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)

(Hong Kong Stock Code: 2342)
(Singapore Stock Code: STC)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

FINANCIAL HIGHLIGHTS

- Revenue: HK$2,200 million (2025: HK$2,199 million)
- Gross profit margin increased by 2.6% points to 32.1% (2025: 29.5%)
- Profit attributable to shareholders: HK$55 million (2025: HK$62 million)

RESULTS

The board (the "Board") of directors (the "Director(s)") of Comba Telecom Systems Holdings Limited (the "Company") is pleased to announce the unaudited interim results of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 June 2026 (the "Current Period"), together with the comparative figures for the same period in 2025 (the "Prior Period"). These unaudited interim results have been reviewed by the audit committee (the "Audit Committee") of the Company but have not been audited.

INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the six months ended 30 June 2026

	Notes	For the six months ended 30 June 2026 HK$'000 (Unaudited)	2025 HK$'000 (Restated Unaudited)
REVENUE	5	**2,199,598**	2,199,166
Cost of sales		**(1,493,520)**	(1,550,384)
Gross profit		**706,078**	648,782
Other income and gains	5	**70,142**	50,166
Research and development expenses		**(180,812)**	(161,891)
Selling and distribution expenses		**(195,254)**	(182,420)
Administrative expenses		**(154,883)**	(136,945)
Reversal of impairment on financial and contract assets, net	6	**13,166**	344
Other expenses		**(137,976)**	(107,696)
Finance costs	7	**(16,288)**	(19,897)
Share of profit of a joint venture		**2,538**	1,136
PROFIT BEFORE TAX	6	**106,711**	91,579
Income tax expense	8	**(34,734)**	(20,244)
PROFIT FOR THE PERIOD		**71,977**	71,335
Attributable to:			
Owners of the parent		**55,240**	61,781
Non-controlling interests		**16,737**	9,554
		71,977	71,335
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	10		
Basic		**HK1.76 cents**	HK2.09 cents
Diluted		**HK1.76 cents**	HK2.09 cents

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the six months ended 30 June 2026

	For the six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
PROFIT FOR THE PERIOD	**71,977**	71,335
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**193,595**	93,353
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	**193,595**	93,353
Other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods:		
Equity investments designated at fair value through other comprehensive income:		
Changes in fair value, net of tax	**(146)**	732
Net other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods	**(146)**	732
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**193,449**	94,085
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**265,426**	165,420
Attributable to:		
Owners of the parent	**253,831**	149,212
Non-controlling interests	**11,595**	16,208
	265,426	165,420

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2026

	Notes	**30 June 2026 *HK$'000* (Unaudited)**	31 December 2025 *HK$'000* (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment		**802,240**	838,225
Right-of-use assets		**233,549**	240,163
Goodwill		**67,744**	68,867
Deferred tax assets		**49,582**	33,420
Intangible assets		**510,917**	545,483
Equity investments designated at fair value through other comprehensive income		**116,098**	111,959
Equity investments designated at fair value through profit or loss		**100,351**	97,431
Restricted bank deposits		**5,294**	5,972
Investment in a joint venture		**6,580**	5,127
Total non-current assets		**1,892,355**	1,946,647
CURRENT ASSETS			
Inventories	*11*	**1,039,801**	815,052
Trade receivables	*12*	**2,049,232**	2,071,745
Notes receivable		**90,782**	72,719
Prepayments, other receivables and other assets		**339,971**	293,497
Financial assets at fair value through profit or loss		**99,647**	29,987
Restricted bank deposits		**144,060**	47,649
Time deposits		**640,617**	252,335
Cash and cash equivalents		**1,527,849**	1,688,014
Total current assets		**5,931,959**	5,270,998
CURRENT LIABILITIES			
Trade and bills payables	*13*	**2,474,669**	2,350,828
Other payables and accruals		**498,409**	471,919
Interest-bearing bank borrowings	*14*	**639,337**	155,203
Tax payable		**96,668**	86,800
Provision for product warranties		**45,742**	45,292
Total current liabilities		**3,754,825**	3,110,042
NET CURRENT ASSETS		**2,177,134**	2,160,956
TOTAL ASSETS LESS CURRENT LIABILITIES		**4,069,489**	4,107,603

	Notes	**30 June 2026** *HK$'000* **(Unaudited)**	31 December 2025 *HK$'000* (Audited)
NON-CURRENT LIABILITIES			
Interest-bearing bank borrowings	*14*	**290,435**	572,628
Deferred government grant		**18,092**	18,762
Deferred tax liabilities		**132,723**	138,625
Lease liabilities		**96,579**	105,178
Total non-current liabilities		**537,829**	835,193
Net assets		**3,531,660**	3,272,410
EQUITY			
Equity attributable to owners of the parent			
Issued capital		**313,405**	313,350
Shares held for share award scheme		**(18,951)**	(22,818)
Treasury shares		**(10,872)**	–
Reserves		**3,164,902**	2,910,297
		3,448,484	3,200,829
Non-controlling interests		**83,176**	71,581
Total equity		**3,531,660**	3,272,410

NOTES

1. CORPORATE INFORMATION

Comba Telecom Systems Holdings Limited (the "Company") was incorporated as an exempted company with limited liability in the Cayman Islands on 17 May 2002 under the Cayman Islands Companies Act.

