

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)

POSITIVE PROFIT ALERT

This announcement is made by the Company pursuant to Inside Information Provisions under Part XIVA of the SFO and Rule 13.09 of the Listing Rules.

The Board is pleased to inform that based on its preliminary review of the relevant unaudited consolidated financial statements of the Group for the Reporting Period, it is expected a turnaround of its results by recording Net Profit of not less than HK\$50,000,000 for the Reporting Period as compared to Net Loss of HK\$150,676,000 for the corresponding period last year mainly due to (i) a strong growth in global business; (ii) an improvement in the gross profit margin; and (iii) economy of scale and effective costs control measures.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by the Company pursuant to Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (the “SFO”) and Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The board of directors (the “Board” or the “Directors”) of Comba Telecom Systems Holdings Limited (the “Company”) is pleased to inform the shareholders of the Company and potential investors that based on its preliminary review of the relevant unaudited consolidated financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) for the six months ended 30 June 2014 (the “Reporting Period”), it is expected a turnaround of the Group’s results by recording an unaudited consolidated profit attributable to shareholders of the Company (the “Net Profit”) of not less than HK\$50,000,000 for the Reporting Period as compared to the unaudited consolidated loss attributable to shareholders of the Company (the “Net Loss”) of HK\$150,676,000 for the corresponding period of six months ended 30 June 2013.

Compared with the corresponding period last year, such expected turnaround of its results for the Reporting Period is mainly due to (i) a strong growth in the total revenue of the Group of not less than 30% due to the gradual recovery in global economy and the 4G networks rollout following the issuance of 4G LTE licenses in Mainland China last year; (ii) an improvement in the gross profit margin of not less than 2 percentage points due to the change of product mix and the launch of high-end products; and (iii) a reduction, of not less than 3 percentage points, in the operating expenses as percentage of total revenue of the Group attributable to economy of scale and the effective costs control measures.

The information and figures contained in this announcement are only based on the unaudited consolidated management accounts of the Group for the Reporting Period, which has not yet been reviewed by the Company's auditors and may be subject to adjustments. The Company is still in the course of preparing and finalizing the figures in the unaudited consolidated financial statements for the Reporting Period. Shareholders of the Company and potential investors are advised to read carefully the announcement on the unaudited interim results for the Reporting Period, which is expected to be released on or before the end of August 2014 in accordance with the requirements of the Listing Rules.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 30 July 2014

As at the date of this announcement, the Board comprises the following executive Directors: Mr. FOK Tung Ling, Mr. ZHANG Yue Jun, Dr. 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. LIU Cai, Mr. LAU Siu Ki, Kevin, Dr. LIN Jin Tong and Mr. QIAN Ting Shuo.