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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)**

**(1) POLL RESULTS OF THE AGM AND THE EGM BOTH  
HELD ON 23 MAY 2011;  
(2) NUMBER OF BONUS SHARES TO BE ISSUED;  
AND  
(3) ADJUSTMENT TO OPTIONS**

The Board is pleased to announce that at the AGM and the EGM both held on Monday, 23 May 2011, all the proposed ordinary resolutions as set out in the AGM Notice and the EGM Notice were duly passed by the Shareholders by way of poll.

The number of Bonus Shares to be issued under the Bonus Issue is 135,837,495.

The exercise price of the Options and the number of Shares to be allotted and issued upon full exercise of the subscription rights attaching to the outstanding Options will be adjusted in the manner as described herein.

References are made to the circular (the “**AGM Circular**”) of Comba Telecom Systems Holdings Limited (the “**Company**”) and the notice of the annual general meeting (the “**AGM Notice**”) of the Company dated 18 April 2011 and the circular (the “**EGM Circular**”) of the Company and the notice of the extraordinary general meeting (the “**EGM Notice**”) of the Company dated 5 May 2011. Unless the context otherwise requires, capitalized terms used in this announcement shall have the same meanings as those defined in the AGM Circular and the EGM Circular.

## **RESULTS OF THE AGM AND THE EGM**

At the AGM and the EGM (collectively the “**Meetings**”), all the proposed ordinary resolutions as set out in the AGM Notice and the EGM Notice were taken by poll. The Company’s Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, was appointed as the scrutineer at the Meetings for the purpose of vote-taking.

As at the date of the Meetings, the total number of issued shares in the Company was 1,358,375,087, which was also the total number of Shares entitling the Shareholders to attend and vote for or against the ordinary resolutions at the AGM.

For the resolution proposed at the EGM in respect of the connected transaction relating to the grant of the award of an aggregate of 3,332,000 new shares to 12 connected persons (the “**Connected Award Resolution**”), pursuant to Rule 14A.54 of the Listing Rules and as disclosed in the Circular, the 12 connected persons, including the executive Directors of the Company namely 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 directors of the members of the Group namely Mr. Chen Sui Yang, Mr. Zhang Jin Yu, Charles, Mr. Zhang Shan Yu, Mr. Feng Yong, Mr. Qiu Bing, Mr. Dai Jinghui and Mr. Ong Sing Jye and their respective associates (who together held 26,809,563 shares, representing approximately 1.97% of the issued share capital of the Company as at the date of the EGM), were required to abstain and had abstained from voting on the Connected Award Resolution at the EGM. The total number of Shares entitling the Independent Shareholders to attend the EGM and vote for or against the Connected Award Resolution were 1,331,565,524 Shares.

Save as disclosed herein, no Shareholder was entitled to attend and vote only against any resolutions or were required to abstain from voting on any resolutions at the Meetings.

The Board is pleased to announce that all the proposed ordinary resolutions were duly passed by the Shareholders by way of poll at the Meetings. The poll results in respect of the resolutions at the AGM were as follows:

Ordinary Resolutions proposed at the AGM		Number of Votes (%)	
		For	Against
1.	To receive and approve the audited consolidated financial statements and the reports of the Directors and auditors of the Company for the year ended 31 December 2010	897,728,756 (100%)	0 (0%)
2.	To approve the recommended final dividend of HK8 cents per Share	897,728,756 (100%)	0 (0%)
3.	To approve the recommended special dividend of HK4 cents per Share	897,728,756 (100%)	0 (0%)
4.	(a) To re-elect Mr. Zhang Yue Jun as executive Director	885,305,707 (98.62%)	12,423,049 (1.38%)
	(b) To re-elect Mr. Wu Jiang Cheng as executive Director	885,614,707 (98.65%)	12,114,049 (1.35%)
	(c) To re-elect Mr. Yan Ji Ci as executive Director	875,607,413 (97.54%)	22,121,343 (2.46%)
	(d) To re-elect Mr. Yeung Pui Sang, Simon as executive Director	695,992,426 (77.53%)	201,736,330 (22.47%)

