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Comba

COMBA TELECOM SYSTEMS HOLDINGS LIMITED

京 信 通 信 系 統 控 股 有 限 公 司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2342)

PLACING OF EXISTING SHARES BY A CONTROLLING SHAREHOLDER AND A SUBSTANTIAL SHAREHOLDER

The Sole Placing Agent



BOC INTERNATIONAL

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

The Board has been informed by Mr. Fok (who is a Controlling Shareholder) and Mr. Zhang (who is a Substantial Shareholder) that on 27 September 2010, Prime Choice Investments Limited, Wise Logic Investments Limited and the Placing Agent entered into the Agreement, under which Prime Choice Investments Limited and Wise Logic Investments Limited have severally agreed to place through the Placing Agent 28,000,000 Shares and 7,000,000 Shares respectively, representing approximately 2.3% and 0.6% of the total issued share capital of the Company, to be placed at a price of HK\$8.55 per Placing Share. An aggregate of 35,000,000 Placing Shares are to be placed on a fully underwritten basis.

As at the date of the Agreement, Mr. Fok and Mr. Zhang beneficially held 469,772,822 Shares and 133,081,366 Shares, representing approximately 39.4% and 11.2% of the total issued share capital of the Company respectively. Upon completion of the Placing, Mr. Fok and Mr. Zhang will beneficially hold 441,772,822 Shares and 126,081,366 Shares, representing approximately 37.0% and 10.6% of the total issued share capital of the Company respectively.

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Agreement, under which Prime Choice Investments Limited and Wise Logic Investments Limited have severally agreed to place through the Placing Agent 28,000,000 Shares and 7,000,000 Shares respectively (thereby forming a total of 35,000,000 Shares) to Placees at a price of HK\$8.55 per Placing Share on a fully underwritten basis.

1. Parties

The parties to the Agreement are:

- (1) Prime Choice Investments Limited, a company incorporated in the British Virgin Islands with limited liability and wholly owned by Mr. Fok, being one of the vendors;
- (2) Wise Logic Investments Limited, a company incorporated in the British Virgin Islands with limited liability and wholly owned by Mr. Zhang, being one of the vendors; and
- (3) the Placing Agent.

2. Placing

The Placing Shares are to be placed on a fully underwritten basis.

3. Number of Shares to be Placed

The Shares to be sold by Prime Choice Investments Limited and by Wise Logic Investments Limited represent approximately 2.3% and 0.6% of the total issued share capital of the Company respectively, and therefore the total number of the Placing Shares, being 35,000,000, represents approximately 2.9% of the total issued share capital of the Company.

4. Placing Price

The placing price is HK\$8.55 per Placing Share.

5. Lock-up Undertaking

Each of Prime Choice Investments Limited and Wise Logic Investments Limited undertakes to the Placing Agent that it will not and will procure its respective nominees, persons acting in concert (as such term is defined in the Hong Kong Code on Takeovers and Mergers) with it, companies controlled by it and trusts associated with it not to dispose of any Shares or any interests therein beneficially owned or held by itself, in each case, for a period commencing on the date of the Agreement and ending on the date falling upon three months from the date of completion of the Placing.

6. Rights

The Placing Shares will be sold free of any third party rights and the Placees of the Placing Shares will receive all dividends and distributions declared or distributed at any time on or after the date of completion of the Placing, but not including the interim dividend and bonus issue proposed by the Board on 23 August 2010.

7. Completion of the Placing

Completion of the Placing is currently expected to take place on 30 September 2010, provided that the Agreement is not terminated in accordance with its terms. Further announcement will be made by the Company if the Agreement is terminated.

8. Shareholding structure before and after the Placing

As at the date of the Agreement, Mr. Fok and Mr. Zhang held 469,772,822 Shares and 133,081,366 Shares, representing approximately 39.4% and 11.2% of the total issued share capital of the Company respectively. Upon completion of the Placing, Mr. Fok and Mr. Zhang will hold 441,772,822 Shares and 126,081,366 Shares, representing approximately 37.0% and 10.6% of the total issued share capital of the Company respectively.

9. Definitions

In this announcement, the following expressions shall have the following meanings unless the context requires otherwise:

“Agreement”	the placing agreement dated 27 September 2010 entered into between Prime Choice Investments Limited, Wise Logic Investments Limited and the Placing Agent
“Board”	the board of Directors
“Company”	Comba Telecom Systems Holdings Limited, 京信通信系統控股有限公司, a company incorporated in the Cayman Islands with limited liability and whose issued Shares are listed on the Stock Exchange
“Controlling Shareholder”	has the meaning ascribed to it under the Listing Rules
“Directors”	directors of the Company, whose names are set out at the end of this announcement
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Fok”	Mr. Fok Tung Ling, the Chairman and an executive Director of the Company
“Mr. Zhang”	Mr. Zhang Yue Jun, the Vice Chairman and an executive Director of the Company
“Placees”	the purchasers procured by the Placing Agent to purchase any of the Placing Shares pursuant to the Agreement
“Placing”	the placing of the Placing Shares by Prime Choice Investments Limited and Wise Logic Investments Limited through the Placing Agent at the Placing Price pursuant to the Agreement
“Placing Agent”	BOCI Asia Limited
“Placing Price”	HK\$8.55 per Placing Share
“Placing Shares”	35,000,000 existing Shares to be placed pursuant to the Agreement in aggregate, comprising 28,000,000 Shares beneficially owned by the Prime Choice Investments Limited and 7,000,000 Shares beneficially owned by Wise Logic Investments Limited
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Substantial Shareholder”	has the meaning ascribed to it under the Listing Rules

By Order of the Board
Comba Telecom Systems Holdings Limited
TONG Chak Wai, Wilson
Executive Director

Hong Kong, 27 September 2010

As at the date of this announcement, the Board comprises the following executive Directors: Mr. FOK Tung Ling, Mr. ZHANG Yue Jun, Mr. TONG Chak Wai, Wilson, Mr. WU Jiang Cheng, Mr. YAN Ji Ci, Mr. ZHENG Guo Bao and Mr. YEUNG Pui Sang, Simon; and the following independent non-executive Directors: Mr. YAO Yan, Mr. LAU Siu Ki, Kevin and Mr. LIU Cai.