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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)

**INSIDE INFORMATION
AND
REPORTS ON UNAUDITED FINANCIAL RESULTS OF THE GROUP
UNDER THE TAKEOVERS CODE**

This announcement is made by Great Wall Technology Company Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

This announcement is also made by the Company pursuant to Rule 10 of the Code on Takeovers and Mergers published by the Securities and Futures Commission of Hong Kong (the “**Takeovers Code**”).

Reference is made to the announcement jointly issued by China Electronics Corporation (“**CEC**”), China Great Wall Computer Group Company (“**CGW**”) and the Company on 16 December 2013 and the composite offer and response document jointly issued by CEC, CGW and the Company on 11 April 2014 (“**Composite Document**”), in relation to, amongst other things, (1) the voluntary conditional offer by ABCI Capital Limited on behalf of CEC and CGW for all the issued H shares in the Company (other than those already held by CEC and CGW and parties acting in concert with any of them); (2) the proposed privatisation and voluntary withdrawal of listing of the H shares of the Company; and (3) the proposed merger by absorption of CGW and the Company by CEC. Capitalised terms used in this announcement shall have the same meanings as those defined in the Composite Document, unless the context herein otherwise requires.

Reference is also made to the announcements published by the Company on 16 April 2014, 29 April 2014 and 13 May 2014 regarding the implications under Rule 10 of the Takeovers Code in respect of the preliminary unaudited results for the three months ended 31 March 2014 (the “**Reporting Period**”) released by the listed subsidiaries of the Company, namely China Great Wall Computer (Shenzhen) Co., Ltd. 中國長城計算機深圳股份有限公司 (“**CGC**”) and Shenzhen Kaifa Technology Co., Ltd. 深圳長城開發科技股份有限公司 (“**Great Wall Kaifa**”), whose A shares are listed on the Shenzhen Stock Exchange, and TPV Technology Limited (“**TPV**”) whose shares are primarily listed on the main board of The Stock Exchange of Hong Kong Limited and secondarily listed on the Singapore Exchange Limited.

REPORTS ON UNAUDITED FINANCIAL RESULTS OF THE GROUP UNDER THE TAKEOVERS CODE

The release of the preliminary unaudited results of CGC, Great Wall Kaifa and TPV for the Reporting Period together constitute a profit forecast of the Company under Rule 10 of the Takeovers Code. As such, the Company is required to comply with the requirements under Rule 10 of the Takeovers Code with respect to such financial information which has to be reported on by the Company’s auditor and financial adviser.

Set out below is the estimate of the consolidated net loss of the Company and its subsidiaries (collectively the “**Group**”) for the Reporting Period attributable to the owners of the Company (the “**Loss Estimate**”) and the texts of the comfort letters from SHINEWING (HK) CPA Limited, the auditor of the Company, and Somerley Capital Limited, the independent financial adviser to the Company who is reporting on the Loss Estimate, on the Loss Estimate.

LOSS ESTIMATE

The Loss Estimate of approximately RMB99,064,420 has been prepared based on the unaudited consolidated management accounts prepared by management of the Company for the Reporting Period.

The Loss Estimate for the Reporting Period has been prepared on a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in the audited consolidated financial statements for the year ended 31 December 2013.

In preparation of the Loss Estimate, the directors of the Company have made the assumption that there will be no events subsequent to 31 March 2014 which require adjustments to the Loss Estimate.

COMFORT LETTER FROM SHINEWING (HK) CPA LIMITED

16 May 2014

The Board of Directors
Great Wall Technology Company Limited
No. 2 Keyuan Road,
Technology and Industry Park,
Nanshan District,
Shenzhen, the People's Republic of China

Dear Sirs,

We have examined the accounting policies adopted and calculations in arriving the consolidated net loss of Great Wall Technology Company Limited (the "Company") and its subsidiaries (collectively the "Group") for the three-month period ended 31 March 2014 attributable to the owners of the Company (the "Loss Estimate"), for which the directors of the Company are solely responsible. The Loss Estimate has been prepared based on the unaudited consolidated management accounts prepared by management of the Company for the three-month period ended 31 March 2014.

We conducted our work in accordance with Auditing Guideline 3.341 "Accountants' Report on Profit Forecasts" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). Our work is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing issued by the HKICPA and accordingly we do not express an audit opinion.

In our opinion, so far as the accounting policies and calculations are concerned, the Loss Estimate has been properly compiled in accordance with the assumption made by the directors as set out in the announcement of the Company dated 16 May 2014 and is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in its audited consolidated financial statements for the year ended 31 December 2013.

Yours faithfully,
SHINEWING (HK) CPA Limited
Certified Public Accountant
Wong Chuen Fai
Practising Certificate Number: P05589

COMFORT LETTER FROM SOMERLEY CAPITAL LIMITED



SOMERLEY CAPITAL LIMITED

20th Floor
China Building
29 Queen's Road Central
Hong Kong

16 May 2014

The Board of Directors
Great Wall Technology Company Limited
No. 2 Keyuan Road
Technology & Industry Park
Nanshan District
Shenzhen, China

Dear Sirs,

GREAT WALL TECHNOLOGY COMPANY LIMITED

We refer to the estimate of the consolidated net loss attributable to equity holders of Great Wall Technology Company Limited (the “**Company**”, together its subsidiaries, the “**Group**”) for the three months ended 31 March 2014 (the “**Loss Estimate**”) as published in section headed “Loss Estimate” in the announcement of the Company dated 16 May 2014 (the “**Announcement**”). We note that the Loss Estimate is regarded as a profit forecast under Rule 10 of the Code on Takeovers and Mergers.

We have discussed with the directors of the Company (the “**Directors**”) the bases and assumptions upon which the Loss Estimate was prepared. We have also considered the “Letter from SHINEWING (HK) CPA LIMITED” dated 16 May 2014 issued to you, the text of which is set out in section headed “COMFORT LETTER FROM SHINEWING (HK) CPA LIMITED” in the Announcement, which states that, the Loss Estimate has been prepared based on the unaudited consolidated management accounts prepared by management of the Company for the three-month period ended 31 March 2014 and, so far as the accounting policies and calculations are concerned, the Loss Estimate has been properly compiled in accordance with the assumption made by the directors as set out in the Announcement and is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in the audited consolidated financial statements for the year ended 31 December 2013. The preparation of the Loss Estimate is the sole responsibility of, and has been approved by, the Directors.

Based on the above, we are satisfied that the Loss Estimate has been prepared by the Directors after due care and consideration.

Yours faithfully,
For and on behalf of
SOMERLEY CAPITAL LIMITED
Danny Cheng
Director

OPINION AND RECOMMENDATION OF THE INDEPENDENT FINANCIAL ADVISER

The Independent Financial Adviser has reviewed and considered the Loss Estimate and has confirmed that its opinion and recommendation as contained in the Composite Document remains unchanged.

Shareholders and potential investors of the Company should exercise caution in placing reliance on the Loss Estimate in assessing the merits and demerits of the H Share Offer or the transactions contemplated under the Merger Agreement. Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.

By order of the Board
Liu Liehong
Chairman

Shenzhen, PRC, 16 May 2014

As at the date of this announcement, the Board comprises six executive directors, namely Liu Liehong, Tam Man Chi, Yang Jun, Du Heping, Fu Qiang and Xu Haihe; and three independent non-executive directors, namely Yao Xiaocong, James Kong Tin Wong and Zeng Zhijie.

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