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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)

INSIDE INFORMATION PROPOSED SPIN-OFF AND SEPARATE LISTING OF COMBA NETWORK SYSTEMS COMPANY LIMITED

This announcement is made by Comba Telecom Systems Holdings Limited (the “**Company**”, together with its subsidiaries, collectively, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Company is considering a possible spin-off and separate listing of Comba Network Systems Company Limited (“**Comba Network**”, together with its subsidiaries, collectively, “**Comba Network Group**”) on a stock exchange in the People’s Republic of China (the “**PRC**”) (the “**Proposed Spin-off and Listing**”). As at the date of this announcement, the Company indirectly holds approximately 87.74% equity interest in Comba Network.

Comba Network Group is principally engaged in manufacture and sale of wireless telecommunications network system equipment and provision of related engineering services. It currently focuses on research and development, manufacture and sale of network system products, including macro cells, small cells, related extended & in-depth coverage solutions and OpenRAN products as well as providing network solutions for 5G vertical industry.

On 7 April 2021, the Company submitted an application to the Stock Exchange for approval in relation to the Proposed Spin-off and Listing pursuant to Practice Note 15 of the Listing Rules. The sponsor of the Proposed Spin-off and Listing will submit an application to the relevant local office of the China Securities Regulatory Commission (the “**CSRC**”) for the commencement of the pre-listing tutoring process.

The Proposed Spin-off and Listing, if materialized, will constitute a deemed disposal under Chapter 14 of the Listing Rules. The Company will make further disclosure on the Stock Exchange as and when appropriate pursuant to the relevant requirements of the Listing Rules.

The board of directors (the “**Board**”) of the Company considers that the Proposed Spin-off and Listing will provide the Comba Network Group with a variety of benefits, including unlocking its hidden value and increasing its own brand image. As it is expected that Comba Network Group will remain as a subsidiary of the Company after the Proposed Spin-off and Listing, the Group will enjoy the benefits arising from the growth of the Comba Network Group as a result of the Proposed Spin-off and Listing. In light of the above, the Board considers that the Proposed Spin-off and Listing is in the interests of the Company and its shareholders as a whole.

Pursuant to relevant PRC laws and regulations, prior to submitting the listing application to the CSRC and the relevant stock exchange in the PRC, Comba Network is required to engage a pre-listing tutoring agency to provide tutoring service, and such tutoring shall be passed by relevant local office of the CSRC. The submission of the application for the pre-listing tutoring process or the acceptance of such application does not represent that Comba Network has (i) fulfilled the criteria for the application for the listing to the CSRC or the relevant stock exchange in the PRC; or (ii) applied for the listing to the CSRC or the relevant stock exchange in the PRC.

The Proposed Spin-off and Listing is subject to, among other things, the obtaining of approvals from the relevant authorities (including the CSRC, the relevant stock exchange in the PRC and the Stock Exchange) in respect of the listing of, and permission to deal in, securities of Comba Network, and the final decisions of the Company and Comba Network. Shareholders and potential investors of the Company should be aware that there is no assurance that the Proposed Spin-off and Listing will take place or as to when it may take place. Shareholders and potential investors of the Company should therefore exercise caution when dealing in or investing in the securities of the Company.

By order of the Board
Comba Telecom Systems Holdings Limited
Fok Tung Ling
Chairman

Hong Kong, 7 April 2021

As at the date of this announcement, the Board comprises the following executive directors: Mr. FOK Tung Ling, Mr. ZHANG Yue Jun, Mr. XU Huijun, Mr. CHANG Fei Fu, Mr. BU Binlong and Ms. HUO Xinru; the following non-executive director: Mr. WU Tielong; and the following independent non-executive directors: Mr. LAU Siu Ki, Kevin, Dr. LIN Jin Tong, Ms. NG Yi Kum and Ms. WONG Lok Lam.