京信通信系統控股有限公司
Comba Telecom Systems Holdings Limited
股份編號 Stock Code : 2342

INNOVATIVE IMPLEMENTATION
BALANCED DEVELOPMENT
創新進步 均衡發展

Annual Results 2009
Corporation Presentation

V.01

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Agenda

- Financial Overview
- Business Overview
- Financial Highlights
- Financial Review
- Customer Review
- Business Review
- Market Outlook

Financial Overview
For the year ended 31 December 2009

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- **Revenue ↑ 75.8%**
- **Gross profit margin ↑ 0.4% points**
- **Operating profit margin ↑ 6.4% points**
- **Net profit margin ↑ 3.7% points**
- **Return on average equity ↑ 12.6% points**
- **Positive operating cashflow:**

  HK$485M (2009) v. HK$215M (2008)

Business Overview
For the year ended 31 December 2009

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- **Strong revenue growth from all customers**
  1. China Mobile ↑ 31.4%
  2. China Unicom ↑ 248.3%
  3. China Telecom ↑ 189.0%
  4. International Customers & Core Equipment Manufacturers ↑32.8%
- **Strong revenue growth from all product segments**
  1. Wireless Access (DMS & WLAN) ↑ 252.3%
  2. Services ↑ 113.1%
  3. Antennas and Subsystems ↑ 68.9%
  4. Wireless Enhancement ↑ 37.7%

Financial Highlights

Financial Results

Dividend and Bonus Share

Financial Position

Key Financial Indicators

Financial Results

	For the year ended 31 December		
HK$'000	2009	2008	Change
Revenue	4,439,991	2,525,895	+ 75.8%
Gross profit	1,681,923	946,034	+ 77.8%
Gross profit margin	37.9%	37.5%	+ 0.4% pts
Operating profit	765,331	273,387	+ 179.9%
Operating profit margin	17.2%	10.8%	+ 6.4% pts
Tax	142,291	27,493	+ 417.6%
Profit attributable to shareholders	564,500	227,512	+ 148.1%
Net profit margin	12.7%	9.0%	+ 3.7% pts
Basic EPS (HK cents)	54.09	22.05 (Restated)	+ 145.3%

Dividend and Bonus Share

	For the year ended 31 December		
	2009	2008	Change
Paid interim dividend per share (HK cents)	6.0	-	N/A
Proposed final dividend per share (HK cents)	8.0	7.0	+14.3%
Proposed special dividend per share (HK cents)	4.0	-	N/A
Total dividends (HK cents)	18.0	7.0	+157.1%
Issued bonus of shares (interim)	1 for 10	-	N/A
Proposed bonus issue of shares	1 for 10	1 for 10	N/A

Financial Position

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HK$'000	As at 31 December 2009	2008	Change
Net cash	706,780	416,922	+69.5%
Net current assets	2,337,037	1,501,532	+55.6%
Total assets	5,725,107	3,452,397	+65.8%
Total liabilities	3,131,992	1,463,390	+114.0%
Net assets	2,536,342	1,974,539	+28.5%
NAV per share (HK$)	2.38	1.93 (restated)	+23.3%

Key Financial Indicators

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	For the year ended 31 December		
	2009	2008	Change
Inventory turnover days	176	209	(33)
A/R turnover days	139	171	(32)
A/P turnover days	179	170	+9
Gross gearing ratio	7.7%	1.5%	+6.2% pts
Dividend payout ratio *	33%	26%	+7% pts
Return on average equity	25%	12.4%	+12.6% pts

