



## **China Greentech Won Centralized Bid to Supply CDMA Wireless Coverage Products to China Telecom**

SHENZHEN, PRC — September 2, 2008 — China GrenTech Corporation Limited (NASDAQ: GRRF, the “Company” or “China GrenTech”), announced that it has been selected by China Telecom to supply CDMA indoor coverage equipments and accessories, and repeaters for China Telecom’s CDMA network construction projects in China. This is China Telecom’s first centralized bid for CDMA wireless coverage products. China Telecom’s evaluation criteria for each bidder’s tender included its comprehensive strength, technology and pricing. The actual market share allocation and contract amount will be determined based on China Telecom’s provincial operators’ specific construction plan and scope of work, which will be available after China Telecom completes the integration of its newly acquired CDMA network.

It is expected that China Telecom will make significant investment to improve CDMA network’s overall competitiveness, as it is currently lagging behind GSM network due to a lack of investment prior to China Telecom’s acquisition of CDMA network from China Unicom in July 2008. The parent company of China Telecom has announced it will invest RMB27.9 billion in Phase I of CDMA network construction to enlarge network capacity and improve coverage quality in major cities, and in rural areas with high population density.

China GrenTech has well-established business relationships with all 21 of China Telecom’s provincial operators and has provided approximately 20% of the existing CDMA network coverage products in China Unicom. Leveraging its leading role in previous CDMA network construction projects. China GrenTech is confident that it will be able to maintain its leading position in China Telecom’s upcoming CDMA wireless coverage construction projects.

China GrenTech believes that this winning bid from China Telecom would potentially boost its wireless coverage revenue in the coming quarters.



## **About China GrenTech**

China GrenTech is a leading developer of radio frequency (“RF”) technology in China and a leading provider of wireless coverage products and services in China. The Company uses RF technology to design and manufacture wireless coverage products, which enable telecommunication operators to expand the reach of their wireless communication networks to indoor and outdoor areas, such as buildings, highways, railways, tunnels and remote regions. China GrenTech’s wireless coverage services include design, installation and project warranty services. The Company also tailors the design and configuration of its wireless coverage products to the specific requirements of its customers.

Based on its in-house RF technology platform, the Company also develops and produces base station RF parts and components sold to base station manufacturers. China GrenTech is a qualified supplier of RF parts and components to six major base station manufacturers including Huawei Technologies and ZTE Corporation. For more information, please visit [www.grentech.com.cn](http://www.grentech.com.cn)

## **“Safe Harbor” Statement under the Private Securities Litigation Reform Act of 1995**

Statements contained in this press release that are not historical facts are forward-looking statements, 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 the Chinese telecom operators and base station manufacturers; the risk that the Company will continue to experience downward pressure on the pricing of its products and services due to the telecom operators’ bidding policies or other factors; the risk that the telecom operators in China will not expand or maintain their spending on 2G, 3G, WLAN or other network projects; uncertainty as to the future demand for base station RF products by domestic or international base station manufacturers, including the risk that demand in China or elsewhere for base stations may not grow as the Company’s management anticipates; risks associated with large accounts receivable, long collection periods and accounts receivable cycles and uncertainty as to whether new operator policies will improve such cycles in the long-term; fierce competition in the wireless communication industry; growth of, and risks inherent in, the wireless communication industry in China, including uncertainties regarding the timing and nature of any future restructuring of the telecom operators in China and the risks that such restructuring will not result in expanded investments to expand network coverage or quality; uncertainty as to future profitability and the Company’s ability to obtain adequate financing for its planned capital expenditure requirements; its reliance on third parties to carry out the installation of its wireless



coverage products; uncertainty as to its ability to continuously develop and manufacture new RF technologies and keep up with changes in RF technologies; 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 press release 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 reports 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.

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