The head office and principal place of business of the Company in Singapore is located at 164 Kallang Way, #03-12, Solaris@Kallang 164, Singapore 349248.

The principal place of business of the Company in Hong Kong is located at Unit 611, Building 8W, Hong Kong Science Park, Pak Shek Kok, New Territories, Hong Kong.

During the period, the Group was principally engaged in the research, development, manufacture and sale of wireless telecommunications network system equipment, the provision of related engineering services and the provision of operator telecommunication services and their value added services.

2. BASIS OF PREPARATION

The interim condensed consolidated financial statements for the six months ended 30 June 2026 have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2025.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of the following amended HKFRS Accounting Standards for the first time for the current period's financial information.

Amendments to HKFRS 9 and HKFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*
Amendments to HKFRS 9 and HKFRS 7	*Contracts Referencing Nature-dependent Electricity*
Annual Improvements to HKFRS Accounting Standards – Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7

The nature and impact of the amended HKFRS Accounting Standards are described below:

(a) Amendments to HKFRS 9 and HKFRS 7 *Amendments to the Classification and Measurement of Financial Instruments* clarify that a financial asset is derecognised when the entity's rights to the contractual cash flows expire or are transferred, while a financial liability is derecognised on the settlement date. The amendments introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. Since the Group's accounting policy for the derecognition of financial assets and liabilities in prior years aligned with the amendments and the Group did not have the financial assets that were addressed by the amendments, the amendments did not have any impact on the interim condensed consolidated financial information. The Group will provide additional disclosures for its equity investments designated at fair value through other comprehensive income in the Group's consolidated financial statements for the year ending 31 December 2026.

(b) Amendments to HKFRS 9 and HKFRS 7 *Contracts Referencing Nature-dependent Electricity clarify* the application of the "own-use" requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity's financial performance and future cash flows. As the Group did not have any contracts that are in the scope of the amendments, the amendments did not have any impact on the interim condensed consolidated financial information.

(c) *Annual Improvements to HKFRS Accounting Standards* – Volume 11 set out narrow scope amendments to HKFRS 1, HKFRS 7 (and the accompanying *Guidance on implementing HKFRS 7*), HKFRS 9, HKFRS 10 and HKAS 7. The amendments include clarifications, simplifications, corrections or changes to improve consistency in the corresponding HKFRS Accounting Standards. The amendments did not have any impact on the interim condensed consolidated financial information.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has two reportable operating segments as follows:

(a) Wireless telecommunications network system equipment and services

(b) Operator telecommunication services

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit/(loss) before tax.

Period ended 30 June 2026	**Wireless telecommunications network system equipment and services** ***HK$'000*** **(Unaudited)**	**Operator telecommunication services** ***HK$'000*** **(Unaudited)**	**Total** ***HK$'000*** **(Unaudited)**
Revenue	**2,113,228**	**86,370**	**2,199,598**
Profit/(loss) before tax	**128,273**	**(21,562)**	**106,711**
Segment assets	**7,568,299**	**642,652**	**8,210,951**
Elimination			**(386,637)**
Total assets			**7,824,314**
Segment liabilities	**4,135,543**	**543,748**	**4,679,291**
Elimination			**(386,637)**
Total liabilities			**4,292,654**

Period ended 30 June 2025	Wireless telecommunications network system equipment and services *HK$'000* (Unaudited)	Operator telecommunication services *HK$'000* (Unaudited)	Total *HK$'000* (Unaudited)
Revenue	2,116,328	82,838	2,199,166
Profit/(loss) before tax	126,375	(34,796)	91,579
Year ended 31 December 2025			
Segment assets	7,054,580	576,223	7,630,803
Elimination			(413,158)
Total assets			7,217,645
Segment liabilities	3,793,204	565,189	4,358,393
Elimination			(413,158)
Total liabilities			3,945,235

Geographical information

(a) *Revenue from external customers*

	For the six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Chinese mainland	**1,210,872**	1,381,507
Other countries/areas in Asia Pacific	**323,487**	233,472
Americas	**387,890**	343,739
European Union	**239,621**	209,355
Middle East	**35,482**	23,095
Other countries	**2,246**	7,998
	2,199,598	2,199,166

The revenue information above is based on the locations of the customers.