* Calculation is based on basic EPS

Financial Review

Revenue Breakdown by Customers

Revenue Breakdown by Businesses

Profit & Margin

Cost Structure

Revenue Breakdown by Customers

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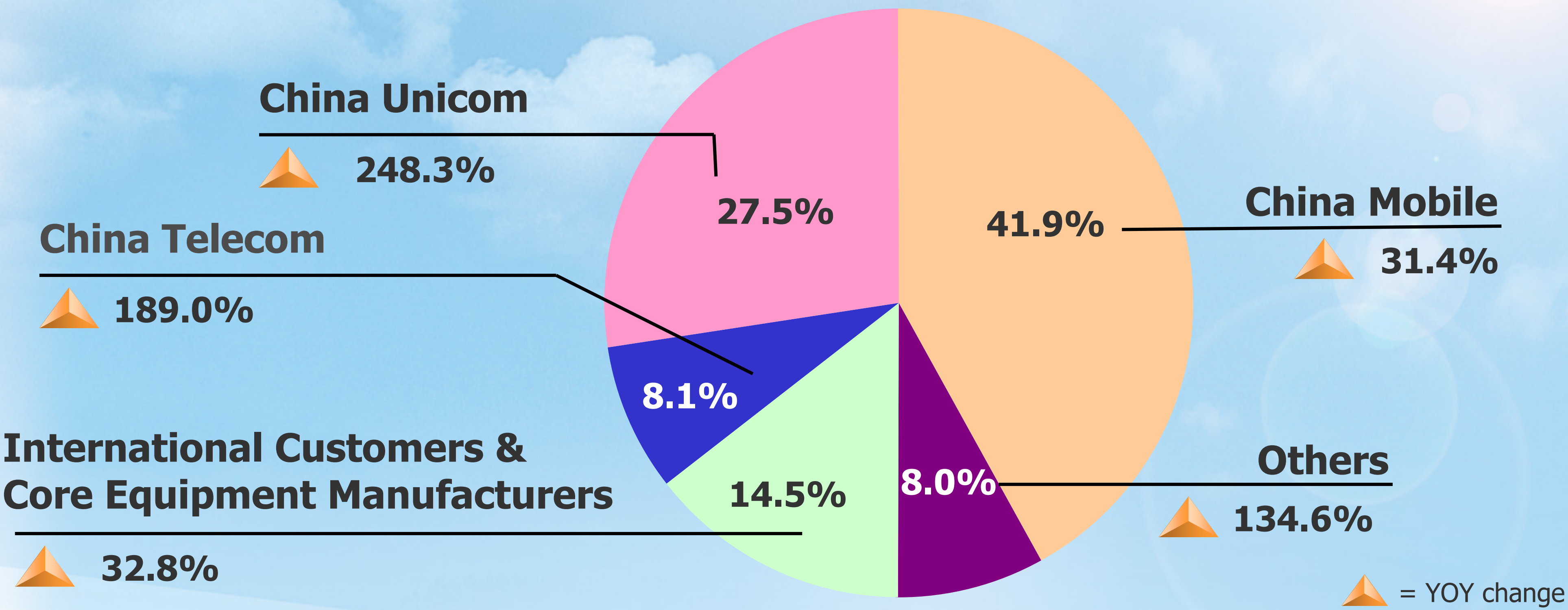
For the year ended 31 December 2009



Strong Growth in PRC Customers

Revenue Breakdown by Businesses

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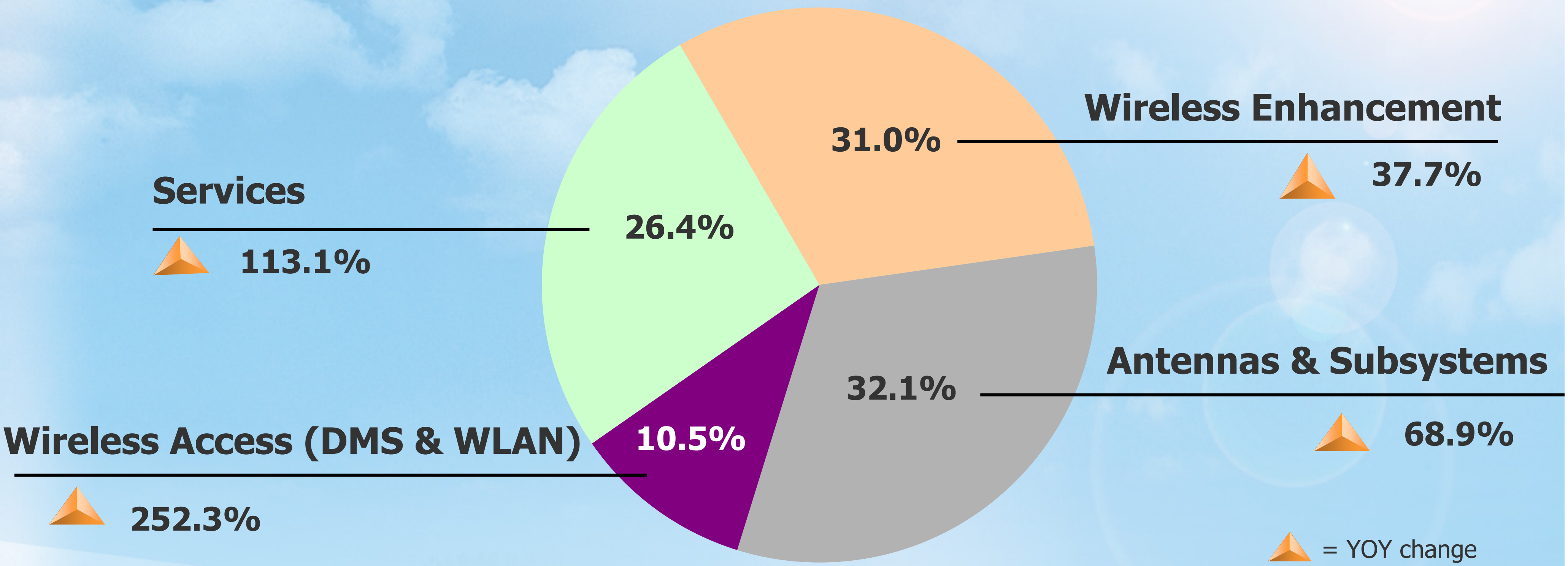
For the year ended 31 December 2009



