



# 3Q 2007 Earnings Presentation

November 8, 2007



# Safe Harbor Statements

Forward-looking Statements contained in this presentation that are not historical facts, as that term is defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements, including financial projections and forecasts, involve risks and uncertainties that could cause the Company's actual results to differ materially from its current expectations. Factors that could cause the Company's results to differ materially from those set forth in these forward-looking statements include the Company's reliance on business relationships with Chinese wireless operators and those base station OEMs; risks associated with large accounts receivable, long collection periods and accounts receivable cycles; fierce competition in the wireless communication industry; growth of, and risks inherent in, the wireless communication industry in China; uncertainty as to future profitability and the Company's ability to obtain adequate financing for its planned capital expenditure requirements; uncertainty as to its ability to continuously develop and manufacture new RF technology and keep up with changes in RF technology; risks associated with possible defects and errors in its wireless coverage products or RF products; uncertainty as to the Company's ability to protect and enforce its intellectual property rights; and uncertainty as to the Company's ability to attract and retain qualified executives and personnel, particularly in its research and development department. Other factors that may cause the Company's actual results to differ from those set forth in the forward-looking statements contained in this presentation and that may affect its prospects in general are described in the Company's filings with the Securities and Exchange Commission, including its Registration Statement on Form F-1 related to its initial public offering and its annual report on Form 20-F. The Company undertakes no obligation to update or revise forward-looking statements to reflect subsequent events or changed assumptions or circumstances.

# Agenda

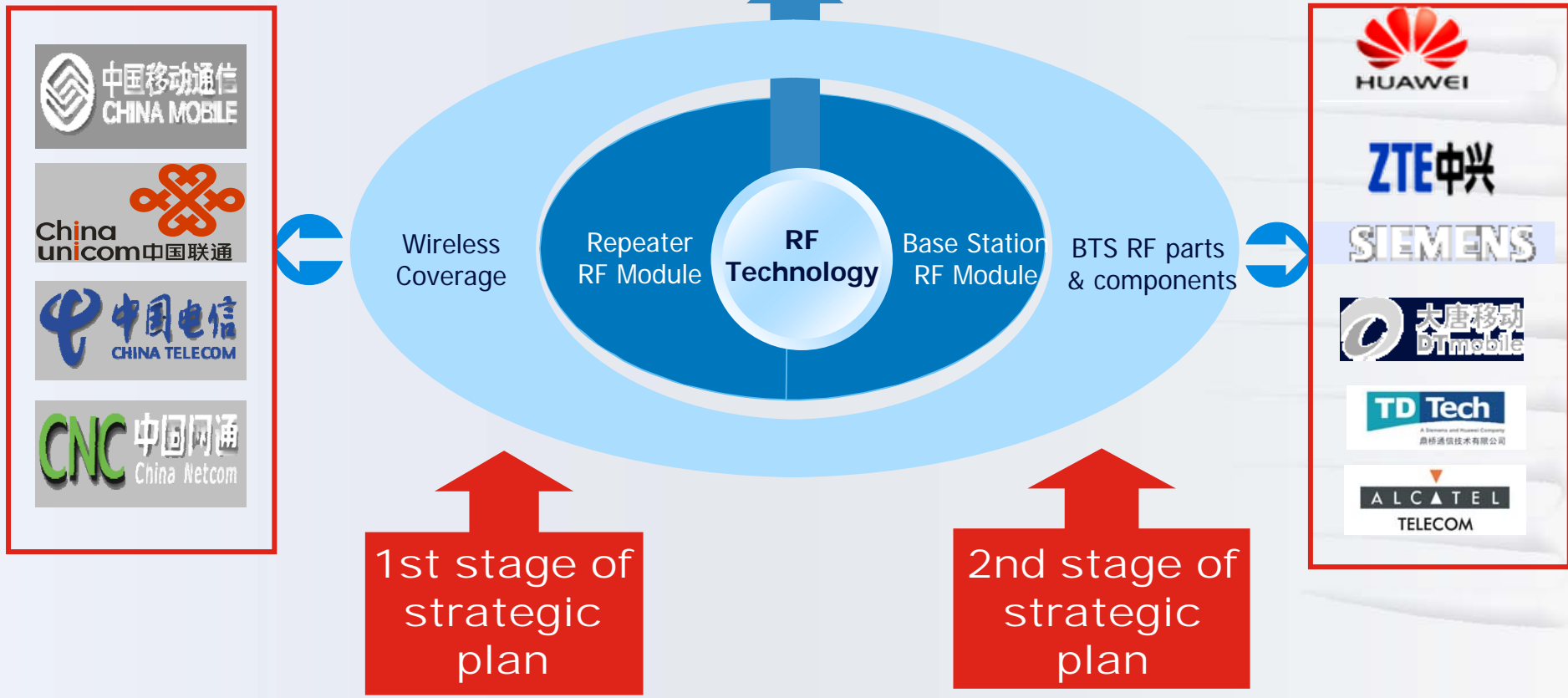
- The Company
- Business Overview
  - Base Station RF Parts and Components
  - Wireless Coverage Products and Services
- Financial Review
- Business Outlook

