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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

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**FORM 20-F/A  
Amendment No. 1**

(Mark One)

**REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

**OR**

**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES  
EXCHANGE ACT OF 1934**

**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2007**

**OR**

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934**

**FOR THE TRANSITION PERIOD FROM \_\_\_\_\_ TO \_\_\_\_\_**

**OR**

**SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934**

**Date of event requiring this shell company report \_\_\_\_\_**

**For the transaction period from \_\_\_\_\_ to \_\_\_\_\_**

**COMMISSION FILE NUMBER: 000-51839**

**CHINA GRENTTECH CORPORATION LIMITED**

(Exact name of Registrant as specified in its charter)

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**Cayman Islands**

(Jurisdiction of incorporation or organization)

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**15<sup>th</sup> Floor, Block A, Guoren Building  
Keji Central 3<sup>rd</sup> Road  
Hi-Tech Park, Nanshan District  
Shenzhen 518057, People's Republic of China**  
(Address of principal executive offices)

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Securities registered or to be registered pursuant to Section 12(b) of the Act:

<u>Title of Each Class</u>	<u>Name of Each Exchange On Which Registered</u>
American Depositary Shares, each representing 25 ordinary shares of par value US\$0.00002 per share	The Nasdaq Global Select Market
Ordinary shares of par value US\$0.00002 per share*	The Nasdaq Global Select Market *

\* Not for trading, but only in connection with the registration of American Depositary Shares.

Securities registered or to be registered pursuant to Section 12(g) of the Act:

**None**  
(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:



**None**  
(Title of Class)

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

**As of December 31, 2007, 614,064,000 ordinary shares, par value US\$0.00002 per share.**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes  No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15 (d) of the Securities Exchange Act of 1934.

Yes  No

Note — Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer  Accelerated filer  Non-accelerated filer

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP  International Financial Reporting Standards as issued by the International Accounting Standards Board  Other

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.

Item 17  Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes  No

### EXPLANATORY NOTE

This Amendment No. 1 to our Annual Report on Form 20-F for the fiscal year ended December 31, 2007, filed with the U.S. Securities and Exchange Commission (the “SEC”) on July 15, 2008 (“Original Report”), is being filed solely to (i) clarify and revise the disclosures under the headings, “Management’s Report on Internal Controls over Financial Reporting” and “Remediation Plan” in Item 15 — Controls and Procedures; (ii) include a revised Report of Independent Registered Public Accounting Firm; and (iii) include an Attestation Report of Independent Registered Public Accounting Firm Regarding Internal Control Over Financial Reporting.

We are including in this Amendment No. 1 currently-dated certifications by our principal executive officer and our principal financial officer. Other than the foregoing items, no part of the Original Report is being amended. Accordingly, this Amendment No. 1 does not include any unchanged portions of the Original Report and does not modify or update the disclosure therein in any way other than as discussed above. As a result, this Amendment No. 1 continues to speak as of July 15, 2008, except for the certifications referenced above, which speak as of the filing date of this Amendment No. 1.

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**PART II**

**ITEM 15. CONTROLS AND PROCEDURES**

**Evaluation of Disclosure Controls and Procedures**

As of December 31, 2007, the end of the period covered by this annual report, our management performed, under the supervision and with the participation of our chief executive officer and chief financial officer, an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (the "Exchange Act"). Disclosure controls and procedures are those controls and procedures designed to provide reasonable assurance that the information required to be disclosed in our Exchange Act filings is (i) recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission's rules and forms, and (ii) accumulated and communicated to management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure. Based on that evaluation, our chief executive officer and chief financial officer have concluded that, as of December 31, 2007, our disclosure controls and procedures were not effective because of the material weaknesses described below under "—Management's Report on Internal Control over Financial Reporting."

We performed additional analyses and other post-closing procedures to ensure our consolidated financial statements are prepared in accordance with U.S. GAAP. Accordingly, our management believes that the consolidated financial statements included in this annual report fairly present, in all material respects, our financial condition, results of operations and cash flows for the periods presented.

**Management's Report on Internal Control over Financial Reporting**

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. GAAP. Our management has completed its assessment of the effectiveness of our internal control over financial reporting as of December 31, 2007, and has concluded that our internal control over financial reporting as of December 31, 2007 was not effective. In performing our assessment of internal control over financial reporting, management is using the criteria described in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission, or COSO.

Our management has identified certain control deficiencies which represent material weaknesses based on the criteria described in *Internal Control — Integrated Framework* issued by the COSO. A material weakness is a control deficiency, or a combination of control deficiencies, that results in more than a remote likelihood that a material misstatement of the annual or interim financial statements will not be prevented or detected. We have identified the following four material weaknesses during our assessment of our internal control over financial reporting as of December 31, 2007:

- *Inadequate level of review of the basis and assumptions used for classification of trade receivables into short-term and long-term categories*

The basis and assumptions used for classification of short- and long-term trade receivables were established in accordance with our accounting policy, however, we did not review and update them on a timely basis in order to reflect the most recent repayment patterns. As a result, adjustments were recorded to reclassify receivable balances from short-term to long-term and to adjust the discounting effect of the long-term receivable balances. These adjustments are reflected in our consolidated financial statements for the year ended December 31, 2007.