Remarkable Growth in Wireless Access (DMS & WLAN)
Strong Growth in Services

Profit & Margin

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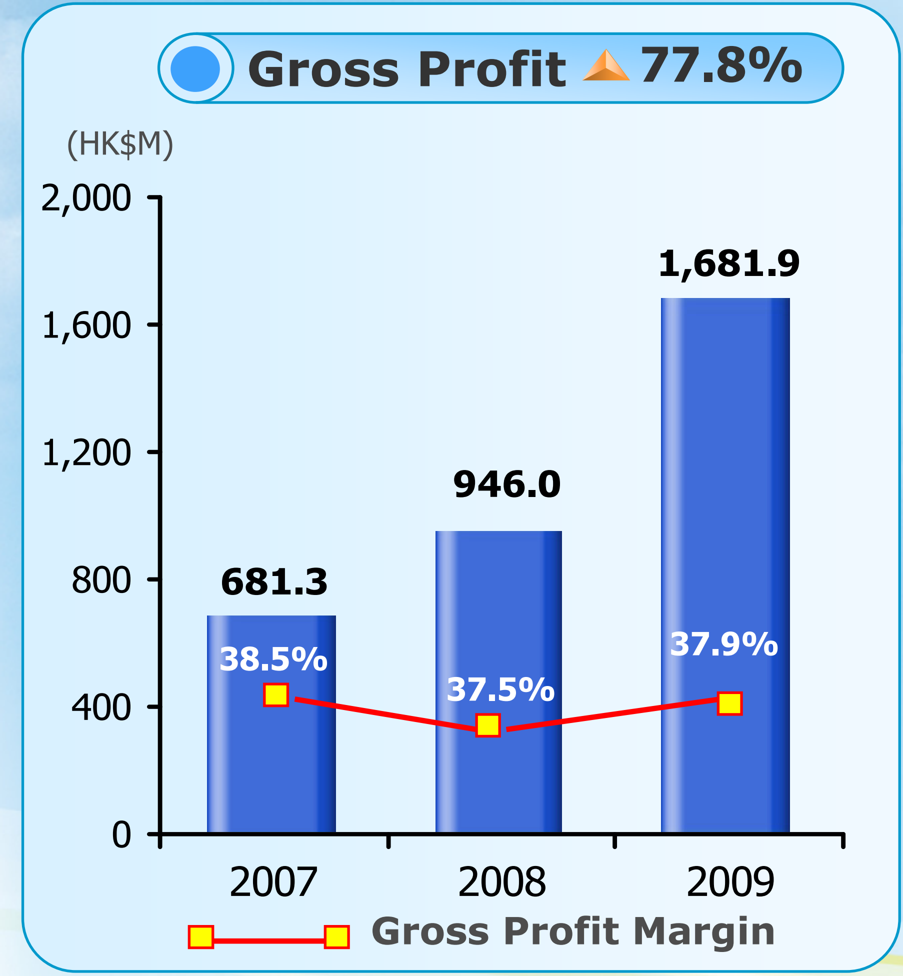
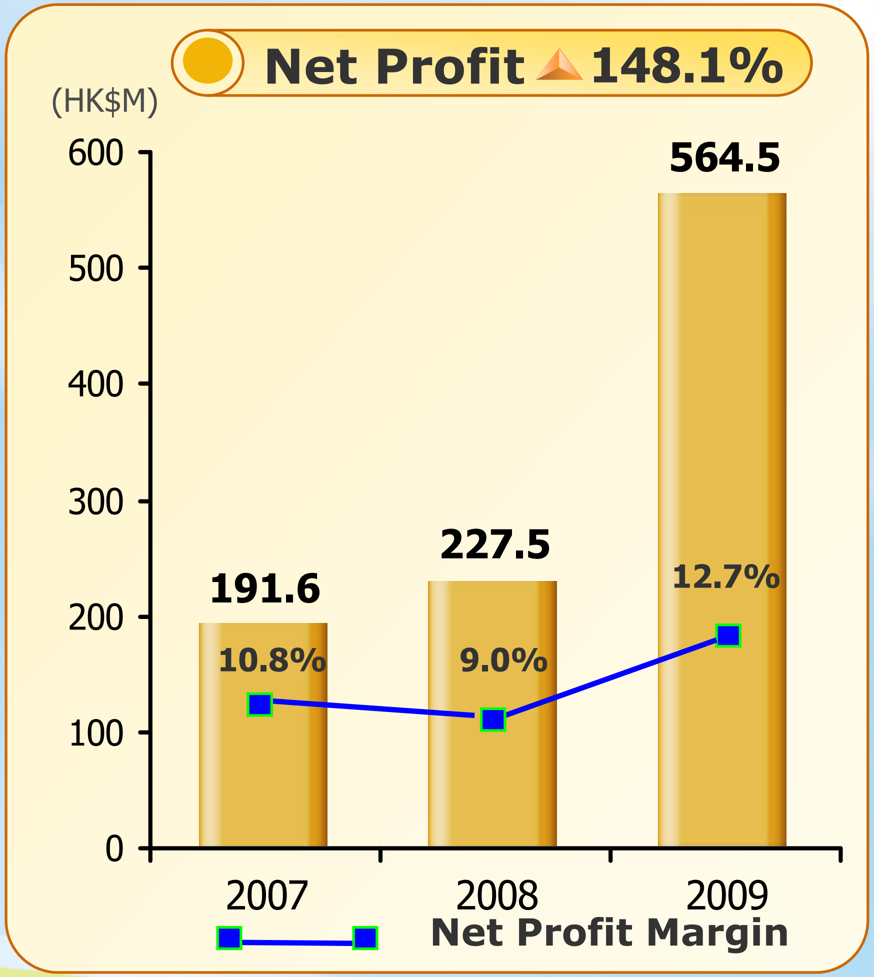
For the year ended 31 December