# Who We Are

- Established in 1999 in Shenzhen, China
- Founders:
  - Yingjie Gao, Chairman and Chief Executive Officer  
*10 years of business management experience*
  - Kunjie Zhuang, Chief Technology Officer  
*40 years of RF technology experience*
- We are a leading developer of radio frequency technology and products in China
- We are the second largest provider of wireless coverage products and services in China

# Strategy Based on RF Technology Leadership Capitalizes on Outsourcing Trends

**RF technology is the key wireless technology**  
**GrenTech: Leading Chinese developer**  
**of RF technologies and products**



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# Base Station RF Business Gained Significant Traction in Q3 2007

- Consolidated position with major domestic OEMs
  - Major RF module supplier for ZTE and Huawei
  - Additional large RF orders from two major domestic OEMs
- Continued R&D progress
  - Successfully developed WCDMA MCPA technologies
  - Developing active RF modules
  - Made technical breakthrough in developing new cavity combiner
- Increased revenue contribution
  - 3.8% of total revenue in 2006
  - 28.8% of total revenue in Q3 2007
- Expanding manufacturing capacity with new facilities

# Growing Demand for Base Station RF Modules

- Global base station OEMs have started to procure RF modules in China to reduce cost
- Domestic base station OEMs business expansion
  - Huawei
    - GSM Base Station - CAGR was over 95% at the end of 2006
    - WCDMA/HSPA base station - Produces 44% of global supply
    - CDMA2000 - Number one market share in the world <sup>(1)</sup>
  - ZTE
    - CDMA base station - Increased 240% in 1H 2007 vs. 1H 2006
    - GSM - Increased 300% in 1H 2007 vs. 1H 2006 <sup>(2)</sup>

Sources:

