

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities.

Neither this announcement nor any copy thereof may be released into or distributed directly or indirectly in the United States or any other jurisdiction where such release or distribution might be unlawful.

*This announcement does not constitute an offer to sell or the solicitation of an offer to buy any securities in the United States or any other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. The securities referred to herein will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), and may not be offered or sold in the United States except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act. Any public offering of securities to be made in the United States will be made by means of a prospectus. Such prospectus will contain detailed information about the company involved and its management and financial statements. The Company does not intend to make any public offering of securities in the United States.*

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)

Lead placing agent and settlement agent



Placing agent



**COMPLETION OF SUBSCRIPTION OF
NEW SHARES UNDER GENERAL MANDATE**

References are made to the announcements of the Company dated 23 April 2020, 24 April 2020 and 28 April 2020 (the “**Announcements**”) in relation to, among other things, the Top-up Placing and the Subscription. Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

COMPLETION OF SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

As disclosed in the announcement of the Company dated 28 April 2020, completion of the Top-up Placing took place on 28 April 2020. A total of 282,000,000 Top-up Placing Shares held by the Vendors have been successfully placed at the Top-up Placing Price of HK\$3.05 per Share.

The Board is pleased to announce that all the conditions for the Subscription have been fulfilled and completion of the Subscription took place on 8 May 2020. In connection with the Top-up Placing, a total of 230,000,000 Subscription Shares have been issued to the Vendors at the Subscription Price of HK\$3.05 per Share. Among the 230,000,000 Subscription Shares, Prime Choice and Wise Logic subscribed for 150,000,000 Shares and 80,000,000 Shares respectively. The Subscription Shares represent approximately 8.40% of the issued share capital of the Company as enlarged by the Subscription.

Since the total number of Top-up Placing Shares is more than the total number of Subscription Shares, the Vendors in effect placed 52,000,000 Shares, representing approximately 1.90% of the issued share capital of the Company as enlarged by the Subscription at the price of HK\$3.05 per Share.

The net proceeds to the Company from the Subscription are approximately HK\$686.49 million. The Group is principally engaged in the research, development, manufacture and sale of wireless telecommunications network system equipment and the provision of related engineering services. In anticipation of the promising market of 5G technology development and application, the Company intends to apply the net proceeds to be received by it for 5G technologies R&D and production capacity expansion. Specifically, the Company plans to invest in: 1) R&D of 5G small cells and OpenRAN, 5G antenna development and filter, and development of 5G+ vertical applications; 2) expansion of production capacity, focusing on the production of 5G small cells and antenna products.

EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company immediately before and immediately after the Top-up Placing and the Subscription is as follows:

Shareholder	Immediately before completion of the Top-up Placing and the Subscription		Immediately after completion of the Top-up Placing (but before the Subscription)		Immediately after completion of the Top-up Placing and the Subscription ³	
	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>
Vendors ¹	983,204,878	39.22	701,204,878	27.97	931,204,878	34.03
Places	–	–	282,000,000	11.25	282,000,000	10.30
Other Directors (excluding Mr. Fok and Mr. Zhang) ²	14,192,133	0.57	14,192,133	0.57	14,192,133	0.52
Other public Shareholders ⁴	1,509,260,407	60.21	1,509,260,407	60.21	1,509,420,407	55.15
Total	2,506,657,418	100	2,506,657,418	100	2,736,817,418	100

Notes:

1. Immediately after completion of the Top-up Placing and the Subscription, Prime Choice and Wise Logic, held 678,115,129 and 228,225,410 Shares, representing approximately 24.78% and 8.34% of the issued share capital of the Company respectively. Prime Choice is a company incorporated in the British Virgin Islands, and is wholly-owned by Mr. Fok, an executive Director. Wise Logic is a company incorporated in the British Virgin Islands, and is wholly-owned by Mr. Zhang, an executive Director. Mr. Fok directly held 24,864,339 Shares, representing approximately 0.91% of the issued share capital of the Company. Mr. Fok did not place any of the Shares held directly by him under the Top-up Placing.
2. The aggregate of 14,192,133 Shares held by three Directors (excluding Mr. Fok and Mr. Zhang).
3. Since the total number of Top-up Placing Shares is more than the total number of Subscription Shares, the Vendors in effect placed 52,000,000 Shares, representing approximately 1.90% of the issued share capital of the Company immediately after completion of the Top-up Placing and the Subscription at the price of HK\$3.05 per Share.

4. Immediately after completion of the Top-up Placing and the Subscription, not less than 25% of the issued share capital of the Company is held by the public. The Company is not aware that there is any new substantial shareholder immediately after completion of the Top-up Placing and the Subscription within the meaning of the Listing Rules and the number of Shares held by the public continues to satisfy the minimum percentage prescribed under Rule 8.08 of the Listing Rules.

On behalf of the Board
Comba Telecom Systems Holdings Limited
Fok Tung Ling
Chairman

Hong Kong, 8 May 2020

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. LEUNG Hoi Wai.