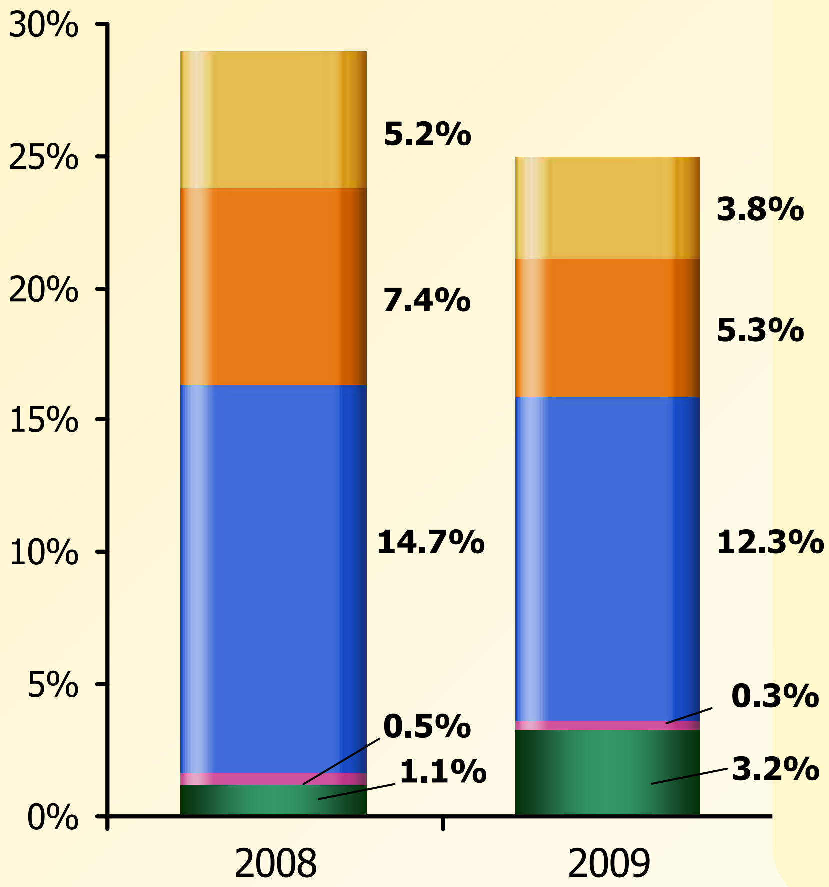
Stable in Gross Profit Margin
Strong Growth in Net Profit Margin

Cost Structure

Comba

For the year ended 31 December

As % of Total Revenue



= YOY change

R & D costs ▲ 26.3%

- R&D efforts for strategic products

Selling and distribution costs ▲ 26.0%

- Increased expansion for more customers

Administrative expenses ▲ 47.0%

- Increased administrative supports for higher business volume

Finance costs ▼ 5.1%

- Lower PRC bank borrowings and lower interest rate in HK

Taxation charge ▲ 417.6%

- Increased profitability and less deferred tax credits

Increasing Economies of Scale Benefits

Customer Review

Global Customer Base

China Business

International Customers & Core Equipment Manufacturers

Global Customer Base

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China

中国移动通信 CHINA MOBILE
中国电信 CHINA TELECOM
China unicom中国联通

Core Equipment Vendor

ZTE中兴
Nokia Siemens Networks
HUAWEI
Alcatel·Lucent
ERICSSON

EMEA

vodafone
T-Mobile
TIM
الاتصالات السعودية SAUDI TELECOM
WATANIYA
etisalat
zain
vodacom
du
MTN
TURKCELL
orange
MEGAFON
TELECOM ITALIA
БИЛАЙН GSM
TELE2
Telefónica Móviles
موبايلي mobily

APAC

SmarTone vodafone
SingTel
PEOPLES
celcom
m1
RELIANCE Communications
Airtel Express Yourself
TANGO
GLOBE TELECOM
CSL Create a Simple Life
true
MobiFone
S Tel
TATA
LAOTELECOM
Taiwan Mobile 台湾大哥大
DTAC
PT METAPLAS HARMONI
DiGi
StarHub
AIS
MIC
DST GROUP
HUTCH

Americas

CTI MÓVIL
at&t
PORTA
movistar
IUSACELL
vivo
Personal
américa móvil
ENTEL PCS
Claro