	(e) To authorize the Board to fix the Directors' remuneration	897,728,756 (100%)	0 (0%)
5.	To re-appoint Ernst & Young as the Company's auditors and authorize the Board to fix their remuneration	896,688,219 (99.88%)	1,040,537 (0.12%)
6.	To grant the general mandate to the Directors to issue, allot and otherwise deal with the Shares	670,714,207 (74.71%)	227,014,549 (25.29%)
7.	To grant the general mandate to the Directors to repurchase the Shares	896,507,196 (99.86%)	1,221,560 (0.14%)
8.	To add the nominal amount of the Shares repurchased by the Company to the mandate granted to the Directors under resolution no. 6	684,560,755 (76.25%)	213,168,001 (23.75%)
9.	To approve the refreshment of the 10% scheme mandate limit on the grant of Options under the Share Option Scheme	680,288,889 (75.78%)	217,439,867 (24.22%)
10.	To approve the capitalization of such amount standing to the share premium account of the Company for paying up the Bonus Shares in full at par, and to approve the Bonus Issue	897,196,356 (99.94%)	532,400 (0.06%)

As more than 50% of the votes were cast in favour of each of the resolutions at the AGM, all the resolutions at the AGM were duly passed as ordinary resolutions of the Company.

The poll result in respect of the resolution at the EGM was as follows:

Ordinary Resolution proposed at the EGM	Number of Votes (%)	
	For	Against
To approve, confirm and ratify the grant of the award of an aggregate of 3,332,000 new shares of HK\$0.10 each, credited as fully paid, to 12 selected persons who are the directors of members of the Group and connected persons of the Company under the Share Award Scheme adopted by the Company on 25 March 2011 and to authorize the Directors to do such acts and execute such other documents necessary in relation thereto	886,506,365 (98.92%)	9,636,712 (1.08%)

As more than 50% of the votes were cast in favour of the resolution at the EGM, the resolution at the EGM was duly passed as ordinary resolution of the Company.

## NUMBER OF BONUS SHARES TO BE ISSUED

As disclosed in the Circular, the Bonus Issue is proposed to be made on the basis of one Bonus Share for every ten existing Shares held on the Record Date, i.e. 23 May 2011. As at today's close of business, there are in total 1,358,375,087 Shares in issue. Since the fractional entitlements of the

Bonus Shares will be cancelled, the number of Bonus Shares to be issued under the Bonus Issue is 135,837,495.

Based on the register of the Company as at today's close of business, there are no Shareholders with registered addresses which are outside Hong Kong. Therefore, all the Shareholders are entitled to participate in the Bonus Issue, and there are no Excepted Shareholders (to whom the Bonus Shares will not be granted).

## ADJUSTMENT TO OPTIONS

Pursuant to the terms of the Share Option Scheme of the Company adopted on 20 June 2003, the exercise price of the Options granted under the Share Option Scheme and the number of Shares to be allotted and issued upon full exercise of the subscription rights attaching to the 58,555,121 outstanding Options will be adjusted (the "Share Options Adjustments") in the following manner as a result of the Bonus Issue:

Date of grant	Exercise period	Before Bonus Issue		After Bonus Issue	
		Number of Options outstanding	Exercise price of Options	Adjusted number of Options outstanding	Adjusted exercise price of Options
21 July 2008	21 July 2009 to 20 July 2011	10,242,939	HK\$1.475	11,267,209	HK\$1.341
4 November 2008	4 November 2009 to 3 November 2011	15,312,182	HK\$0.477	16,843,356	HK\$0.434
22 July 2010	22 July 2011 to 21 July 2013	33,000,000	HK\$7.227	36,300,000	HK\$6.570
		<u>58,555,121</u>		<u>64,410,565</u>	

The auditors of the Company has reviewed and confirmed in writing the Share Options Adjustments are in accordance with the terms of the Share Option Scheme and the appendix of supplementary guidance attached to the letter from the Stock Exchange dated 5 September 2005 relating to adjustments to the Options.

By order of the Board  
**COMBA TELECOM SYSTEMS HOLDINGS LIMITED**  
**Tong Chak Wai, Wilson**  
*Executive Director*

Hong Kong, 23 May 2011

*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.*