



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)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Annual General Meeting of Comba Telecom Systems Holdings Limited (the "Company") will be held at 1503-1510, Delta House, 3 On Yiu Street, Shatin, New Territories, Hong Kong on 25 May 2005 at 10:00 a.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements and the reports of the directors and the auditors for the financial year ended 31 December 2004.
2. To declare a final dividend for the year ended 31 December 2004.
3. To re-elect the retiring directors and authorise the board of directors of the Company (the "Board") to fix the remuneration of the directors.
4. To re-appoint auditors and to authorise the Board to fix their remuneration.
5. To consider and, if thought fit, pass with or without amendments the following resolutions as **Ordinary Resolutions**:

(A) "THAT

- (i) subject to paragraph (iii) below, the exercise by the directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements, options (including bonds, warrants and debentures convertible into shares of the Company) and rights of exchange or conversion which might require the exercise of such powers, subject to and in accordance with all applicable laws and requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time), be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) above shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements, options (including bonds, warrants and debentures convertible into shares of the Company) and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period;

(iii) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval granted in paragraph (i) above, otherwise than pursuant to (a) a Rights Issue (as defined below), or (b) the exercise of options under any share option scheme or similar arrangement adopted by the Company for the grant or issue to the employees and directors of the Company and/or any of its subsidiaries and/or other eligible participants specified thereunder of options to subscribe for or rights to acquire shares of the Company, or (c) an issue of shares upon the exercise of the subscription rights attaching to any warrants which may be issued by the Company; or (d) an issue of shares of the Company as scrip dividend or similar arrangement in accordance with the articles of association of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and

(iv) for the purpose of this resolution:

“**Relevant Period**” means the period from the date of passing of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (c) the date on which the authority sets out in this resolution is revoked or varied by an ordinary resolution of the Company in general meeting.

“**Rights Issue**” means an offer of shares of the Company open for a period fixed by the directors of the Company to holders of shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any legal restrictions under the laws of any relevant jurisdiction, or the requirements of any recognized regulatory body or any stock exchange, in any territory outside Hong Kong).”

(B) “THAT

- (i) subject to paragraph (ii) below, the exercise by the directors of the Company during the Relevant Period (as defined below) of all powers of the Company to purchase or otherwise acquire shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and recognised by the Stock Exchange and the Securities and Futures Commission for this purpose, subject to and in accordance with all applicable laws and the

requirements of the Hong Kong Code on Share Repurchases and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time) be is hereby generally and unconditionally approved;

- (ii) the aggregate nominal amount of shares of the Company which are authorised to be purchased pursuant to the approval in paragraph (i) above shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and
- (iii) for the purpose of this resolution:

“**Relevant Period**” means the period from the date of passing of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (c) the date on which the authority sets out in this resolution is revoked or varied by an ordinary resolution of the Company in general meeting.”

(C) “THAT

conditional upon the passing of the resolutions set out in paragraphs 5 (A) and 5(B) of the notice convening this meeting, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue and otherwise deal with shares of the Company pursuant to the resolution set out in paragraph 5(A) of the notice convening this meeting be and is hereby extended by the addition thereto an amount representing the aggregate nominal amount of shares of the Company purchased or otherwise acquired by the Company pursuant to the authority granted to the directors of the Company under the resolution set out in paragraph 5(B) above of the notice convening this meeting, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution.”

(D) “THAT

the existing scheme limit under the share option scheme of the Company adopted by a resolution of the shareholders of the Company dated 20 June 2003 (the “Existing Share Option Scheme”) be refreshed so that the aggregate nominal amount of share capital of the Company to be allotted and issued pursuant to the grant or exercise of the options under the Existing Share Option Scheme (excluding options previously granted, outstanding, cancelled, lapsed or exercised under the Existing Share Option Scheme) shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this

resolution (“Refreshed Limit”) and that the directors of the Company be and are hereby authorised, subject to compliance with the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time), to grant options under the Existing Share Option Scheme up to the Refreshed Limit and to exercise all the powers of the Company to allot, issue and deal with shares of the Company pursuant to the exercise of such options.”

6. To consider and, if thought fit, pass with or without amendments the following resolution as a **Special Resolution**:

“**THAT** the articles of association of the Company be amended as follows:

(i) by inserting the words “voting by way of a poll is required by the rules of the Designated Stock Exchange” after the word “unless” in the third sentence of Article 66;

(ii) by deleting the word “right.” in the last sentence of paragraph (d) of Article 66 and replacing therefor the words “right; or”;

(iii) by inserting the following as a new paragraph (e) to Article 66:

“(e) if required by the rules of the Designated Stock Exchange, by any Director or Directors who, individually or collectively, hold proxies in respect of shares representing five per cent. (5%) or more of the total voting rights at such meeting.”;

(iv) by deleting the last sentence of Article 68 and replacing therefor the following new sentence:

“the Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the rules of the Designated Stock Exchange;

(v) by deleting the word “annual” before the words “general meeting of the Company” in the last sentence of Article 86(3); and

(vi) by deleting existing Articles 87(1) and 87(2) in their entirety and replacing therefor the following new Articles 87(1) and 87(2):

“87 (1) Notwithstanding any other provisions in the Articles, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) who have been longest in office shall retire from office by rotation, provided that every Director shall be subject to retirement at least once every three years.

(2) As between two or more who have been in office for the same length of time, the Director or Directors to retire shall in default of agreement between them be determined by lot. The length of time a Director has been in office shall be computed from his last election or appointment

where he has previously vacated office. A retiring Director shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he retires. Any Director who wishes to retire and not to offer himself for re-election and any Director appointed pursuant to Article 86(2) or Article 86(3) shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation.””

By Order of the Board
Chan Kai Leung, Clement
Company Secretary

Hong Kong, 29 April 2005

Notes:

- (a) The register of members of the Company will be closed from Monday, 23 May 2005 to Wednesday, 25 May 2005 (both days inclusive), during which period no transfer of shares in the Company can be registered.
- (b) All transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:00 p.m. on Friday, 20 May 2005.
- (c) Any shareholder of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on his behalf. A proxy need not be a shareholder of the Company.
- (d) To be valid, a form of proxy in the prescribed form together with the power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority, must be deposited at the Company’s principal place of business in Hong Kong at 1503-1510, Delta House, 3 On Yiu Street, Shatin, New Territories, Hong Kong not less than 48 hours before the time fixed for holding the meeting or any adjourned meeting.
- (e) A circular containing, among other things, the biographical information regarding the directors proposed to be re-elected at the annual general meeting and further details regarding the resolutions set out in paragraphs 5 and 6 of this notice of the annual general meeting of the Company will be sent to the shareholders of the Company together with the 2004 annual report of the Company.

As at the date hereof, the Board comprises:

Executive directors:

Mr. Fok Tung Ling

Mr. Zhang Yue Jun

Mr. Chan Kai Leung, Clement

Mr. Wu Jiang Cheng

Mr. Yan Ji Ci

Mr. Zheng Guo Bao

Mr. Yeung Pui Sang, Simon

Independent non-executive directors:

Mr. Lau Siu Ki, Kevin

Mr. Liu Cai

Mr. Yao Yan

Please also refer to the published version of this announcement in The Standard.