China Business

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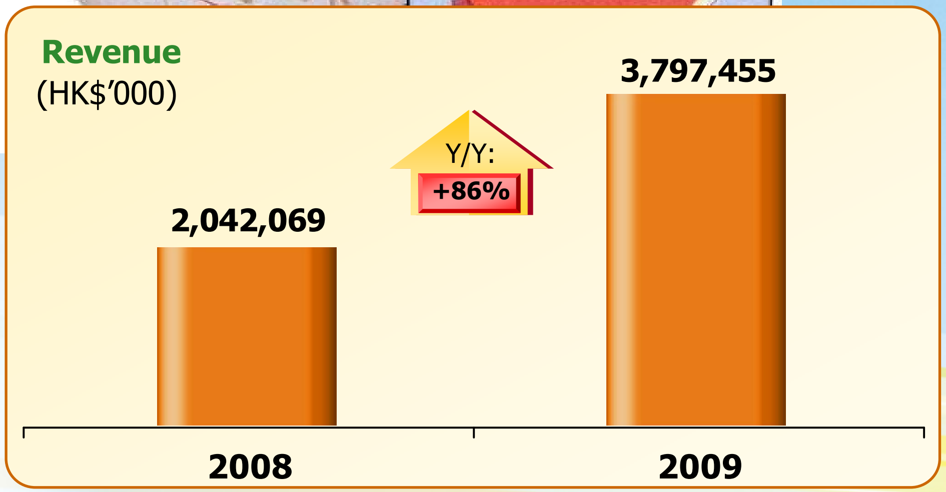

Review & Opportunities:

- Huge growth of 86% to HK$3.8 billion
- 3G network CapEx and strong 2G demand boosted earnings:
  - 3G network buildouts
  - Network enhancement projects in urban areas
  - 2G network enhancement and extension projects in rural areas and transport networks
- Continue to leverage on product innovations and services network on national/provincial level
- Matching needs of mobile operators at different stages of development:
  - Network rollout: BTS antenna, tower mounted solution
  - Network enhancement: repeaters, network optimization, in-building solutions
  - 2G/3G integration

International Customers & Core Equipment Manufacturers

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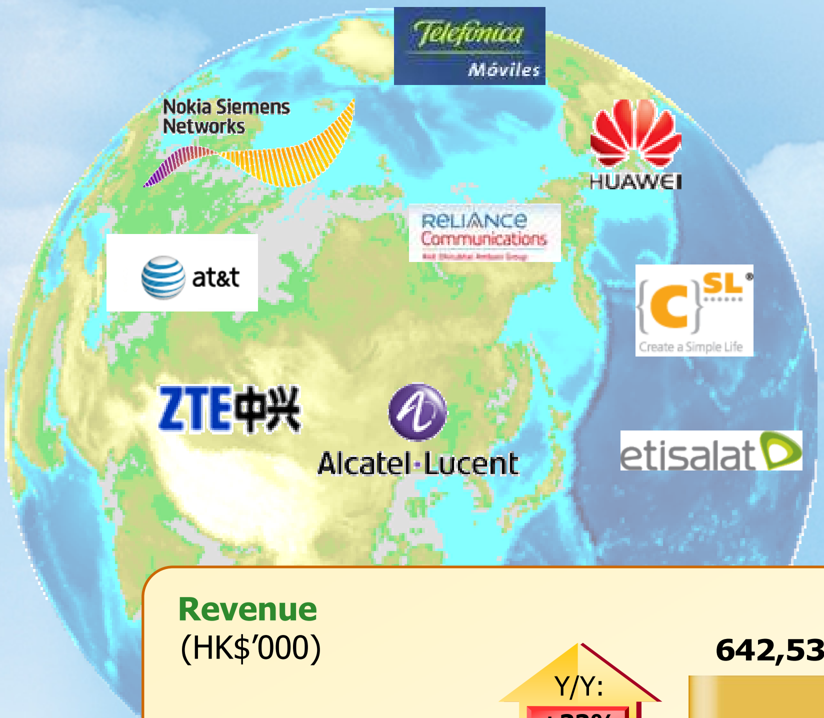
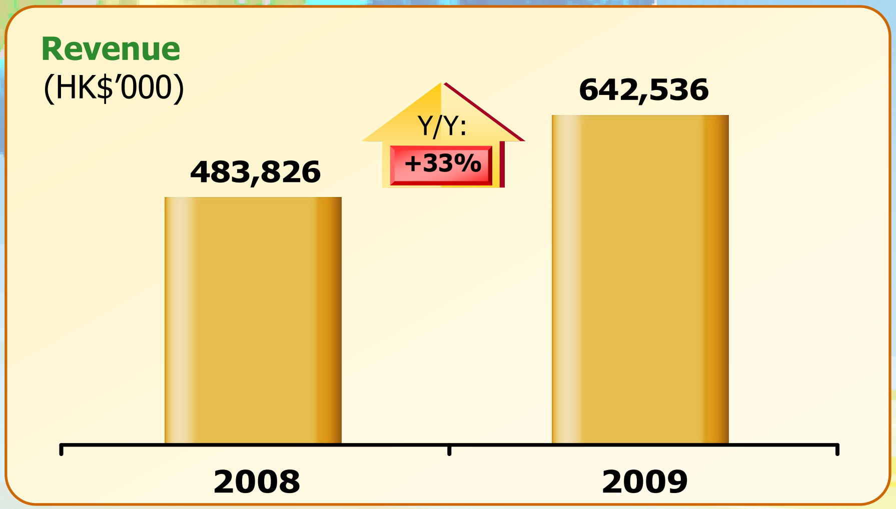




