

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

# 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)**

### Clarification Announcement

Comba Telecom Systems Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**” or “**Comba**”) noted an investment research report (the “**Report**”) prepared by UBS Securities Co. Limited (“**UBS**”) on 17 April 2012 covering an analysis of the Group’s businesses and prospects. The Company hereby makes this clarification announcement on certain inaccurate content stated in the Report.

It is stated in the Report that UBS believes Comba is not a beneficiary of 3G or data traffic growth. It is inaccurately stated in the report that (1) “... it (Femto) still has no successful business model in global practice and particularly not suitable for domestic use given a high price”; and (2) “... the latter (Comba) is not capable of producing Remote Radio Units (“**RRU**”)...”

The Company hereby states and clarifies that the Indoor Broadband Wireless Access System (“**IB-WAS**”) (including network gateway and Femto base station, etc.) developed by the Group is a wireless enhancement solution based on Femto Network Architecture. IB-WAS enables the multi-mode signal access via 2G, 3G, WLAN and future LTE networks through the broadband infrastructure by mobile operators, thus coping with the rapid increase in wireless data traffic.

As per customers’ request, the Group commenced trial operations for IB-WAS products (including TD-SCDMA and GSM) in nine provinces in the PRC, among which some of them are under the process of commercial operation. The trial result of such solutions is satisfactory and the solutions display their strengths in in-depth coverage, improvement in data traffic and access convenience. It is already fully recognized by our customers and ranked as one of the optimal solutions available.

The Group enables indoor wireless access by leveraging on the flat architecture access system of IB-WAS, which is an essential equipment for the indoor wireless access system. In fact, as a network enhancement solution provider, the Group will continue to benefit from the long-term and synergistic development trend of the four networks (2G, 3G, 4G and WLAN).

Furthermore, it is considered that the statement “Comba is not capable of producing RRU” to be totally without merit. The Group has mastered the technology of RRU products since 2005, and the GRRU and Multi-mode RRU invented by the Group have already been extensively applied in high speed rail coverage, small cells and indoor distribution systems (typical projects include deployment for all pavilions in the World Expo 2010 Shanghai China). Moreover, the Group has obtained dozens of RRU patents. Presently, the Group manufactures different RRUs for WCDMA, CDMA, GSM, TD-SCDMA and LTE networks, and sells such products to mobile operators. It also supplies OEM products to certain core equipment manufacturers.

In light of the inaccurate content contained in the Report, the Company hereby makes this announcement to clarify the facts.

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

Hong Kong, 19 April 2012

*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, Mr. YEUNG Pui Sang, Simon and Mr. ZHANG Yuan Jian; and the following independent non-executive directors: Mr. YAO Yan, Mr. LAU Siu Ki, Kevin and Mr. LIU Cai.*