(b) *Non-current assets*

	30 June 2026	31 December 2025
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Chinese mainland	**1,409,595**	1,421,805
Lao People's Democratic Republic	**384,568**	443,788
Other countries/regions	**98,192**	81,054
	1,892,355	1,946,647

Information about major customers

Revenue of approximately HK$362,213,000 (six months ended 30 June 2025: HK$362,206,000), HK$151,065,000 (six months ended 30 June 2025: HK$176,906,000) and HK$97,349,000 (six months ended 30 June 2025: HK$118,893,000) was derived from 3 major customers, which accounted for 16.5% (six months ended 30 June 2025: 16.5%), 6.9% (six months ended 30 June 2025: 8.0%) and 4.4% (six months ended 30 June 2025: 5.4%) of the total revenue of the Group, respectively.

5. REVENUE, OTHER INCOME AND GAINS

Revenue represents the net invoiced value of goods sold and services rendered during the period, net of value-added tax (the "VAT"), and after allowances for returns and trade discounts. All significant intra-group transactions have been eliminated on consolidation.

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Revenue		
Manufacture and sale of wireless telecommunications network system equipment and provision of related installation services	**2,113,228**	2,116,328
Provision of operator telecommunication services	**86,370**	82,838
	2,199,598	2,199,166

Revenue from contracts with customers

	For the six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Type of customers		
PRC state-owned telecommunication operator groups	**700,852**	817,621
Other customers	**1,498,746**	1,381,545
Total revenue from contracts with customers	**2,199,598**	2,199,166

	For the six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Timing of revenue recognition		
Transferred at a point in time	**2,113,228**	2,116,328
Transferred over time	**86,370**	82,838
Total revenue from contracts with customers	**2,199,598**	2,199,166

An analysis of other income and gains is as follows:

	For the six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Other income and gains		
Bank interest income	**17,122**	17,086
Government subsidies*	**29,308**	9,478
VAT refunds	**424**	367
Gross rental income	**4,738**	6,502
Gain on fair value change of redeemable preferred shares in a subsidiary	**–**	13,092
Scrapped and recycled items sales income	**843**	204
Penalty income	**707**	1,250
Gain on disposal of financial assets at fair value through profit or loss	**6,241**	–
Fair value gains on financial assets at fair value through profit or loss	**9,937**	–
Other miscellaneous income	**822**	2,187
	70,142	50,166

* The government subsidies represent various cash payments and subsidies provided by the government authorities to the Group as encouragement to its technological innovation, intellectual property and investment on research and development. There are no unfulfilled conditions or contingencies relating to these subsidies.

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	For the six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Cost of inventories sold and services provided	**1,476,458**	1,525,530
Depreciation of property, plant and equipment##	**67,270**	103,420
Depreciation of right-of-use assets	**26,281**	25,691
Amortisation of computer software, technology and operating license##	**17,456**	18,372
Research and development expenses:		
Deferred expenditure amortised	**64,030**	43,670
Current period expenditure	**116,782**	118,221
	180,812	161,891

	For the six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Employee benefit expense (including directors' remuneration):		
Salaries and wages	**328,765**	279,032
Staff welfare expenses	**19,649**	17,169
Equity-settled share option expense	**–**	17
Awarded share expenses	**3,584**	738
Pension scheme contributions (defined contribution scheme)#	**31,649**	29,017
	383,647	325,973
Net loss on equity investments designated at fair value through profit or loss	**840**	2,167
Gain on fair value change of financial assets at fair value through profit or loss###	**(9,937)**	–
Gain on disposal of financial assets at fair value through profit or loss###	**(6,241)**	–
Provision for product warranties^	**4,161**	6,458
Write-down of inventories to net realisable value^	**6,502**	15,761
Reversal of impairment on trade receivables and notes receivable	**(12,891)**	(1,439)
(Reversal of impairment)/impairment on financial assets included in prepayments, other receivables and other assets	**(275)**	1,095
Loss on disposal of items of property, plant and equipment###	**785**	–
Gain on fair value change of redeemable preferred shares in a subsidiary###	**–**	(13,092)
Foreign exchange differences, net###	**95,144**	40,473
Hyperinflation monetary adjustments	**–**	(2,175)

^ The provision for product warranties and write-down of inventories to net realisable value for the period were included in "Cost of sales" in the consolidated statement of profit or loss.

As at 30 June 2026, the Group had no forfeited contributions available to reduce its contributions to the pension schemes in future years (as at 30 June 2025: nil).

