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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, 23 November 2021, 3 December 2021, 31 January 2022, 3 March 2022, 30 March 2022, 31 March 2022, 12 April 2022 and 28 April 2022 (collectively, the “**Announcements**”), the announcements of 2021 Interim Results and 2021 Annual Results dated 31 March 2022 and 29 April 2022, respectively, 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 delay in publication of the 2021 Annual Results and the possible delay in despatch of 2021 Annual Report; (v) profit warning; (vi) the publication of 2021 Interim Results and 2021 Annual Results; (vii) 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, extended for the period from 3 October 2021 to 4 February 2022 and further extended for the period from 5 February 2022 to 5 June 2022 for the Company to restore its minimum public float; (viii) resumption guidance letter received from the Stock Exchange on 22 November 2021; and (ix) the status on the restoration of the public float. Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

UPDATE ON BUSINESS OPERATIONS

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

As disclosed in the announcement of 2021 Annual Results, the outbreak of COVID-19 pandemic has a significant negative impact on the Group's business. Many of the Group's retail shops did not operate full business hours, or on an "on and off" basis during the reporting period, and this resulted in the complete shut down of retail shops as the pandemic was prolonged. With further waves of the pandemic subsequent to 31 December 2021, travel restrictions remain and certain cities introduced lockdown measures in order to contain the pandemic. These measures have a significant negative impact on the Group's business, and the retail sector as a whole which includes all of the Group's potential customers. A number of the Group's retail shops have been operating at an "on-and-off" basis, and may also shut down ultimately. However, the management is of the view that the Group's retail shops remaining are with good quality and with better ability to sustain the downturn, and therefore the management is of the view that there will not be a massive shut down of retail shops of the scale of the previous financial year in the near future.

UPDATE ON RESUMPTION PROGRESS

As disclosed in the announcement of the Company dated 23 November 2021, the Stock Exchange has set out the Resumption Guidance for the Company. The Company is taking appropriate steps to resolve the issues causing the suspension of trading in the H Shares. The status and development on the progress of the Company's efforts to fulfil the Resumption Guidance is summarised as follows:

2021 Interim Results and 2021 Interim Report

The Company has published the 2021 Interim Results and despatched the 2021 Interim Report to the Shareholders on 31 March 2022.

2021 Annual Results and 2021 Annual Report

The Company has published the 2021 Annual Results on 29 April 2022 and despatched the 2021 Annual Report to the Shareholders on 25 May 2022.

As at the date of this announcement, all outstanding financial results of the Company required under the Listing Rules were published.

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, 23 November 2021 and 12 April 2022, the Stock Exchange had on 21 June 2021, 18 November 2021 and 8 April 2022 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, an extended period from 3 October 2021 to 4 February 2022 and a further extended period from 5 February 2022 to 5 June 2022, respectively, for the Company to restore its minimum public float.

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.

APPLICATION FOR THE GRANT OF EXTENSION OF WAIVER FROM STRICT COMPLIANCE WITH RULE 8.08(1)(a) OF THE LISTING RULES

As the waiver period will expire on 5 June 2022 and having considered, among others, (i) the number of H Shares held by the Offeror Group, (ii) additional time and efforts that may be required for steps, including but not limited to the time required to negotiate with potential investors and to complete the Offeror Group's internal clearance process in accordance with the applicable laws and requirements, to be taken to restore the minimum public float of the Company, and (iii) the recent volatile and adverse capital market conditions, the Company had applied to the Stock Exchange for an extension of temporary waiver from strict compliance with Rule 8.08(1)(a) of the Listing Rules for the period commencing from 6 June 2022 to 6 October 2022.

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, 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
2 June 2022

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.