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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)

VOLUNTARY ANNOUNCEMENT SHARE REPURCHASE PLAN

This announcement is made by Comba Telecom Systems Holdings Limited (the “**Company**”, together with its subsidiaries, “**Group**”) on a voluntary basis. The board (the “**Board**”) of directors (the “**Director(s)**”) of the Company hereby announces that it intends to exercise its power under the general mandate to repurchase (the “**Repurchase Mandate**”) shares of the Company (the “**Share(s)**”) granted by the shareholders of the Company (the “**Shareholders**”) to the Board at the annual general meeting of the Company held on 31 May 2017.

Pursuant to the Repurchase Mandate, the Company is allowed to repurchase up to 246,144,390 Shares, being 10% of the total number of issued Shares as at the date of granting of the Repurchase Mandate, on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The period for the Repurchase Mandate was until the conclusion of the next annual general meeting of the Company. The Company has decided that it shall repurchase the Shares from the date of this announcement (the “**Share Repurchase Plan**”) pursuant to the Repurchase Mandate. The Share Repurchase Plan is proposed to repurchase not more than 100,000,000 Shares. Under the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”), the actual repurchase price of each Share shall be no more than 5% higher than the average closing market price for the Shares over the 5 trading days immediately preceding each repurchase.

The Share Repurchase Plan will be subject to market conditions and will be at the Board’s absolute discretion. The Group will finance the repurchase from its existing available cash reserves and free cash flow. The implementation of the Share Repurchase Plan will be subject to compliance with the Repurchase Mandate, applicable provisions of the Company’s articles of association, the Listing Rules and applicable Hong Kong and Cayman Islands law. Any Shares repurchased under the Share Repurchase Plan will be cancelled.

The Board is committed to optimizing the Company's capital. The Board believes that the Shares have been undervaluing the Company's performance, value of assets and business prospects and that it is the appropriate time to repurchase the Shares to enhance earnings per Share and create value for the Shareholders. The Board also believes that the current financial position of the Company is appropriate to implement the Share Repurchase Plan and it reflects the confidence of the Board and the management team in the long-term strategy and growth of the Company. The Board considers that the Share Repurchase Plan is in the best interest of the Company and its Shareholders as a whole.

Shareholders and investors should note that as at the date of this announcement, the Company has made no share repurchases pursuant to the Repurchase Mandate, and any share repurchases the Company may make under the Share Repurchase Plan will be subject to market conditions and will be at the Board's absolute discretion. There is no assurance of the timing, quantity or price of any share repurchases or whether the Company will make any repurchases at all. Shareholders and investors should therefore exercise caution when dealing in the Shares.

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

Hong Kong, 27 April 2018

As at the date of this announcement, the Board comprises the following executive Directors: Mr. FOK Tung Ling, Mr. ZHANG Yue Jun, Mr. CHANG Fei Fu, Mr. YEUNG Pui Sang, Simon, Mr. ZHANG Yuan Jian, Mr. BU Binlong and Mr. WU Tielong; and the following independent non-executive Directors: Mr. LAU Siu Ki, Kevin, Dr. LIN Jin Tong and Mr. QIAN Ting Shuo.