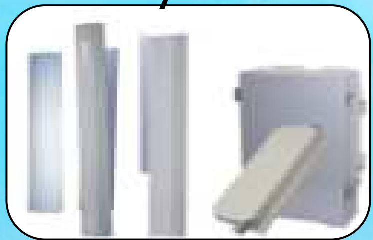
Review & Opportunities:

- Sales to international customers and core equipment manufacturers increased by 33% to HK$643 million
- International market acceptance of Comba solutions
  - Implementation of a number of large indoor solution projects in Americas and EMEA
  - International supply and support agreements with operators and OEM
- Broadened and enhanced offering portfolio to vendor base
- Reasonable growth amid 2009 global economic situation
- Wireless operator CapEx expected to recover in 2010
  - 3G in India and South America markets
  - Rise of HSPA driving network demands

Business Review

Wireless Enhancement

Antennas & Subsystems

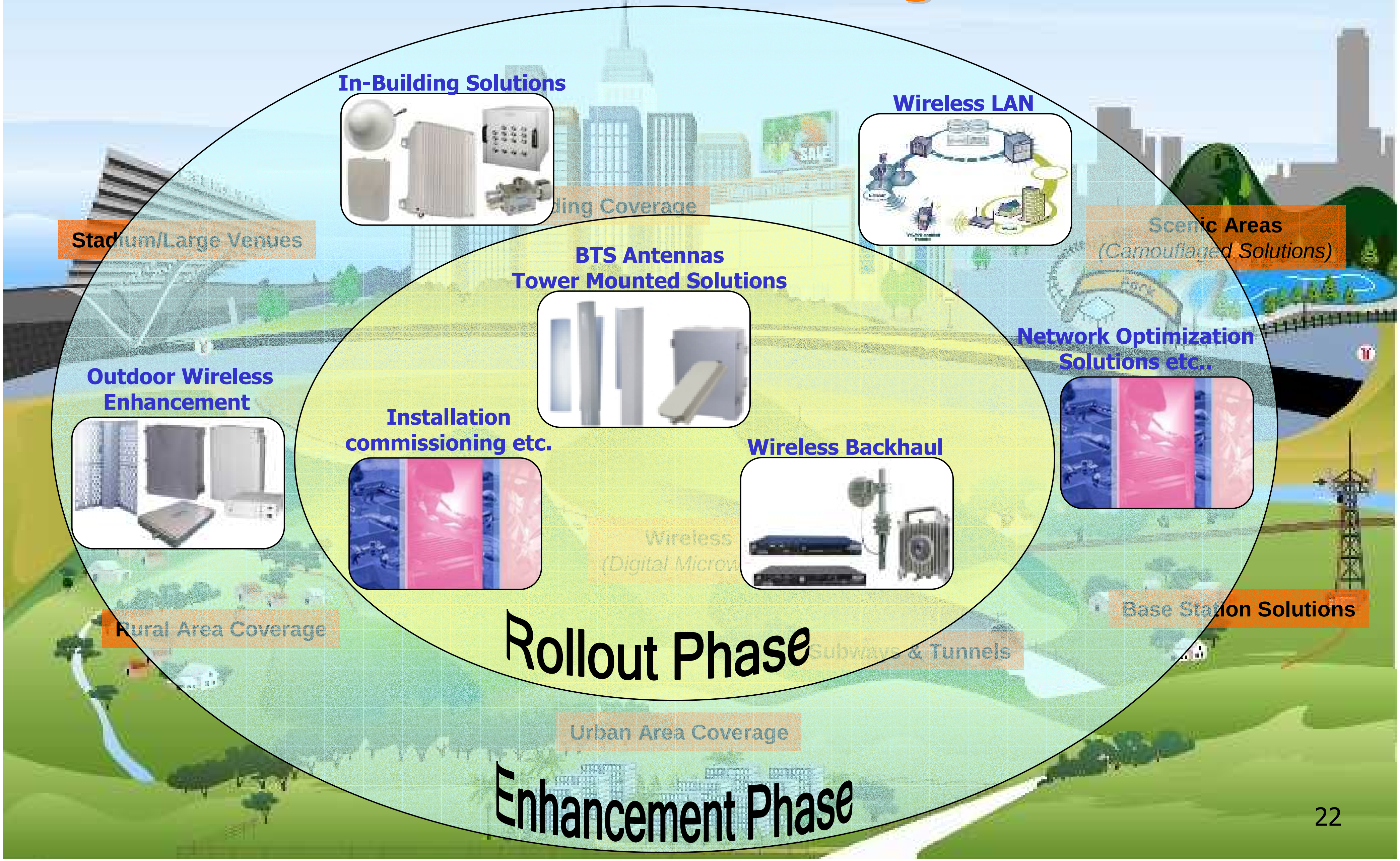


Wireless Access (DMS and WLAN)

