

# Announcement

To the Copenhagen Stock Exchange and the press

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## RTX Telecom signs Agreement for Delivery of IP for a GSM/TD-SCDMA Chipset

RTX Telecom has signed an agreement concerning the development of a state-of-the-art GSM/TD-SCDMA chipset for the Chinese 3G TD-SCDMA standard with a tier-one supplier of cellular chipsets. The TD-SCDMA part of the chipset will be based on RTX Intellectual Property (IP).

The chipset will be available in engineering samples by the end of 2003 and for mass-production by the first half of 2004. It is expected that it will be the first chipset available for development of commercial TD-SCDMA handsets.

The GSM/TD-SCDMA chipset will be based on the chip supplier's EDGE and W-CDMA chipsets, ensuring a high combined production volume and a competitive price for the chipset. RTX Telecom is convinced that handsets based on the chipset will be able to compete with all other 3G technologies on key competitive factors such as cost, size, weight and standby/talk-time.

RTX Telecom has been working on development of TD-SCDMA IP, firmware, software and handset designs since the year 2000 and sees a strong interest from handset manufacturers in developing commercial GSM/TD-SCDMA handsets for the Chinese market. The new chipset is expected to accelerate the development of handsets and keep RTX Telecom in the forefront of TD-SCDMA.

The chipset will be able to handle all services supported by the TD-SCDMA networks in China. Handsets based on the chipset will be able to fall back on GSM/GPRS in geographical areas without TD-SCDMA coverage.

Based on this Agreement, RTX Telecom will be able to accept contracts from customers immediately for the development of competitive handset designs to be approved and mass-produced by mid 2004.

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CEO Jorgen Elbaek, RTX Telecom, comments: "Securing competitive chipsets for development of commercial TD-SCDMA terminals has been the most important milestone to pass in our plans to become a leading design company in the TD-SCDMA market".

"We hope this will help the Chinese authorities in their process of issuing TD-SCDMA licenses to operators. It is our belief that the chipset will be the first in the market based on proven technology, and we hope it will help secure a strong position for RTX Telecom in the future TD-SCDMA market." adds Mr Elbaek.

The Chinese authorities have not yet issued TD-SCDMA licenses to mobile operators, but RTX Telecom expects this to happen before long.

At the present time, the agreement is not expected to influence RTX Telecom's general expectations for the 2002/03 financial year.

With regards  
RTX Telecom A/S

Jorgen Elbaek  
Managing Director

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for answers to any questions and for further information.*

### **About RTX Telecom**

RTX Telecom is an internationally oriented group which develops and markets advanced, high-tech wireless development projects and products, including cordless phones, Bluetooth™-headsets and mobile telephones. The business of the group supplies several links in the telecom industry value chain.

The RTX Telecom mission is to be the preferred supplier of advanced solutions in the area of wireless technology systems, especially with regard to DECT, DCT2.4GHz, Bluetooth™, GSM/GPRS, CDMA, TD-SCDMA and WLAN. Through flexibility, rapid reaction times, high quality and a thorough knowledge of customers' production processes and market circumstances, the group seeks to create an increase in value within the business areas of its customers.

In the previous financial year, RTX Telecom published a turnover of DKK 208 million and at present the group employs a staff of 243 of which 199 are engineers and technicians.

### **About TD-SCDMA**

TD-SCDMA stands for Time Division – Synchronous Code Division Multiple Access. TD-SCDMA is a third generation mobile telephony standard developed by CATT (China Academy of Telecommunications Technology) in collaboration with Datang and Siemens. China is expected to make a final decision on the standard during 2003. TD-SCDMA enables surfing the Internet at a speed of up to 2 Mbit/s, or 35 times faster than an ordinary 56k modem and telephone line link. It also allows supremely efficient use of the infrastructure.