

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.

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)

PROFIT WARNING

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

The board (the “**Board**”) of directors (the “**Director(s)**”) of the Company wishes to inform the shareholders of the Company and potential investors that based on the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2020 (the “**Current Year**”), the Group is expected to record a loss attributable to owners of the Group’s parent company of approximately HK\$190 million for the Current Year as compared with a profit attributable to owners of the Group’s parent company of approximately HK\$151,749,000 for the year ended 31 December 2019.

The Group’s consolidated loss for the Current Year was primarily attributable to the following factors:

1. Global economy is continuously affected by the COVID-19 pandemic and major China telecom operators have delayed the construction of some 5G network capital projects. Centralized procurement biddings of related 5G antenna products have also delayed which has led to a decline in the Group’s turnover and gross profit of antenna products in the Current Year; and

2. The Group increased the relevant investment in the research and development in order to well prepare for the launch of the 5G network, which led to an increase in research and development costs.

The Board considers that the Group's financial position remains sound with sufficient working capital. Looking forward, the Board will continue to review the Group's operations and strategies from time to time to meet the challenges ahead and remains optimistic about the growth opportunities in telecommunication industry in the Mainland China and the global markets (particularly the business development prospects in the launch of 5G network).

The information contained in this announcement is based on the preliminary assessment by the Company's management on the unaudited consolidated management accounts of the Group only. Such accounts are under audit by the Company's auditor and have not been reviewed by the Company's audit committee and may be subject to adjustments. Shareholders of the Company and potential investors are advised to read the annual results announcement of the Company for the Current Year carefully, which is expected to be published in late March 2021.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
Comba Telecom Systems Holdings Limited
Chang Fei Fu
Executive Director

Hong Kong, 26 February 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.