The depreciation of certain property, plant and equipment and amortisation of operating license amounting to HK$31,506,000 (six months ended 30 June 2025: HK$56,699,000) and HK$7,262,000 (six months ended 30 June 2025: HK$11,247,000) are included in "Other expenses" in the consolidated statement of profit or loss.

These items are included in "Other expenses" and "Other income and gains" in the consolidated statement of profit or loss, respectively.

7. FINANCE COSTS

	For the six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Interest on bank borrowings	**13,612**	17,404
Interest on lease liabilities	**2,676**	2,493
	16,288	19,897

8. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2025: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

	For the six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Current – charge for the period		
Hong Kong	**6,680**	5,520
Chinese mainland	**8,764**	11,986
Elsewhere	**9,542**	4,034
Deferred	**9,748**	(1,296)
Total tax charge for the period	**34,734**	20,244

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% except for certain group entities which are entitled to various concessionary tax rates or tax exemptions and reliefs.

9. DIVIDENDS

	For the six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Final dividend – Nil (2025: nil) per ordinary share	**–**	–
Interim dividend – HK0.26 cent (2025:HK0.6 cent) per ordinary share	**8,127**	18,625

Note:

On 20 August 2026, the Board declared an interim dividend of HK0.26 cent (six months ended 30 June 2025: HK0.6 cent) per ordinary share, amounting to a total of approximately HK$8,127,000 (six months ended 30 June 2025: HK$18,625,000).

10. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amounts is based on the profit for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 3,132,300,000 (six months ended 30 June 2025: 2,957,689,000) outstanding during the period.

The calculation of the diluted earnings per share amounts is based on the profit for the period attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding during the period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

The calculations of basic and diluted earnings per share are based on:

	For the six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculations	**55,240**	61,781

	Number of shares For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Shares		
Weighted average number of ordinary shares outstanding during the period used in the basic earnings per share calculations	**3,132,300,000**	2,957,689,000
Effect of dilution – weighted average number of ordinary shares:		
Share options	**–**	–
	3,132,300,000	2,957,689,000

11. INVENTORIES

	30 June 2026 *HK$'000* **(Unaudited)**	31 December 2025 *HK$'000* (Audited)
Raw materials	**282,144**	185,475
Project materials	**32,402**	32,297
Work in progress	**71,684**	92,822
Finished goods	**505,305**	363,975
Inventories on site	**148,266**	140,483
	1,039,801	815,052

12. TRADE RECEIVABLES

The Group's trading terms with its customers are mainly on credit. The credit period is generally 3 months, except for certain customers which are granted with a longer credit term. The balances also include retention money, which is for assurance that the product and services comply with agreed-upon specifications, of approximately 10% to 20% of the total contract sum of each project and are generally receivable after final certification of products by customers, which would be performed 6 to 12 months after sale. The credit terms for major customers are reviewed regularly by senior management of the Group. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimize the credit risk. Overdue balances are reviewed regularly by senior management of the Group. The Group does not hold any collateral or other credit enhancements over these balances. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	30 June 2026 *HK$'000* **(Unaudited)**	31 December 2025 *HK$'000* (Audited)
Within 3 months	**944,323**	1,051,927
4 to 6 months	**353,278**	300,513
7 to 12 months	**365,367**	287,042
More than 1 year	**1,090,662**	1,124,415
	2,753,630	2,763,897
Provision for impairment	**(704,398)**	(692,152)
	2,049,232	2,071,745

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on groupings of various customer segments with similar loss patterns (i.e., geography, customer type and rating). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off when there is information indicating that the counterparty is in severe financial difficulty or there is no realistic prospect of future recovery.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

As at 30 June 2026

		Past due			
	Current	**Less than 1 year**	**1-2 years**	**Over 2 years**	**Total**
Expected credit loss rate	**1.04%**	**7.03%**	**19.26%**	**90.51%**	
Gross carrying amount *(HK$'000)*	**1,714,475**	**162,183**	**166,454**	**710,518**	**2,753,630**
Expected credit losses *(HK$'000)*	**17,846**	**11,400**	**32,058**	**643,094**	**704,398**

As at 31 December 2025

		Past due			
	Current	Less than 1 year	1-2 years	Over 2 years	Total
Expected credit loss rate	1.27%	8.24%	21.29%	89.69%	
Gross carrying amount *(HK$'000)*	1,663,127	242,793	173,162	684,815	2,763,897
Expected credit losses *(HK$'000)*	21,060	19,995	36,869	614,228	692,152

13. TRADE AND BILLS PAYABLES

An ageing analysis of the trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2026 *HK$'000* **(Unaudited)**	31 December 2025 *HK$'000* (Audited)
Within 3 months	**1,490,668**	1,197,348
4 to 6 months	**431,655**	453,410
7 to 12 months	**113,058**	85,019
More than 1 year	**439,288**	615,051
	2,474,669	2,350,828

The trade payables are non-interest-bearing and are normally settled within a period of 3 months and are extendable to a longer period.

