

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.



Beijing Digital Telecom Co., Ltd.

北京迪信通商貿股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 6188)

CHANGE OF DIRECTORS; AMENDMENT TO THE ARTICLES OF ASSOCIATION; AND ISSUE OF CORPORATE BONDS

CHANGE OF DIRECTORS

The Board announces that Mr. Wang Lin has tendered his resignation as non-executive Director due to the change of job for career development, and Mr. Leng Rongquan has tendered his resignation as independent non-executive Director due to the change of job for career development, both of which will be effective upon the conclusion of the AGM.

The Board has proposed at the Board Meeting to seek the approval of the Shareholders at the AGM on the appointment of Mr. Qi Xiangdong as non-executive Director in place of Mr. Wang Lin, and on the appointment of Mr. Bian Yongzhuang as independent non-executive Director in place of Mr. Leng Rongquan.

AMENDMENT TO THE ARTICLES OF ASSOCIATION

The Board has proposed at the Board Meeting to seek the approval of the Shareholders at the AGM on the amendment of Article 102 of the Articles of Association.

ISSUE OF CORPORATE BONDS

The Board has proposed at the Board Meeting to seek the approval of the Shareholders at the AGM on the issue of the Corporate Bonds with an aggregate principal amount of not more than RMB900 million to the qualified public investors in the PRC.

The board (the “**Board**”) of directors (the “**Directors**”) of Beijing Digital Telecom Co., Ltd. (the “**Company**”) announces that at a meeting of the Board (the “**Board Meeting**”) held on 25 March 2015, the Board approved, inter alia, to submit the following proposals for approval of the shareholders of the Company (the “**Shareholders**”) at the annual general meeting (the “**AGM**”) to be convened on 2 June 2015:

- 1) Replacement of Mr. Wang Lin with Mr. Qi Xiangdong as non-executive Director and replacement of Mr. Leng Rongquan with Mr. Bian Yongzhuang as independent non-executive Director;
- 2) Amendment to Article 102 of the articles of association of the Company (the “**Articles of Association**”); and
- 3) Issue of domestic corporate bonds (the “**Corporate Bonds**”) with an aggregate principal amount of not more than RMB900 million to the qualified public investors in the People’s Republic of China (the “**PRC**”) (for the purpose of this announcement, excluding the Hong Kong Special Administrative Region of the PRC, the Macau Special Administrative Region of the PRC and Taiwan).

A circular containing, among other things, further information regarding: 1) the change of the above-mentioned Directors; 2) the amendment to Article 102 of the Articles of Association; 3) the Corporate Bonds Issue; and 4) a notice of the AGM, will be despatched to the Shareholders on or before 17 April 2015.

CHANGE OF DIRECTORS

Resignations of Directors

The Board announces that Mr. Wang Lin has tendered his resignation as non-executive Director due to the change of job for career development, and Mr. Leng Rongquan has tendered his resignation as independent non-executive Director due to the change of job for career development, both of which will be effective upon the conclusion of the AGM.

Mr. Wang Lin and Mr. Leng Rongquan have confirmed that they have no disagreement with the Board, and that there are no other matters that need to be brought to the attention of the Shareholders and The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The Board has confirmed that there is no other matter relating to the resignations of Mr. Wang Lin and Mr. Leng Rongquan that need to be brought to the attention of the Shareholders.

The Board would like to take this opportunity to express its gratitude to Mr. Wang Lin and Mr. Leng Rongquan for their valuable contribution to the Company during their tenure of offices.

Appointments of Directors

The Board proposed at the Board Meeting to appoint Mr. Qi Xiangdong as non-executive Director, and to appoint Mr. Bian Yongzhuang as independent non-executive Director, both with effect from the passing of the resolutions approving the appointments thereof at the AGM. The particulars of Mr. Qi Xiangdong and Mr. Bian Yongzhuang are as follows.

