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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 FIRST TRANCHE SUBSCRIPTION,  
UPDATE ON STATUS OF PUBLIC FLOAT,  
STATUS OF FULFILLMENT OF RESUMPTION GUIDANCE  
AND  
RESUMPTION OF TRADING**

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, 19 May 2023 and 1 September 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, the announcement of 2023 Interim Results dated 25 August 2023, and the circular of the Company dated 8 September 2023 (the “**Circular**”) 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**”); (xii) approval from the Listing Division of the Stock Exchange for the extension of the Remedial Period; and (xiii) the proposed issue of new H Shares under specific mandate. Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Announcements and the Circular.

## **COMPLETION OF FIRST 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.

The Board is pleased to announce that all conditions precedent to the First Tranche Subscription have been fulfilled and the completion of the First Tranche Subscription took place on 28 September 2023 in accordance with the terms and conditions of the Subscription Agreements. Upon the completion of the First Tranche Subscription, the Company allotted and issued to the Subscribers an aggregate of 51,400,000 H Shares, representing (i) approximately 13.02% of the total number of issued Shares in the same class, and approximately 7.02% of the entire issued Shares immediately before the First Tranche Subscription, and (ii) approximately 11.52% of the total number of issued Shares in the same class, and approximately 6.56% of the entire issued Shares as enlarged by the allotment and issue of the First Tranche Subscription Shares. The gross proceeds from the First Tranche Subscription is approximately HK\$87.38 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 First Tranche Subscription; and (ii) immediately after the completion of the First Tranche Subscription (but before the completion of the Second Tranche Subscription and the Third Tranche Subscription):

	Immediately before the completion of the First Tranche Subscription			Immediately after the completion of the First 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
<b>Domestic Shares</b>						
Digital Science & Technology	168,362,098	49.86	22.99	168,362,098	49.86	21.48
Huafa Technology Industry Group	169,337,902	50.14	23.12	169,337,902	50.14	21.60
<b>SUB-TOTAL</b>	<b>337,700,000</b>	<b>100</b>	<b>46.11</b>	<b>337,700,000</b>	<b>100</b>	<b>43.08</b>
<b>H Shares</b>						
Hong Kong Huafa Investment Holdings Limited	327,057,912	82.85	44.65	327,057,912	73.31	41.72
Public Shareholders						
– Subscriber I	–	–	–	25,700,000	5.76	3.28
– Subscriber II	–	–	–	25,700,000	5.76	3.28
– Public Shareholders (other than Subscribers)	67,702,488	17.15	9.24	67,702,488	15.17	8.64
<b>Sub-total of public Shareholders</b>	<b>67,702,488</b>	<b>17.15</b>	<b>9.24</b>	<b>119,102,488</b>	<b>26.69</b>	<b>15.20</b>
<b>SUB-TOTAL</b>	<b>394,760,400</b>	<b>100</b>	<b>53.89</b>	<b>446,160,400</b>	<b>100</b>	<b>56.92</b>
<b>TOTAL</b>	<b>732,460,400</b>		<b>100</b>	<b>783,860,400</b>		<b>100</b>

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

## UPDATE ON STATUS 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 total number of issued H Shares and Domestic Shares respectively and representing in aggregate of approximately 90.76% of the total number of issued Shares. Immediately following the close of the Offers, 67,702,488 H Shares, representing approximately 9.24% of the total number of 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 from 4 June 2021 since the percentage of public float fell below 15% following the close of the Offers.

Since the suspension of trading of H Shares on 4 June 2021, the Company has been proactively formulating work plans for restoration of public float by the Company and use its best endeavours to reach out and negotiate with potential investors for the subscription of H Shares in order to restore the minimum public float as soon as practicable. As disclosed in the announcement of the Company dated 22 February 2023, the Stock Exchange has granted the approval to extend the Remedial Period. To restore the public float of the Company as soon as practicable, 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 at the date of this announcement, immediately after the completion of the First Tranche Subscription, 119,102,488 H Shares, representing approximately 15.20% of the entire issued Shares as enlarged by the First Tranche Subscription Shares, are held by the public (within the meaning of the Listing Rules). The completion of the Second Tranche Subscription is expected to take place by no later than 29 December 2023. Immediately after the completion of the Second Tranche Subscription, approximately 20.41% of the entire issued Shares as enlarged by the Second Tranche Subscription Shares, will be held by the public (within the meaning of the Listing Rules). The completion of the Third Tranche Subscription is expected to take place by no later than 28 March 2024. Immediately after the completion of the Third Tranche Subscription, approximately 25.01% of the entire issued Shares as enlarged by the Third Tranche Subscription Shares, will be held by the public (within the meaning of the Listing Rules).