14. INTEREST-BEARING BANK BORROWINGS

	30 June 2026 *HK$'000* **(Unaudited)**	31 December 2025 *HK$'000* (Audited)
Analysed into:		
Within 1 year or on demand	**639,337**	155,203
In the 2nd year	**144,697**	362,560
In the 3rd to 5th years, inclusive	**145,738**	210,068
	929,772	727,831

As at 30 June 2026, loans denominated in Hong Kong dollars and RMB amounted to HK$557,539,000 (31 December 2025: nil) and HK$372,233,000 (31 December 2025: HK$727,831,000), respectively.

The Company and nine of its wholly-owned subsidiaries were parties to the bank loans acting as guarantors, to guarantee punctual performance of the obligations under the loan facilities.

Bank loans as at 30 June 2026 bear interest at rates ranging from the 2.1% to 4.3% (31 December 2025: from 2.3% to 3.1%) per annum.

15. EVENT AFTER THE REPORTING PERIOD

No significant events occurred after the end of the reporting period and up to the date of approval of the financial statements.

16. COMPARATIVE AMOUNTS

Certain comparative amounts have been reclassified to conform to current period's presentation and disclosures.

INTERIM DIVIDEND

The Board has declared an interim dividend of HK0.26 cent per share of the Company for the Current Period.

Closure of Register of Members

For the purpose of determination of the shareholders (the "Shareholder(s)") of the Company registered under the Company's register of members in Hong Kong and register of members in Singapore for receiving the interim dividend in Hong Kong dollars or Singapore dollars respectively, any removal of the shares between the Company's register of members in Hong Kong and register of members in Singapore has to be made by the Shareholders no later than 4:00 p.m. (both Hong Kong and Singapore times) on 25 August 2026.

For Hong Kong Shareholders

The record date for determination of entitlements under the interim dividend will be on 4 September 2026. Shareholders whose names appear on the register of members of the Company in Hong Kong on 4 September 2026 will be entitled to receive the interim dividend. In order to qualify for the interim dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. (Hong Kong time) on 4 September 2026. Cheques for the payment of dividend will be despatched to the Hong Kong Shareholders on 15 September 2026.

For Singapore Shareholders

In order to qualify for the interim dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Singapore share transfer agent, In.Corp Corporate Services Pte. Ltd. at 36 Robinson Road, #20-01 City House, Singapore 068877 for registration no later than 5:00 p.m. (Singapore time) on 4 September 2026.

The exchange rate for converting Hong Kong dollars into Singapore dollars for the purpose of the interim dividend payment in Singapore dollars to Singapore Shareholders will be fixed by the Company in due course.

MANAGEMENT DISCUSSION AND ANALYSIS

REVENUE

The Group reported stable revenue amounting to HK$2,199,598,000 (2025: HK$2,199,166,000) for the six months ended 30 June 2026 (the "Current Period").

BY CUSTOMERS

During the Current Period, revenue generated from three major telecom operators in the Chinese Mainland and China Tower and their respective subsidiaries decreased by 14.3% over the Prior Period to HK$700,852,000 (2025: HK$817,621,000), accounting for 31.9% of the Group's revenue for the Current Period, compared with 37.2% for the Prior Period.

During the Current Period, revenue from other customers in the Chinese Mainland increased by 11.2% over the Prior Period to HK$214,248,000 (2025: HK$192,648,000) and represented 9.7% (2025: 8.7%) of the Group's revenue.

On the international front, revenue generated from international customers and core equipment manufacturers for the Current Period increased by 8.3% over the Prior Period to HK$1,198,128,000 (2025: HK$1,106,059,000), accounting for 54.5% of the Group's revenue for the Current Period, as compared to 50.3% for the Prior Period.

During the Current Period, revenue from ETL Company Limited ("ETL"), a telecom operator in Laos and a non-wholly-owned subsidiary of the Group, increased by 4.3% over the Prior Period to HK$86,370,000 (2025: HK$82,838,000), accounting for 3.9% (2025: 3.8%) of the Group's revenue for the Current Period. During the Current Period, the revenue of ETL denominated in Lao Kip increased by 4.3% over the Prior Period. The revenue of ETL denominated in Lao Kip and those converted to Hong Kong dollars both demonstrated a growing trend.

BY BUSINESSES

During the Current Period, revenue from the base station antennas and subsystems business decreased by 3.7% over the Prior Period to HK$928,739,000 (2025: HK$963,998,000), accounting for 42.2% (2025: 43.8%) of the Group's revenue in the Current Period.