Mr. Qi Xiangdong, aged 50, received a bachelor's degree from the radio communication department at Changchun Institute of Posts and Telecommunications (now known as Jilin University). In 1986, and a master degree in business administration from Beijing University of Science and Technology in 2007. Mr. Qi started to work at Xinhua News Agency from 1986 and once served as the deputy director of the Communication Technology Agency of Xinhua News Agency. From 2003, he worked at 3721 Company as the general manager, mainly responsible for the overall operation and strategic planning. From 2004, Mr. Qi worked at Yahoo! China as the vice president. In 2005, He founded Qihoo 360 Technology Co. Ltd (NYSE:QIHU) and served as the chief executive officer and a director since then.

Mr. Bian Yongzhuang, aged 61, received a bachelor's degree of economics from Lanzhou University in 1982, a master's degree of economics from Graduate School of Chinese Academy of Social Sciences in 1985 and a doctorate degree of economics from Graduate School of Chinese Academy of Social Sciences. From 1992, he served successively as the deputy general manager of Haitong Enterprise Co. Ltd, the general manager of Wuxi Xinjiangnan Industrial Co. Ltd, the deputy general manager of Hengtong Property Co. Ltd, the deputy general manager and president of China Xinjiyuan Co. Ltd and the general manager of Dahua Domestic Investment Co. Ltd. Mr Bian worked as the chief financial officer and a director at China Scholars Group (SSE: 000547 (Minfufa A)) from June 2013. He also became a director at China Aerospace Investment Holdings Ltd. from July 2013.

Save as disclosed above, neither of Mr. Qi Xiangdong nor Mr. Bian Yongzhuang (i) has any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); (ii) holds any directorships in any public companies the securities of which are listed on any securities market in Hong Kong and overseas in the last three years; (iii) has any relationships with any members of the Board, senior management, substantial Shareholders or controlling Shareholders of the Company within the meaning of the Listing Rules; or (iv) holds any other positions in the Company or any of its subsidiaries.

Subject to the approval of the resolutions at the AGM, it is proposed that each of Mr. Qi Xiangdong and Mr. Bian Yongzhuang enters into a service agreement with the Company, which is for a term of three years commencing on the date of the passing of the resolutions at the AGM. Pursuant to the terms of their proposed service agreements, each of Mr. Qi Xiangdong and Mr. Bian Yongzhuang's emolument will be RMB60,000 (after tax) per annum, recommended by the remuneration committee of the Board and determined with reference to the remuneration policies to be approved by the Shareholders at the AGM.

Save as disclosed above, there is no matter relating to the appointments of Mr. Qi Xiangdong and Mr. Bian Yongzhuang that needs to be brought to the attention of the Stock Exchange and the Shareholders, nor any information that needs to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to (v) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Board would like to extend its warm welcome to Mr. Qi Xiangdong and Mr. Bian Yongzhuang for their new appointments as members of the Board.

AMENDMENT TO THE ARTICLES OF ASSOCIATION

The Board has proposed at the Board Meeting to seek the approval of the Shareholders at the AGM on the following amendment to the Articles of Association:

Article 102

Which originally read as:

“The Company shall establish the Board of Directors which is composed of nine Directors, including one Chairman, *one* Vice Chairman and three independent non-executive Directors who are independent of the shareholders of the Company and do not hold any positions in the Company.”

is amended as follows:

“The Company shall establish the Board of Directors which is composed of nine Directors, including one Chairman, *two* Vice Chairmen and three independent non-executive Directors who are independent of the shareholders of the Company and do not hold any positions in the Company.”

ISSUE OF CORPORATE BONDS

Background

In order for the Company to broaden financing channels, optimize the capital structure and lower the cost of funds, and in view of the current bond market conditions and the Company’s financing demand, the Board considers that the Company is in compliance with the requirements and conditions for the issue of domestic corporate bonds pursuant to the PRC laws, and has proposed at the Board Meeting to seek the approval of the Shareholders at the AGM on the issue of the Corporate Bonds (the “**Corporate Bonds Issue**”) with an aggregate principal amount of not more than RMB900 million to the qualified public investors in the PRC.

The final issue size of the Corporate Bonds shall be determined by the Board as authorized by the Shareholders at the AGM and by the chairman of the Board (the “**Chairman**”) as authorized by the Board. The Corporate Bonds Issue is subject to the approval of the China Securities Regulatory Commission in accordance with the PRC laws.

