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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)

**COMPLETION OF SECOND TRANCHE SUBSCRIPTION AND
THIRD TRANCHE SUBSCRIPTION,
UPDATE ON STATUS OF PUBLIC FLOAT
AND
SUPPLEMENTAL AGREEMENTS**

The announcement is made by Beijing Digital Telecom Co., Ltd. (the “**Company**”) 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 in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the announcement of the Company dated 1 September 2023 and the circular dated 8 September 2023 (the “**Circular**”) in relation to the proposed issue of new H Shares under specific mandate, the announcement dated 25 September 2023 in relation to the poll results of the approval of the proposed issue of new H Shares at the EGM and Class Meetings and the announcement dated 28 September 2023 in relation to the completion of the First Tranche Subscription, update on status of public float, fulfilment of resumption guidance and resumption of trading, respectively. Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Circular.

COMPLETION OF SECOND TRANCHE SUBSCRIPTION AND THIRD TRANCHE SUBSCRIPTION

As disclosed in the announcement of the Company dated 1 September 2023 and the Circular, the Company has respectively entered into the Subscription Agreements with the Subscribers on 1 September 2023, pursuant to which the Company has conditionally agreed to allot and issue to the Subscribers, a total of 154,000,000 Subscription Shares at the Subscription Price of HK\$1.70 per Subscription Share in three tranches. As disclosed in the announcement of the Company dated 28 September 2023, the Company has completed the First Tranche Subscription by allotting and issuing an aggregate of 51,400,000 H Shares to the Subscribers on 28 September 2023.

The Board is pleased to announce that all conditions precedent to the Second Tranche Subscription and the Third Tranche Subscription have been fulfilled and the completion of the Second Tranche Subscription and the Third Tranche Subscription took place on 22 December 2023 in accordance with the terms and conditions of the Subscription Agreements. Upon the completion of the Second Tranche Subscription and the Third Tranche Subscription, the Company allotted and issued to the Subscribers an aggregate of 102,600,000 H Shares, representing (i) approximately 23.00% of the total number of issued Shares in the same class, and approximately 13.09% of the entire issued Shares immediately before the Second Tranche Subscription and the Third Tranche Subscription, and (ii) approximately 18.70% of the total number of issued Shares in the same class, and approximately 11.57% of the entire issued Shares as enlarged by the allotment and issue of the Second Tranche Subscription Shares and the Third Tranche Subscription Shares.

The gross proceeds from the Second Tranche Subscription and the Third Tranche Subscription of approximately HK\$174.42 million will be applied in the manner as disclosed in the Circular. Given that the Subscription Shares have been fully subscribed in all three tranches, the gross proceeds from the Subscriptions in all three tranches are approximately HK\$261.80 million, and after deducting related professional fees and all related expenses of approximately HK\$1.05 million borne by the Company under the Subscriptions, the net proceeds from the Subscriptions in all three tranches are approximately HK\$260.75 million.

EFFECT OF THE SUBSCRIPTIONS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company (i) immediately before the completion of the Second Tranche Subscription and the Third Tranche Subscription; and (ii) immediately after the completion of the Second Tranche Subscription and the Third Tranche Subscription:

	Immediately before the completion of the Second Tranche Subscription and the Third Tranche Subscription			Immediately after the completion of the Second Tranche Subscription and Third Tranche Subscription		
	Number of Shares	Approximate % of issued Shares in the same class	Approximate % of entire issued Shares	Number of Shares	Approximate % of issued Shares in the same class	Approximate % of entire issued Shares
<i>Domestic Shares</i>						
Digital Science & Technology	168,362,098	49.86	21.48	168,362,098	49.86	18.99
Huafa Technology Industry Group	169,337,902	50.14	21.60	169,337,902	50.14	19.10
SUB-TOTAL	337,700,000	100	43.08	337,700,000	100	38.09
<i>H Shares</i>						
Hong Kong Huafa Investment Holdings Limited	327,057,912	73.31	41.72	327,057,912	59.60	36.90
<i>Public Shareholders</i>						
– Subscriber I	25,700,000	5.76	3.28	77,000,000	14.03	8.69
– Subscriber II	25,700,000	5.76	3.28	77,000,000	14.03	8.69
– Public Shareholders (other than Subscribers)	67,702,488	15.17	8.64	67,702,488	12.34	7.63
Sub-total of public Shareholders	119,102,488	26.69	15.20	221,702,488	40.40	25.01
SUB-TOTAL	446,160,400	100	56.92	548,760,400	100	61.91
TOTAL	783,860,400		100	886,460,400		100

Note: The aggregate percentage may not sum to total due to rounding.