During the Current Period, revenue generated from the network system business, including wireless enhancement and wireless access, increased by 8.9% over the Prior Period to HK$496,707,000 (2025: HK$455,972,000), accounting for 22.6% (2025: 20.7%) of the Group's revenue for the Current Period.

During the Current Period, revenue from services increased by 4.8% over the Prior Period to HK$418,108,000 (2025: HK$398,853,000), accounting for 19.0% (2025: 18.2%) of the Group's revenue.

During the Current Period, revenue from other businesses (including wireless transmission) decreased by 9.4% over the Prior Period to HK$269,674,000 (2025: HK$297,505,000), accounting for 12.3% (2025: 13.5%) of the Group's revenue.

GROSS PROFIT

During the Current Period, the Group's gross profit increased by 8.8% to HK$706,078,000 (2025: HK$648,782,000) as compared with the Prior Period. The gross profit margin of the Group was 32.1% in the Current Period (2025: 29.5%), increased by 2.6 percentage points as compared with the Prior Period. During the Current Period, the new products of the Group exhibited moderate competitiveness, and the inventory provision was decreased.

OTHER INCOME, GAINS AND REVERSAL OF IMPAIRMENT ON FINANCIAL AND CONTRACT ASSETS

During the Current Period, other income and gains and reversal of impairment on financial and contract assets increased by 64.9% to HK$83,308,000 (2025: HK$50,510,000) as compared with the Prior Period, accounting for 3.8% (2025: 2.3%) of the Group's revenue. The increase was mainly due to the one-off tariff refund and increase in reversal of impairment on receivables. The increase in reversal of impairment on receivables was attained by securing fast-turnaround service works and further proactive follow-ups on overdue accounts leading to faster recovery of receivables.

RESEARCH AND DEVELOPMENT ("R&D") EXPENSES

During the Current Period, R&D expenses increased by 11.7% over the Prior Period to HK$180,812,000 (2025: HK$161,891,000), representing 8.2% (2025: 7.4%) of the Group's revenue. With the advancement of 5G technology into its second phase, demand for high-quality wireless coverage and network capacity has grown significantly. To capture emerging market opportunities and address evolving technological challenges, the Group increased its investment in research and development, focusing on the development of innovative platforms and solutions to enhance indoor wireless communication performance and user experience. As a result, R&D expenses increased during the period.

With its strong commitment to R&D, the Group has made significant advances in creating its own solutions with proprietary intellectual property rights, applying for over 6,000 patents by the end of the Current Period (as at 31 December 2025: approximately 6,000 patents).

SELLING AND DISTRIBUTION ("S&D") EXPENSES

During the Current Period, S&D expenses increased by 7.0% over the Prior Period to HK$195,254,000 (2025: HK$182,420,000), representing 8.9% (2025: 8.3%) of the Group's revenue. The increase was mainly attributable to the Group's continued investment in key market expansion initiatives and strategic customer development efforts, in support of future business growth and emerging market opportunities. Such investments are expected to further enhance the Group's brand influence and market competitiveness, thereby laying a solid foundation for future growth. The Group will continue to optimize its management processes and resource allocation to improve overall operational efficiency and management effectiveness.

ADMINISTRATIVE EXPENSES

During the Current Period, administrative expenses increased by 13.1% over the Prior Period to HK$154,883,000 (2025: HK$136,945,000), accounting for 7.0% (2025: 6.2%) of the Group's revenue. Administrative expenses increased primarily due to the Group's continued expansion into overseas markets and the corresponding increase in investments in compliance management and other professional services. These investments were made to support the steady development of the Group's business operations, enhance its global operating capabilities, and lay a solid foundation for the Group's long-term sustainable growth.

FINANCE COSTS

During the Current Period, finance costs decreased by 18.1% to HK$16,288,000 (2025: HK$19,897,000) as compared with the Prior Period, representing 0.7% (2025: 0.9%) of the Group's revenue. Interest income increased by 0.2% to HK$17,122,000 (2025: HK$17,086,000), net finance costs was HK$834,000 (2025: HK$-2,811,000).

OTHER EXPENSES

During the Current Period, other expenses increased by 28.1% over the Prior Period to HK$137,976,000 (2025: HK$107,696,000), representing 6.3% (2025: 4.9%) of the Group's revenue. The increase in other expenses was mainly due to exchange rate fluctuations. The Group has actively taken measures to significantly reduce its foreign exchange risk exposure.

TAX

During the Current Period, the Group's overall taxation charge of HK$34,734,000 (2025: HK$20,244,000) comprised an income tax expense of HK$24,986,000 (2025: HK$21,540,000) and a deferred tax expenses of HK$9,748,000 (2025: deferred tax credit of HK$1,296,000).

