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北京迪信通商貿股份有限公司

Beijing Digital Telecom Co., Ltd.

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 6188)

QUARTERLY ANNOUNCEMENT

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

References are made to the announcements of the Company dated 3 June 2021 (the “**Closing Announcement**”), 22 June 2021, 19 August 2021, 30 September 2021 and 23 November 2021 (collectively, the “**Announcements**”) in relation to, among others, (i) the close of the Offers, the results of the Offers and the public float of the Company, (ii) the suspension of trading of H Shares with effect from 9:00 a.m. on 4 June 2021; (iii) the delay in publication of the 2021 Interim Results and 2021 Interim Report; (iv) the waiver from strict compliance with Rule 8.08(1)(a) of the Listing Rules for the period from 3 June 2021 to 3 October 2021 and extended for the period from 3 October 2021 to 4 February 2022 for the Company to restore its minimum public float; (v) the status on the restoration of the public float; and (vi) resumption guidance letter received from the Stock Exchange on 22 November 2021. Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

RESUMPTION GUIDANCE

As disclosed in the announcement of the Company dated 23 November 2021, the Company received a letter from the Stock Exchange on 22 November 2021 setting out the following Resumption Guidance for the Company to:

- (i) restore the minimum public float required under Rule 8.08(1)(a) of the Listing Rules;
- (ii) publish all outstanding financial results required under the Listing Rules and address any audit modifications;

- (iii) demonstrate the Company's compliance with Rule 13.24 of the Listing Rules; and
- (iv) inform the market of all material information for the Company's shareholders and other investors to appraise the Company's position.

UPDATE ON RESUMPTION PROGRESS

Pursuant to Rule 13.24A of the Listing Rules, the Board wishes to update the Shareholders and potential investors of the Company the development on the progress of the Company's efforts to fulfil the Resumption Guidance as follows:

Business operations

The Group is principally engaged in the sale of mobile telecommunications devices and accessories, the provision of related services and the development and sale of properties.

As at the date of this announcement, the business operations of the Group are continuing as usual in all material respects. The Board wishes to state that the operations of the Group have not been affected by the delay in publication of the 2021 Interim Results and the delay in despatch of the 2021 Interim Report.

Status on the Restoration of Public Float

As disclosed in the Closing Announcement, immediately after the close of the Offers and taking into account the valid acceptances of the Offers in respect of 327,057,912 H Shares, the Offeror Group and parties acting in concert with it held, controlled or directed 327,057,912 H Shares and 337,700,000 Domestic Shares, representing approximately 82.85% and 100% of the issued H Shares and Domestic Shares respectively and representing in aggregate approximately 90.76% of the issued Shares. Immediately following the close of the Offers, 67,702,488 H Shares, representing approximately 9.24% of the issued Shares as at the date of the Closing Announcement, were held by the public (within the meaning of the Listing Rules). Accordingly, the minimum public float requirement of 25% of the Shares as set out in Rule 8.08(1)(a) of the Listing Rules was not satisfied. At the request of the Company, trading in the H Shares has been suspended since 4 June 2021 since the percentage of public float fell below 15% following the close of the Offers.

As disclosed in the announcements of the Company dated 22 June 2021 and 23 November 2021, the Stock Exchange had on 21 June 2021 and 18 November 2021 granted a temporary waiver from strict compliance with Rule 8.08(1)(a) of the Listing Rules for a period from 3 June 2021 to 3 October 2021 and an extended period from 3 October 2021 to 4 February 2022 for the Company, respectively, to restore its minimum public float.

The Company has been informed by the Offeror Group that the Offeror Group and its financial advisers have been approaching and communicating with potential investors from various industries with a view of restoring the Company's minimum public float as required under Rule 8.08(1)(a) of the Listing Rules as soon as possible. However, in view of the recent volatile and adverse capital market conditions, the investor sentiment was generally gloomy and time required to solicit sufficient demand in the Shares was longer than expected, and therefore the Offeror Group has not received favourable feedback from potential investors. The substantial number of H Shares to be disposed of and/or to be issued for the restoration of the public float of the Company also added to the challenges faced by the Offeror Group. The Offeror Group thus informed the Company that it needs additional time to effect appropriate measures to restore sufficient public float in the Shares.

As at the date of this announcement, 67,702,488 H Shares, representing approximately 9.24% of the issued Shares, are held by the public (within the meaning of the Listing Rules). Accordingly, the minimum public float requirement of 25% as set out in Rule 8.08(1)(a) of the Listing Rules remains unsatisfied.

2021 Interim Results and 2021 Interim Report

As at the date of this announcement, principally owing to the newly formed management of the Company requiring additional time to compile the Group's consolidated management accounts for the six months ended 30 June 2021, adding that the COVID-19 coronavirus outbreaks persist, the 2021 Interim Results have not been published, and accordingly 2021 Interim Report has not been dispatched to the Shareholders.

The Company has been providing relevant information to the newly formed management for the promotion of the work required for compiling the Group's consolidated management accounts for the six months ended 30 June 2021. However, notwithstanding the effort made by the Company, given that the operation of the Group has spread across many provinces of China and over a number of overseas countries which added the challenges of the newly formed management to compile the Group's consolidated management accounts for the six months ended 30 June 2021, it is expected that the Company is unlikely to be able to publish the 2021 Interim Results and the 2021 Interim Report by 31 December 2021 and there will be a further delay of the publication of the 2021 Interim Results.

The Company endeavours to publish the 2021 Interim Results and despatch the 2021 Interim Report as soon as possible. With the effort being made by the Company to compile the Group's consolidated management accounts for the six months ended 30 June 2021, the Company currently expects to publish the 2021 Interim Results and dispatch the 2021 Interim Report by around 31 March 2022. The Company will publish further announcement(s) to inform its Shareholders of any updates on the date of the Board meeting to consider and approve the 2021 Interim Results as and when appropriate.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the H Shares has been suspended with effect from 9:00 a.m. on 4 June 2021 and will remain suspended until further notice.

The Company will publish further announcement(s) to inform the Shareholders of its progress in complying with the Resumption Guidance, any significant developments in respect of the publication of the 2021 Interim Results and 2021 Interim Report and the expected dates for the publication of the 2021 Interim Results and the 2021 Interim Report as and when appropriate, the restoration of the minimum public float requirement, as well as quarterly updates on its development pursuant to Rule 13.24A of the Listing Rules.

Shareholders and potential investors of the Company should exercise caution when dealing in the Shares.

By order of the Board
Beijing Digital Telecom Co., Ltd.
XU Jili
Chairwoman

Beijing, the PRC
3 December 2021

As at the date of this announcement, the executive Directors are Ms. XU Jili, Ms. XU Liping and Mr. LIU Donghai; the non-executive Directors are Mr. XIE Hui, Mr. JIA Zhaojie and Ms. PAN Anran; and the independent non-executive Directors are Mr. LV Tingjie, Mr. LV Pingbo and Mr. CAI Chun Fai.