## STATUS OF FULFILLMENT OF RESUMPTION GUIDANCE

On 22 November 2021, the Company received the Resumption Guidance for the resumption of trading in the Shares 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.

Set out below are the details of the fulfilment or expected timeline for the fulfilment of the Resumption Guidance:

### **1. Resumption guidance (i) – restore the minimum public float required under Rule 8.08(1)(a) of the Listing Rules**

As at the date of this announcement, the completion of the First Tranche Subscription has taken place. Immediately after the completion of the First Tranche Subscription, 119,102,488 H Shares, representing approximately 15.20% of the entire issued Shares as enlarged by the First Tranche Subscription Shares, are held by the public (within the meaning of the Listing Rules).

Given that there is a reasonable degree of certainty that each tranche of the Subscriptions will be materialised as the Subscribers are legally bound to subscribe for the Subscription Shares subject to the terms and conditions of the Subscription Agreements, and taking into account factors including, among other things, that an open market exists in the H Shares despite a shortfall in the public float of the Company from 25% as prescribed under Rule 8.08(1)(a) of the Listing Rules, and that resumption of trading in the H Shares will facilitate the Company to carry out the proposed steps to restore the public float, the Company has applied to the Stock Exchange for, and the Stock Exchange has granted the preliminary approval to the Company to allow the resumption of trading in the H Shares upon completion of the First Tranche Subscription.

### **2. Resumption guidance (ii) – publish all outstanding financial results required under the Listing Rules and address any audit modifications**

The Company has published all the outstanding financial results in satisfaction of the resumption guidance (ii). The financial results of the Company were not subject to audit modifications.

### **3. Resumption guidance (iii) – demonstrate the Company's compliance with Rule 13.24 of the Listing Rules**

The Group is principally engaged in the sales of mobile telecommunications devices and accessories, and the provision of related services. As disclosed in the 2023 Interim Results, the Group has also tapped into the household photovoltaic (PV) business and automobile business.

As disclosed in the 2023 Interim Results, in the first half of the year, the Company's sales of mobile handsets and operating revenue recorded a significant period-on-period improvement. For the six months ended 30 June 2023, the Group sold 2,207,000 mobile handsets, representing an increase of 205,000 sets, or 10.24%, as compared to the sales of 2,002,000 mobile handsets for the same period in 2022. Operating revenue for the first half of 2023 amounted to RMB9,149,602,000, representing an increase of RMB2,946,655,000 or 47.50%, as compared to that of RMB6,202,947,000 for the same period of 2022. The net loss attributable to owners of the parent of the Company for the six months ended 30 June 2023 amounted to RMB26,436,000, representing a decrease of RMB141,411,000 or 84.25%, as compared to the net loss attributable to owners of the parent of the Company of RMB167,847,000 for the same period of 2022.

In view of the business operations and financial position of the Group, the Company has demonstrated compliance with Rule 13.24 of the Listing Rules and has fulfilled the resumption guidance (iii).

#### **4. Resumption guidance (iv) – inform the market of all material information for the Company's shareholders and other investors to appraise the Company's position**

Since the suspension of trading in the H Shares, the Company has kept its shareholders and investors informed of all material information to appraise the Company's position by way of announcements published on the website of the Stock Exchange, and thus has fulfilled the resumption guidance (iv).

### **RESUMPTION OF TRADING**

At the request of the Company, trading in the H Shares has been suspended from 4 June 2021 since the percentage of public float fell below 15% following the close of the Offers.

Given that the percentage of public float of the Company has increased to 15.20% following the completion of the First Tranche Subscription and that the Second Tranche Subscription and the Third Tranche Subscription are expected to be materialised subject to the terms and conditions of the Subscription Agreements, a formal application has been made by the Company to the Stock Exchange for resumption of trading in the H Shares on the Stock Exchange with effect from 9:00 a.m. on 29 September 2023, taking into account factors including, among other things, that an open market exists in the H Shares despite the shortfall in the public float of the Company from 25% as prescribed under Rule 8.08(1)(a) of the Listing Rules, and that resumption of trading in the H Shares will facilitate the Company to carry out the proposed steps to restore its public float.

Announcement(s) will be made by the Company on the completion of the Second Tranche Subscription and the completion of the Third Tranche Subscription until the public float of the Company is restored in accordance with the Listing Rules, so as to keep the shareholders of the Company and the market informed on the progress made in carrying out the proposed public float restoration plans.

**Shareholders and potential investors of the Company should note that completion of each of the Subscriptions is subject to fulfilment or waiver of the condition precedents under the relevant Subscription Agreements. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares as the Subscriptions may or may not proceed or trading in the H Shares on the Stock Exchange may be suspended again in the event that the Stock Exchange concludes that there exists a disorderly market in the H Shares or an open market in the H Shares ceases to exist.**

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

Beijing, the PRC  
28 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.*