- *Ineffective controls over monitoring of the level and the status of inventory pending for installation located at the sites of our customers*

We had certain amounts of inventory awaiting installation which were stored at our customers' sites as of December 31, 2007. We have ineffective controls over monitoring the level and the status of such inventory. This material weakness also affects the controls over physical inventories and lower of cost or market valuation which are not effective. The status of certain inventory awaiting installation was not updated in a timely manner, resulting in an understatement of cost of revenues in our company's unaudited management accounts. This material weakness led to corrective adjustments to the consolidated financial statements for the year ended December 31, 2007.

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- *Inadequate level of management review of critical manual Excel spreadsheet containing trade receivable aging information*

We relied on the manual Excel spreadsheet for trade receivable ageing analysis and revenue recognition for U.S. GAAP compliance purposes. There was documentary evidence of the Excel spreadsheet being reviewed, but inaccurate entries of information to the Excel spreadsheet were identified. As a result, we had to re-assess the adequacy of provision for doubtful debts, resulting in an adjustment of allowance for doubtful debts in our consolidated financial statements for the year ended December 31, 2007.

- *Insufficient knowledge, experience and training of our accounting personnel in the application of the generally accepted accounting principles*

The foregoing material weaknesses and other control deficiencies identified by management arose mainly as a result of an insufficient knowledge, experience and training of our accounting personnel in the application of the generally accepted accounting principles commensurate with our financial reporting requirements.

Our management has also identified certain significant deficiencies for the internal controls over financial reporting. These significant deficiencies have been reported to our audit committee.

## Remediation Plan

We have set up a project team, led by our internal audit manager, to implement remedial plans for the foregoing material weaknesses as follows:

- Establish policies and procedures for classifying short- and long-term trade receivables in order to properly assess the reasonableness of the balance of trade receivables. The policies and procedures would include performance of reasonableness assessment at least annually with consideration to the receivable collection plans prepared by each representative office, payment history of customers and market forecast. At the end of each year, our finance department would utilize the current year collection data to ensure classification of trade receivables into short-term and long-term categories, with the discounting effect to be reflected accurately in the consolidated financial statements.
- Enhance control and monitoring of inventory awaiting installation by establishing formal inventory count procedures for such inventory. Branches are also responsible for regular inventory count and the counting results should be reviewed and confirmed by the appropriate personnel of the branches, and reported to the finance department for recording and filing.
- Establish Excel spreadsheet review procedures for ensuring adequate review of critical information shown in the Excel spreadsheet. The review personnel would include appropriate management personnel, and the financial controller's review would also be required to monitor the risk of error. In addition, we would establish requirements for relevant documents such as a review form being maintained for documenting the review status, and maintaining review procedures for accuracy and completeness of source data, correctness and reasonableness of formula and the reconciliation between batch sums. The responsible reviewers would endorse the Excel spreadsheet as documentary evidence of their reviews.
- Engage qualified entities to arrange training for financial and accounting personnel on a periodic basis to furnish them with adequate knowledge of U.S. GAAP and SEC rules and related disclosure requirements.
- Recruit accounting personnel familiar with U.S. GAAP and SEC rules and related disclosure requirements, and ideally a member of American Institute of Certified Public Accountants, who will be responsible for the review and compilation of the consolidated financial statements in accordance with U.S. GAAP and SEC rules and related disclosure and reporting requirements.

The aforementioned remedial plans and results were presented to the audit committee. The management, including the chief executive officer and chief financial officer, has approved the remedial course of action to address the material weaknesses. Such plan may also be modified or expanded if additional material weaknesses are identified by management or our independent registered public accounting firm.

## Changes in Internal Control over Financial Reporting

The discussion above under "Remediation Plan" includes descriptions of the material planned or actual changes to the company's internal control over financial reporting in the year ended December 31, 2007 and subsequent to December 31, 2007 that materially affected, or are reasonably likely to materially affect, our company's internal control over financial reporting.