UPDATE ON STATUS OF PUBLIC FLOAT

As at the date of this announcement, immediately after the completion of the Second Tranche Subscription and the Third Tranche Subscription, 221,702,488 H Shares, representing approximately 25.01% of the entire issued Shares as enlarged by the Second Tranche Subscription Shares and the Third Tranche Subscription Shares, are held by the public (within the meaning of the Listing Rules). Accordingly, upon the completion of the Second Tranche Subscription and the Third Tranche Subscription, the minimum public float requirement of 25% of the total number of issued Shares as set out in Rule 8.08(1)(a) of the Listing Rules has been satisfied.

SUPPLEMENTAL AGREEMENTS

On 22 December 2023, the Company entered into a supplemental agreement to the Subscription Agreement I (the “**Supplemental Agreement I**”) with YBN Investments and a supplemental agreement to the Subscription Agreement II (the “**Supplemental Agreement II**”) with Union Link to amend and supplement the terms related to the lock-up period of the Subscribers in respect of each of the First Tranche Subscription Shares, the Second Tranche Subscription Shares and the Third Tranche Subscription Shares (the “**Lock-up Period**”). The principal terms of each of the Supplemental Agreement I and the Supplemental Agreement II (collectively, the “**Supplemental Agreements**”) are substantially the same.

Pursuant to the Supplemental Agreements, the Company and the Subscribers agreed to amend the Lock-up Period in the following manner:

- Each of the Subscribers unconditionally and irrevocably undertakes with the Company that, without the prior written approval of the Company, in respect of each of the First Tranche Subscription Shares, the Second Tranche Subscription Shares and the Third Tranche Subscription Shares, for a period from the respective completion date of each tranche of the Subscriptions (including such date) and ending on nine months from the completion of both the Second Tranche Subscription and the Third Tranche Subscription, each of the Subscribers, its nominee or any party acting in concert shall not, directly or indirectly, sell, transfer or otherwise deal with any of the Subscription Shares or their interests, whether any of the foregoing transactions or arrangement is to be settled by delivery of such Subscription Shares or in cash or otherwise (collectively, the “**Dealings**”), or released to the public any Dealings in respect of the Subscription Shares (in whole or in part), or enter into any letter of intent to do any of the foregoing Dealings or deposit any of the Subscription Shares (in whole or in part) to any depository.

Save and except for the above amendments, all other terms and conditions of the Subscription Agreements (as amended and supplemented by the Supplemental Agreements) shall remain unchanged and continue in full force and effect.

REASONS FOR ENTERING INTO THE SUPPLEMENTAL AGREEMENTS

Given that the completion of both the Second Tranche Subscription and the Third Tranche Subscription took place on 22 December 2023, the Company and the Subscribers intend to amend the Lock-up Period to the effect that the expiry date of the Lock-up Period in respect of each tranche of the Subscription Shares will be aligned and fixed on the same date, being the date of nine months from the completion of both the Second Tranche Subscription and the Third Tranche Subscription.

In light of the above and considering that the lock-up period in respect of the Third Tranche Subscription Shares pursuant to the Supplemental Agreements will be lengthened, and the lock-up period in respect of the First Tranche Subscription Shares and the Second Tranche Subscription Shares pursuant to the Supplemental Agreements will be more or less the same as compared to the original terms of the Lock-up Period as set out in the Subscription Agreements, the Directors (including the independent non-executive Directors) are of the view that the terms and conditions of the Supplemental Agreements were on normal commercial terms after arm's length negotiations, fair and reasonable and in the interests of the Company and its Shareholders as a whole.

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

Beijing, the PRC
22 December 2023

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.