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中 彩 網 通 控 股 有 限 公 司
China Netcom Technology Holdings Limited

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8071)

**DELAY IN DESPATCH OF CIRCULAR
IN RELATION TO A
CONNECTED AND MAJOR TRANSACTION**

Reference is made to the announcements of the Company dated 2 March 2011 and 9 March 2011 in relation to, among other matters, a connected and major transaction of the Company. As additional time is required for the Company to obtain confirmed information as to the corporate structure of the Vendor Group subsequent to the Internal Corporate Reorganisation, arrange for the entering into of relevant supplemental agreement(s), collate relevant information for the independent financial adviser to prepare their advice and to coordinate with the auditors of the Company to prepare, inter alia, the required financial information, working capital and indebtedness statements, it is expected that the Circular will be despatched to the Shareholders on or before 31 August 2011.

Reference is made to the announcements of the Company dated 2 March 2011 and 9 March 2011 in relation to, among other matters, a connected and major transaction of the Company. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as in the announcement of the Company dated 2 March 2011 (“**Announcement**”).

As stated in the Announcement, the Circular containing, among other matters, further details of the Acquisition, the recommendation of the Independent Board Committee to the Independent Shareholders in relation to the Acquisition, the advice of the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the Acquisition and a notice convening the EGM will be despatched to the Shareholders on or before 31 May 2011.

The Company is given to understand that an internal corporate reorganisation (“**Internal Corporate Reorganisation**”) is contemplated among the Vendor and its subsidiaries (“**Vendor Group**”), and supplemental agreement(s) in relation to the Acquisition is/are expected to be entered into between the Purchaser, the Vendor, the Warrantors and other relevant party(ies). Despite the Internal Corporate Reorganisation, it is expected that the subject matter of the Acquisition, being 30.87% and 18.13% equity interests (collectively 49%) of Huancai Puda remains unchanged.

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By order of the Board
China Netcom Technology Holdings Limited
Ng Kwok Chu, Winfield
Executive Director

Hong Kong, 31 May 2011

As at the date of this announcement, the executive Directors are Mr. Leung Ngai Man, Mr. Ng Kwok Chu, Winfield and Ms. Wu Wei Hua; and the independent non-executive Directors are Dr. Leung Wai Cheung and Mr. Cai Wei Lun.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM 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 announcement 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 announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for a minimum period of 7 days from the date of its publication and on the Company’s website at www.chinanetcomtech.com.