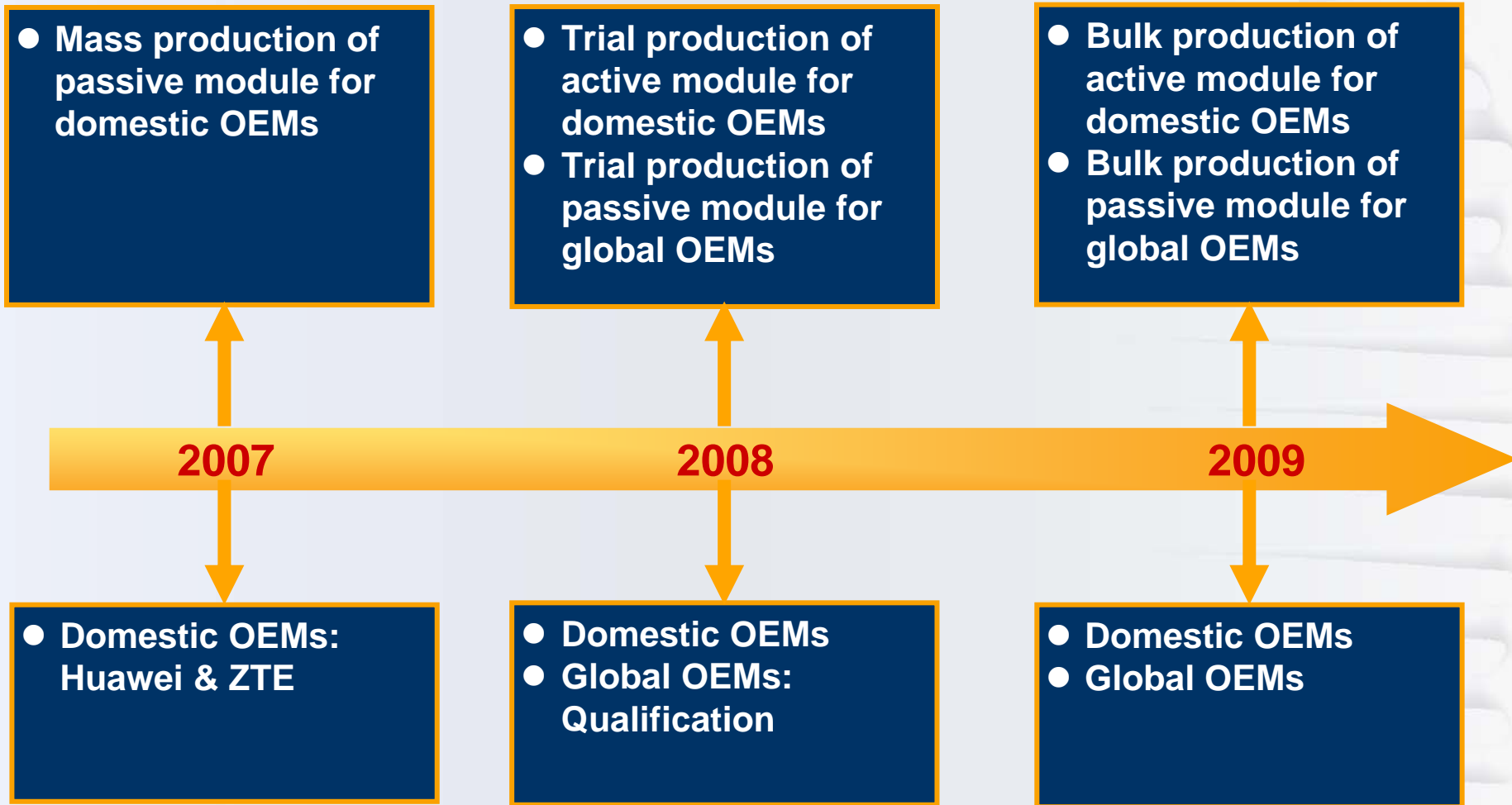
(1) Huawei website

(2) ZTE website

# GrenTech's RF Strategy

- Expand market share via mass production of passive modules for domestic base station OEMs
- Diversify and broaden customer base via strengthening of domestic leadership position and expansion into global markets
- Enhance profitability via development and offering of active modules to deepen penetration
- Build scalability by expanding R&D capabilities and production capacities to supports sales growth and bottom line returns

# GrenTech's RF Roadmap



# Base Station RF Business is Key Growth Driver

- Leverages our RF technology R&D to differentiate from competitors
- Key revenue and profit growth driver
- Broadens customer base
- Improve overall A/R
- Reduce Seasonality

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# Wireless Coverage Business Highlights

- Further penetration in China Mobile's market and growing customer base
  - Q3 revenue from China Mobile increased 49.8% year-over-year
- TD-SCDMA expanded technique trial network construction was fully deployed
- China Unicom investment behind budget in Q3
- China Telecom and China Netcom investment decreased in Q3
- Wireless coverage Q3 revenue was RMB194.5 million, an increase of 5.8% year-over-year

