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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

The announcement is made by Beijing Digital Telecom Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) 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 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, 28 April 2022, 2 June 2022, 26 August 2022, 9 October 2022, 18 November 2022, 2 December 2022, 22 February 2023 and 19 May 2023 (collectively, the “**Announcements**”), the announcement of 2021 Interim Results dated 31 March 2022, the announcement of 2021 Annual Results and the supplemental announcement dated 29 April 2022 and 21 June 2022, respectively, the announcement of 2022 Interim Results dated 26 August 2022, the announcement of 2022 Annual Results dated 24 March 2023, and the announcement of 2023 Interim Results dated 25 August 2023, 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, 2021 Annual Results, 2022 Interim Results, 2022 Annual Results, and 2023 Interim 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 (the “**Resumption Guidance**”); (ix) the status on the restoration of the public float; (x) the public solicitation of transferees for potential transfer of certain shares of the Company by the controlling shareholders of the Company; (xi) request for extension of the remedial period for resumption of trading to 30 September 2023 (the “**Remedial Period**”); and (xii) approval from the Listing Division of the Stock Exchange for the extension of the Remedial Period. 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. With the gradual recovery of the communication retail market, the Group strives to implement a series of cost reduction and efficiency enhancement measures, and the overall business operation has been gradually improving. In terms of new energy business expansion, based on the sales network layout covering the whole country and the deep sinking huge customer market, the Group actively responded to the national dual carbon goal, rural revitalization strategy and “the Belt and Road” policy, and continues to make progress in the expansion of household photovoltaic and new energy vehicle business.

The one-stop service cooperation between the Company and domestic photovoltaic leading enterprises, including installation, construction, and grid-connected power generation of distributed photovoltaic power stations, has been fully implemented and steadily carried out in Dai County, Shanxi Province, whereas the asset-light operation model is gradually being replicated and promoted nationwide. In addition, our new energy vehicle stores have officially been opened in Beijing and Guangzhou. The Company has laid out new business for automobile exports in Xinjiang Province, actively promoting warehousing, agency services, procurement and sales, and foreign trade businesses, and has gradually implemented them in the third quarter of 2023.

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.

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, respectively, 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.

According to the Resumption Guidance, under Rule 6.01A(1) of the Listing Rules, the Stock Exchange may cancel the listing of any securities that have been suspended from trading for a continuous period of 18 months. In the case of the Company, the 18-month period has expired on 3 December 2022.

As disclosed in the announcements of the Company dated 2 December 2022 and 22 February 2023, respectively, the Company submitted a letter to the Listing Division of the Stock Exchange on 2 December 2022 to request for extension of the Remedial Period to 30 September 2023, and received a letter from the Listing Division of the Stock Exchange on 17 February 2023 that the Stock Exchange decided to approve the extension of the Remedial Period of the Company to 30 September 2023.

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 is unsatisfied.

Issuance of new H Shares under specific mandate

The Company intends to restore its public float through the issuance of new H Shares to independent third parties not being or otherwise connected with any core connected persons of the Company or being parties acting in concert with the Offeror Group in accordance with applicable laws and regulations. As at the date of this announcement, on 1 September 2023, the Company has entered into two conditional share subscription agreements individually with two independent third parties (the “**Subscriber(s)**”), pursuant to which the Company has conditionally agreed to allot and issue to each Subscriber 77,000,000 new H Shares at the subscription price of HK\$1.70 per H Share in three tranches (the “**Subscriptions**”). Assuming that all of the 154,000,000 new H Shares will be subscribed by the Subscribers in full and no further Shares will be issued or repurchased from the date of this announcement and up to date of completion of all three tranches of the Subscriptions, it is expected that the percentage of the public float of the Company will be increased to approximately 25.01% of the issued Shares (as enlarged by the Subscriptions) after completion of all three tranches of the Subscriptions. For details of the issue of new H Shares under specific mandate, please refer to another announcement of the Company dated 1 September 2023.

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.

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

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

Beijing, the PRC
1 September 2023

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