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**PART III**

**ITEM 19. EXHIBITS**

<b>Exhibit No.</b>	<b>Description of Exhibit</b>
12.1	CEO certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
12.2	CFO certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
13.1	CEO and CFO certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
99.1	Report of Independent Registered Public Accounting Firm
99.2	Attestation Report of Independent Registered Public Accounting Firm Regarding Internal Control Over Financial Reporting



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**SIGNATURE**

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

China GrenTech Corporation Limited

/s/ Rong Yu

\_\_\_\_\_  
Name: Rong Yu

Title: Chief Financial Officer

Date: October 28, 2008

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Exhibit 12.1

CEO CERTIFICATION PURSUANT TO SECTION 302 OF  
THE SARBANES-OXLEY ACT OF 2002

I, Yingjie Gao, certify that:

1. I have reviewed this annual report on Form 20-F of China GrenTech Corporation Limited (the "Company");
2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;
4. The Company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and
5. The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of Company's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

Date: October 28, 2008

By: /s/ Yingjie Gao

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Name: Yingjie Gao  
Title: Chief Executive Officer  
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Exhibit 12.2

CFO CERTIFICATION PURSUANT TO SECTION 302 OF  
THE SARBANES-OXLEY ACT OF 2002

I, Rong Yu, certify that:

1. I have reviewed this annual report on Form 20-F of China GrenTech Corporation Limited (the "Company");
2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;
4. The Company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and
5. The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of Company's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

Date: October 28, 2008

By: /s/ Rong Yu

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Name: Rong Yu  
Title: Chief Financial Officer  
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Exhibit 13.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICERS AND PRINCIPAL FINANCIAL OFFICER  
PURSUANT TO 18 U.S.C. SECTION 1350,  
AND PURSUANT TO SECTION 906  
OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report on Form 20-F of China GrenTech Corporation Limited (the "Company") for the year ended December 31, 2007 as filed with the U.S. Securities and Exchange Commission on the date hereof (the "Report"), Yingjie Gao, as Chairman of the board of directors and Chief Executive Officer of the Company, and Rong Yu, as Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his/her knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Exchange Act; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Yingjie Gao

-----  
Name: Yingjie Gao  
Title: Chairman of the board of directors and Chief Executive Officer  
Date: October 28, 2008

By: /s/ Rong Yu

-----  
Name: Rong Yu  
Title: Chief Financial Officer  
Date: October 28, 2008

This certification accompanies the Report pursuant to Rule 13a-14(b) under the Exchange Act and 18 U.S.C. Section 1350 and shall not be deemed "filed" by the Company for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section.

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Exhibit 99.1

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Shareholders of  
China GrenTech Corporation Limited:

We have audited the accompanying consolidated balance sheets of China GrenTech Corporation Limited and subsidiaries as of December 31, 2006 and 2007, and the related consolidated statements of income, shareholders' equity and cash flows for each of the years in the three-year period ended December 31, 2007, all expressed in Renminbi. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of China GrenTech Corporation Limited and subsidiaries as of December 31, 2006 and 2007, and the results of their operations and their cash flows for each of the years in the three-year period ended December 31, 2007, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), China Grentech Corporation Limited and subsidiaries' internal control over financial reporting as of December 31, 2007, based on "criteria established in Internal Control -- Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO)", and our report dated October 27, 2008 expressed an adverse opinion on the effectiveness of the Company's internal control over financial reporting.

The accompanying consolidated financial statements as of and for the year ended December 31, 2007, have been translated into United States dollars solely for the convenience of the reader. We have audited the translation and, in our opinion, such consolidated financial statements expressed in Renminbi have been translated into United States dollars on the basis set forth in Note 2(b) to the consolidated financial statements.

/s/ KPMG

KPMG  
Hong Kong, China  
October 27, 2008  
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Exhibit 99.2

Report of Independent Registered Public Accounting Firm

The Board of Directors and Shareholders of  
China GrenTech Corporation Limited:

We have audited China GrenTech Corporation Limited and its subsidiaries's internal control over financial reporting as of December 31, 2007, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). China GrenTech Corporation Limited's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company and its subsidiaries' internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis. Material weaknesses related to (1) inadequate level of review of the basis and assumptions used for classification of trade receivables into short-term and long-term categories; (2) ineffective controls over monitoring of the level and the status of inventory pending for installation located at the sites of the Company's customers; (3) inadequate level of management review of critical manual Excel spreadsheet containing trade receivable aging information; and (4) insufficient competent of personnel with an appropriate level of knowledge, experience and training in the application of the generally accepted accounting principles commensurate with the financial reporting requirements, have been identified and included in management's assessment. We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements as of and for the year ended December 31, 2007, of the Company and its subsidiaries. These aforementioned material weaknesses were considered in determining the nature, timing, and extent of audit tests applied in our audit of the 2007 consolidated financial statements, and this report does not affect our report dated October 27, 2008, which expressed an unqualified opinion on those consolidated financial statements.

In our opinion, because of the effect of the aforementioned material weaknesses on the achievement of the objectives of the control criteria, China GrenTech Corporation Limited has not maintained effective internal control over financial reporting as of December 31, 2007, based on criteria established in Internal Control--Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We do not express an opinion or any other form of assurance on management's statements referring to corrective actions taken or planned to be taken after December 31, 2007, as discussed in this annual report in the section entitled "Remediation Plan" under Item 15, "Controls and Procedures", relative to the aforementioned material weaknesses in internal control over financial reporting.

/s/ KPMG

KPMG  
Hong Kong, China  
October 27, 2008  
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