complete and return the reply slip by hand, by post or by facsimile to the legal address of the Company on or before 11 July 2012.
5. Voting at the EGM will be conducted by way of poll.
6. The legal address and head office of the Company is as follows:
No. 2 Keyuan Road,
Technology and Industry Park,
Nanshan District,
Shenzhen, 518057
PRC
Tel: 86 755 2672 8686
Fax: 86 755 2650 4493
7. The EGM is expected to take half of a day. Shareholders or their proxies attending the EGM shall be responsible for their own travel and accommodation expenses. Shareholders or their proxies shall produce their identification documents for verification when attending the EGM.
8. As at the date of this notice, the board of directors of the Company comprises:

Executive Directors:

Mr. Liu Liehong (*Chairman*)
Mr. Lu Ming
Mr. Tam Man Chi
Mr. Yang Jun
Mr. Su Duan
Mr. Du Heping

Independent Non-executive Directors:

Mr. Yao Xiaocong
Mr. James Kong Tin Wong
Mr. Zeng Zhijie