The Corporate Bonds Issue

The proposed arrangements for the Corporate Bonds Issue are set out as follows:

Aggregate principal amount:	Not more than RMB900 million, with the final issue size to be determined by the Board as authorized by the Shareholders at the AGM and by the Chairman as authorized by the Board within the above size range
Placing agent:	Zhong De Securities Company Limited
Maturity:	Not more than 5 years (single maturity period or mixed maturity periods), with the type of maturity and the issue size for each type to be determined by the Board as authorized by the Shareholders at the AGM and by the Chairman as authorized by the Board with reference to the prevailing market conditions
Interest rate:	Fixed rate, with the final interest rate to be determined by the Company and the underwriter with reference to the prevailing market conditions
Use of proceeds:	All proceeds will be used to supplement the Company's working capital and improve the Company's capital structure
Issue method:	Single issue or issue in installments, with the final issue method to be determined by the Board as authorized by the Shareholders at the AGM and by the Chairman as authorized by the Board with reference to the prevailing market conditions
Target subscribers:	Qualified public investors only, excluding any pre-emptive placing to the existing Shareholders
Listing:	Application for listing of and dealing in the Corporate Bonds shall be filed with the Shanghai Stock Exchange upon the completion of the Corporate Bonds Issue
Guarantee:	Arrangement for guarantees shall be determined by the Board as authorized by the Shareholders at the AGM and by the Chairman as authorized by the Board
Term of validity of resolution:	12 months from the date of approval by the Shareholders at the AGM

Authorization to the Board

The Board has proposed at the Board Meeting to seek the approval of the Shareholders at the AGM on the following authorization to the Board in relation to the Corporate Bonds Issue in accordance with the applicable laws and regulations and the prevailing market conditions:

- 1) to formulate, to the extent permitted by laws and regulations and according to the Company's specific circumstances and the market conditions, the specific issue scheme of the Corporate Bonds Issue and make any changes and adjustments to such issue scheme, including but not limited to, specific issue size, interest rate or the calculation method, timing of issue, offer tranche (if any), duration and method of repayment of the principal and the interests placing arrangement, specific use of proceeds, place of listing and any other matters in relation to the terms of the Corporate Bonds Issue;
- 2) to engage professional parties for the application of the Corporate Bonds Issue to the relevant regulatory authorities, to handle matters related to the listing of the Corporate Bonds, including but not limited to, authorizing, signing, executing, revising and finalizing all necessary documents, contracts, agreements, including but not limited to, prospectus, underwriting agreement, entrusted bonds management agreement, listing agreement, meeting rules of bond holders and other statutory documents in relation to the Corporate Bonds Issue and the listing of the Corporate Bonds, and to make appropriate disclosure pursuant to the applicable laws and regulations and other regulatory rules;
- 3) to appoint the bonds trustee manager, to sign and execute the entrusted bonds management agreement, and to formulate the meeting rules of the bond holders;
- 4) to sign all the contracts, agreements and documents in relation to the Corporate Bonds Issue, and to make appropriate disclosure;
- 5) to make adjustments to the specific issue scheme and other related aspects of the Corporate Bonds Issues in accordance with the opinions of the relevant regulatory authorities (except for the matters that shall be subject to the approval of the Shareholders pursuant to the relevant laws and regulations and the Articles of Association), in the event of any changes in the relevant authorities' policies regarding the Corporate Bonds Issue or any changes in the market conditions; and
- 6) to deal with any other issues in relation to the Corporate Bonds Issue.

The authorization to the Board shall be valid for the period from the date of the approval by the Shareholders at the AGM until the completion of the above matters by the Board as authorized by the Shareholders.

By order of the Board
Beijing Digital Telecom Co., Ltd.
LIU Donghai
Chairman

Hong Kong, 25 March 2015

As at the date of this announcement, the executive directors of the Company are Mr. LIU Donghai, Mr. LIU Yajun, Mr. LIU Songshan, Ms. LIU Wencui and Ms. LIU Hua; the non-executive director is Mr. WANG Lin; and the independent non-executive directors are Mr. LV Tingjie, Mr. LENG Rongquan and Mr. Vincent Man Choi, LI.