NET PROFIT

The profit attributable to owners of the parent of the Group was HK$55,240,000 (2025: HK$61,781,000) during the Current Period.

DIVIDEND

Given the Group's operating results in the Current Period and after considering the factors including financial performance and condition, actual and future operations, liquidity position and expected working capital requirements of the Group, the Board recommends the distribution of an interim dividend of HK$0.26 cent per ordinary share of the Company (2025: HK$0.6 cent), representing a total dividend payout ratio of 14.7% based on the basic earnings per share (2025: 28.7%).

PROSPECTS

Looking ahead, opportunities and challenges coexist. The Group will continue to enhance its organizational performance, strengthen its capabilities for independent R&D and innovative breakthroughs, and maintain the inventiveness and competitiveness of its products. By grasping new market opportunities and further exploring customer needs, the Group will provide stable, high-quality and cost-effective products and services to global operators and industry customers.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group generally finances for its operations from cash flows generated internally and bank borrowings. As at 30 June 2026, the Group had net current assets of HK$2,177,134,000. The current assets of the Group comprised inventories of HK$1,039,801,000, trade receivables of HK$2,049,232,000, notes receivable of HK$90,782,000, prepayments, other receivables and other assets of HK$339,971,000, restricted bank deposits of HK$144,060,000, time deposits of HK$640,617,000 and cash and cash equivalents of HK$1,527,849,000. The current liabilities of the Group comprised trade and bills payables of HK$2,474,669,000, other payables and accruals of HK$498,409,000, interest-bearing bank borrowings of HK$639,337,000, tax payable of HK$96,668,000 and provision for product warranties of HK$45,742,000.

The average receivable (after loss allowance for impairment of trade receivables) turnover for the Current Period was 171 days compared to 200 days for the Prior Period. The Group's trading terms with its customers are mainly on credit. The credit period is generally 3 months, except for certain customers which are granted longer credit term. The balance of trade receivables set out above included retention money, which was for assurance that the products and services comply with agreed-upon specifications, of approximately 10% to 20% of the total contract sum of each project, and are generally settled after final certification of products by customers, which would be performed 6 to 12 months after sale. The average payable turnover for the Current Period was 295 days compared to 315 days for the Prior Period. The average inventory turnover for the Current Period was 113 days compared to 106 days for the Prior Period.

As at 30 June 2026, the Group's cash and bank balances were mainly denominated in Renminbi, Hong Kong dollars and United States dollars while the Group's bank borrowings were mainly denominated in Renminbi and Hong Kong dollars. The interest rates on the Group's bank borrowings are principally on a floating basis at prevailing market rates.

In addition to the short-term interest-bearing facilities, the Group entered into 3-year and 5-year term loan facility agreements with certain financial institutions in 2025 and 2026. Details of the Group's bank borrowings are set out in note 14 to these interim condensed consolidated financial statements.

The Group's revenue and expenses, assets and liabilities are mainly denominated in Renminbi, Hong Kong dollars and United States dollars. As at 30 June 2026, the Group has outstanding foreign currency forward contracts in respect of Renminbi with notional amount of US$79,623,000 and HK$112,320,000 respectively and foreign currency option contracts in respect of Indian Rupee with notional amount of US$29,000,000 to manage its currency risk exposures (31 December 2025: foreign currency forward contracts in respect of Renminbi with notional amount of US$50,400,000 and Nil respectively, and foreign currency option contracts in respect of Indian Rupee with notional amount of US$20,000,000).

The Group will also closely monitor the fluctuation of exchange rate in other currencies that are relevant to the Group's operations and will consider hedging such foreign currency as appropriate should the need arise.

The Group's gross gearing ratio, defined as total interest-bearing bank borrowings divided by total assets, was 11.9% as at 30 June 2026 (31 December 2025: 10.1%).

The Group's financial position remains sound with sufficient working capital.

RESTRICTED BANK DEPOSITS

Deposit balances of HK$149,354,000 (31 December 2025: HK$53,621,000) represented the restricted deposits given to banks in respect of bills payable and performance bonds.

CHARGES ON GROUP ASSETS

As at 30 June 2026, no asset was being pledged to secure the Group's banking facilities.

SIGNIFICANT INVESTMENTS HELD

Save as disclosed in this announcement, as at 30 June 2026, the Group did not hold any significant investments.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in this announcement, as at 30 June 2026, the Group did not have any immediate plan for material investments or acquisition of material capital assets.

CONTINGENT LIABILITIES

As at 30 June 2026, the Group had contingent liabilities of HK$288,833,000 (31 December 2025: HK$303,364,000), which mainly included guarantees given to banks in respect of performance bonds.