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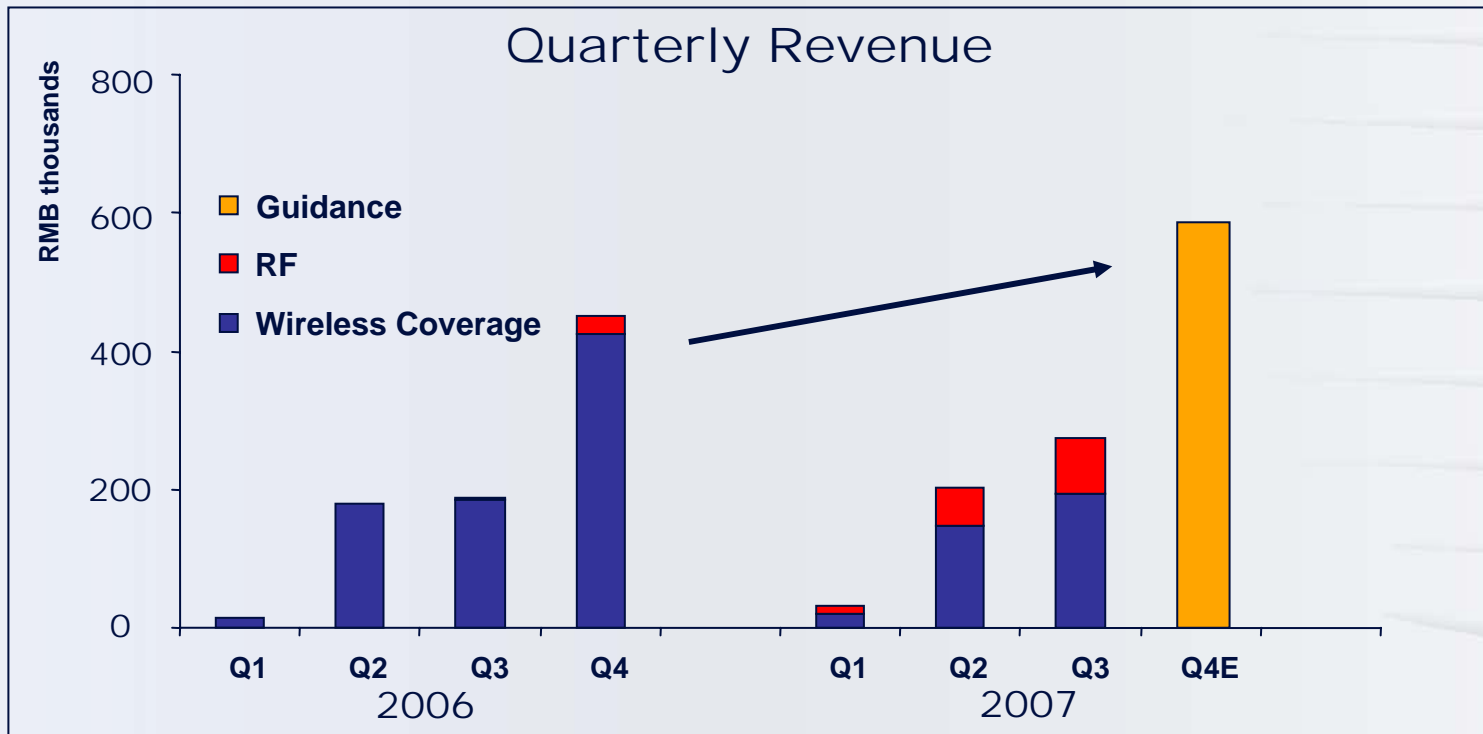
# Results

## Q3 2007

- Revenue RMB 273.2 million
- Net profit RMB 33.1 million

● Revenue varies seasonally

● Fourth quarter typically strongest



# Income Statement

	For Three Months Ended September 30		Change
	2006	2007	
<i>RMB '000 except EPADS</i>			
<b>Revenue</b>	<b>187,729</b>	<b>273,214</b>	<b>+45.5%</b>
<b>Gross Profit</b>	<b>89,070</b>	<b>107,580</b>	<b>+20.8%</b>
<b>Operating Income</b>	<b>37,906</b>	<b>46,185</b>	<b>+21.8%</b>
<b>Net Income</b>	<b>30,737</b>	<b>33,122</b>	<b>+7.8%</b>

# Balance Sheet

<i>RMB '000</i>	<b>December 31, 2006</b>	<b>September 30, 2007</b>	<b>Change</b>
<b>Total Cash</b>	<b>706,041</b>	<b>418,527</b>	<b>-40.7%</b>
<b>Total A/R</b>	<b>1,016,816</b>	<b>1,250,693</b>	<b>+23.0%</b>
<b>Total Assets</b>	<b>2,415,834</b>	<b>2,735,113</b>	<b>+13.2%</b>
<b>Current Liabilities</b>	<b>866,435</b>	<b>1,037,378</b>	<b>+19.7%</b>
<b>Total Liabilities</b>	<b>866,435</b>	<b>1,187,378</b>	<b>+37.0%</b>
<b>Shareholder Equity</b>	<b>1,530,428</b>	<b>1,533,585</b>	<b>+0.2%</b>

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# Business Outlook

- Continued strong demand for RF modules from domestic base station OEMs
- Sufficient RF orders to support full year growth target
- New production facilities to ensure further expansion of production capacity
- Expect China Mobile and China Unicom to accelerate wireless coverage investment

# Financial Guidance

## 2007 Q4 Guidance

- Revenue: RMB560 million – RMB585 million



## Questions and Answers