Services

Solutions for all Network Stages

Solutions for all Network Stages

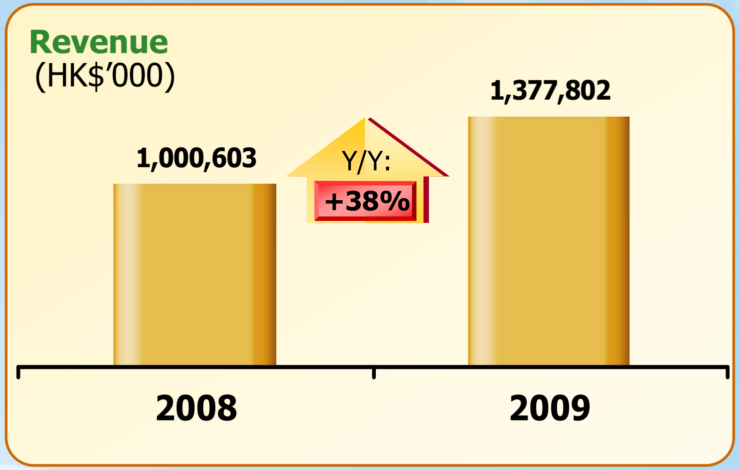


Wireless Enhancement

Comba

Review & Opportunities:

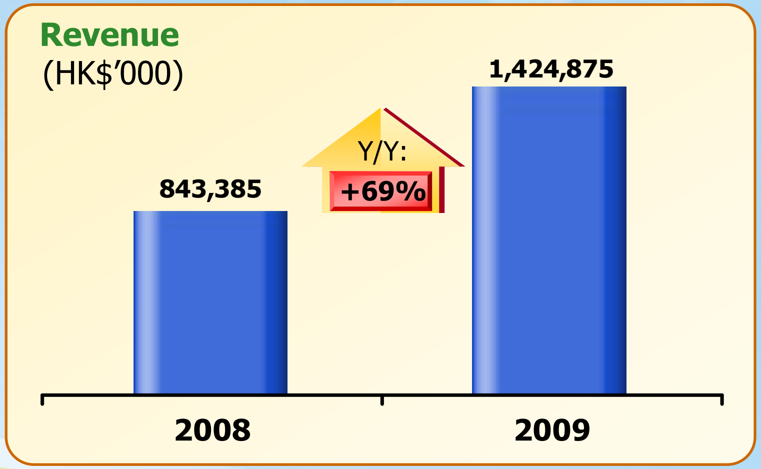
- Increased 38% to HK$1.4 billion
- Tapped demand from China market for 2G and 3G repeater solutions
- Escalating industry pressure on selling prices for standard repeaters
  - Volume order strategy to preserve profits
  - Integrated wireless solutions with services to maintain competitive differentiation and margins
- 2010 opportunities in 3G network activities (enhancement) in China, India, South America
- Global increasing data capacity requirements will drive demand for wireless enhancement solutions



Antennas & Subsystems

Review & Opportunities:

- Increased 69% to HK$1.4 billion
- Converting recognition from 1st tier operators to solid revenue opportunities
- Volume orders of 3G antennas in China for network rollout and for 2G/3G integration opportunities in 2010
- Product portfolio expansion with LTE ready antennas already generating interest from market
- Increase market penetration with segmentation strategy

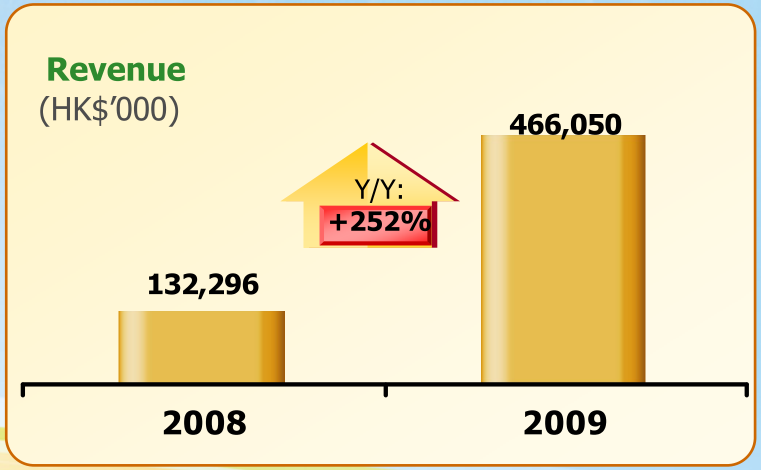


Wireless Access (DMS and WLAN)

Comba

Review & Opportunities:

- Remarkable growth of 252% to HK$466 million
- Portfolio offering expansion fuelling growth:
  - *Wireless LAN solutions*
  - *IP backhaul solutions* for future requirements
  - Cost-effective solutions developed including couplers and integrated microwave equipment
  - Success in expanding customer base to OEM
- Greenfield and wireless only operators and network rollout plans for 3G and 4G driving future wireless backhaul demands