CORPORATE GOVERNANCE AND OTHER INFORMATION

COMPLIANCE WITH CODE PROVISIONS

The Board reviewed daily governance of the Company from time to time in accordance with the principles of good corporate governance and code provisions (the "Code Provisions") as set out in Part 2 of Appendix C1 of the Rules Governing the Listing of Securities (the "Hong Kong Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") and considered that the Company has complied with all Code Provisions during the Current Period.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 of the Hong Kong Listing Rules as its own code of conduct for dealings in securities transactions of the Company by its Directors. Specific enquiries have been made to all Directors, and they confirmed that they have complied with the required standard as set out in the Model Code and the Company's code of conduct regarding directors' securities transactions during the Current Period.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES (INCLUDING SALE OF TREASURY SHARES) OF THE COMPANY

During the Current Period, the Company repurchased a total of 8,232,000 shares of the Company on the Hong Kong Stock Exchange for an aggregate amount of approximately HK$10,872,000. All of the repurchased shares of the Company were held as treasury shares during the Current Period. Accordingly, as at 30 June 2026, the total number of issued shares of the Company was 3,134,045,722 shares, including 8,232,000 treasury shares. The Company intended to determine whether and when these treasury shares so repurchased are to be cancelled and/or sold at market price based on market conditions and the capital management needs of the Group from time to time in compliance with the Hong Kong Listing Rules, the articles of association of the Company and other applicable laws and regulations.

Details of the share repurchases during the Current Period are as follows:

Month	Number of shares repurchased	Purchase price per share Highest	Purchase price per share Lowest	Aggregate Amount paid
		HK$	*HK$*	*HK$'000*
March 2026	1,914,000	1.61	1.48	2,959
April 2026	300,000	1.49	1.47	445
May 2026	3,718,000	1.46	1.30	5,037
June 2026	2,300,000	1.13	0.98	2,431
Total	8,232,000			10,872

The Board believes that the share repurchases demonstrate the Company's confidence in its business outlook and prospects and would, ultimately, benefit the Company and create value to Shareholders.

Save as disclosed above, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities and/or sold any treasury shares during the Current Period.

MATERIAL ACQUISITIONS AND DISPOSALS

The Group has not conducted any material acquisitions and disposals of subsidiaries, associates and joint ventures during the Current Period.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2026, the Group had approximately 3,900 staffs, out of which 1,000 staffs were from ETL (31 December 2025: 3,700 staffs, out of which 800 staffs were from ETL). The total staff costs, excluding capitalized development costs, for the Current Period were HK$383,647,000 (30 June 2025: HK$325,973,000).

The Group offers competitive remuneration packages (including basic salaries, allowances, benefits in kind and performance related bonuses) to its employees (including executive Directors, non-executive Director and senior management of the Group) based on industry practices, legal and regulatory requirements, as well as the employees' performance and the Group's results. Mandatory provident fund or staff pension schemes are also provided to relevant staffs in Hong Kong, the Chinese Mainland or elsewhere in accordance with relevant legal requirements in such jurisdictions. Directors' fees to non-executive Director and independent non-executive Directors are determined by the Board with reference to their duties, performance, responsibilities and time commitment within the Group, the Group's remuneration policy and the prevailing market conditions. In addition, share options and awarded shares are granted to eligible employees and Directors based on their performance, the Group's results, legal and regulatory requirements and in accordance with the share schemes adopted by the Company and other members of the Group. The Group also provides training to the staffs to improve their skills and develop their respective expertise. The remuneration committee of the Company advised and recommended to the Board on the remuneration policy for all Directors and senior management of the Group.

AUDIT COMMITTEE

The Audit Committee, together with the management of the Company, have reviewed the accounting principles, standards and practices adopted by the Company, and discussed matters relating to risk management and internal control and financial reporting, including the review of the unaudited interim condensed consolidated financial statements for the Current Period. The Audit Committee has reviewed the accounting principles, standards and practices adopted by the Company for the unaudited interim condensed consolidated financial statements for the Current Period and does not have any disagreement with the same.

PUBLICATION OF INTERIM REPORT

The Company's 2026 Interim Report containing all information required by the Hong Kong Listing Rules will be published on the websites of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk, Singapore Exchange Securities Trading Limited at www.sgx.com and the Company at www.comba-telecom.com in due course.

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

Singapore, 20 August 2026

As at the date of this announcement, the Board comprises the following executive Directors: Mr. FOK Tung Ling, Mr. ZHANG Yue Jun, Ms. HUO Xinru, Mr. CHANG Fei Fu and Ms. YE Ka; the following non-executive Director: Mr. YI Lei; and the following independent non-executive Directors: Ms. NG Yi Kum, Mr. CHONG Chee Keong, Chris and Dr. TAN Khee Giap.