Services

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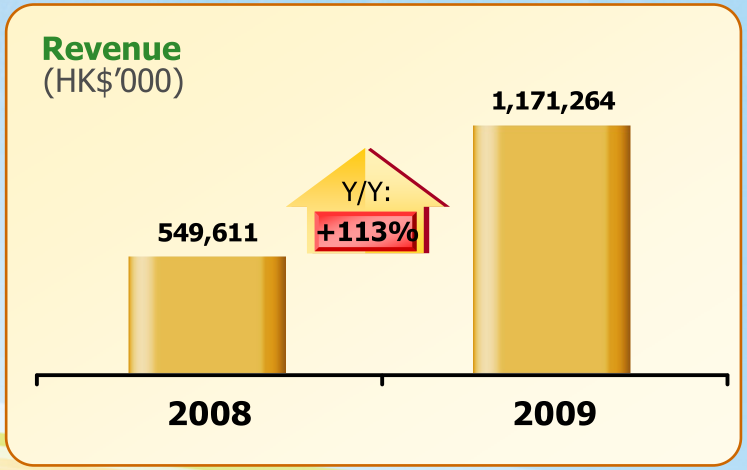
Review & Opportunities:

- Increase 113% to HK$1.2 billion
- Services include maintenance, consultation, commissioning, network optimization and project management
- Recurring maintenance contracts from existing customers
- Successful expansion in both domestic and international market with service element in solution offerings such as network design and consultation
- Services element will be a key component of Comba's new Wireless Solutions division



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Market Outlook

Global Outlook

Global Outlook

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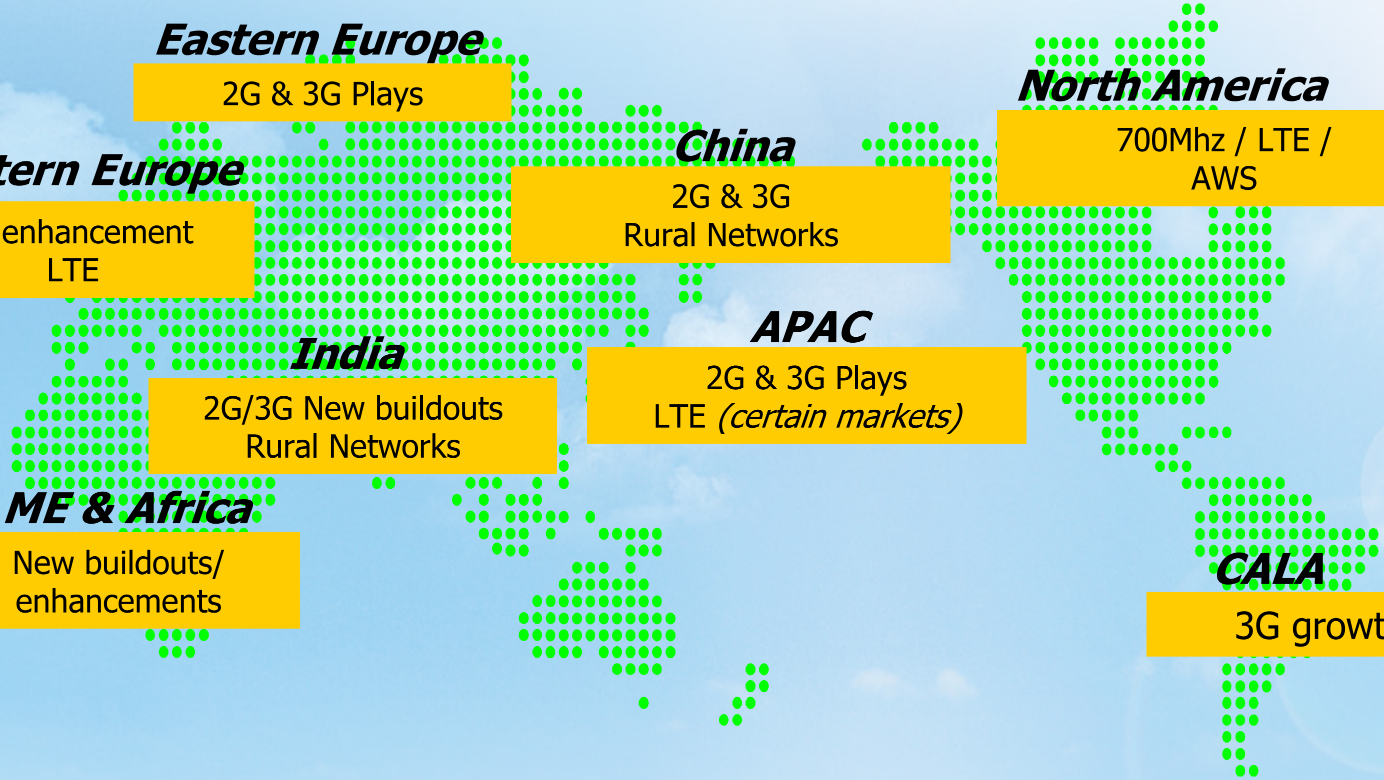


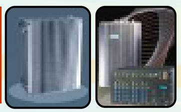
GLOBAL WIRELESS CAPEX

2010: USD 140 billion

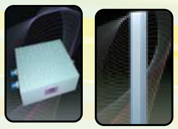
CHINA WIRELESS CAPEX

2010: USD26.5 Billion

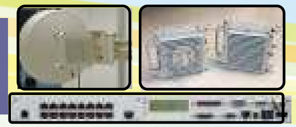
Wireless Enhancement



Antennas & Subsystems



Wireless Access



Services

Open Forum