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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)

**CONNECTED TRANSACTION
ACQUISITION OF 15% OF THE EQUITY INTERESTS IN
CHINA OCEAN INTELLIGENT**

EQUITY TRANSFER AGREEMENT

The Board is pleased to announce that on 28 June 2019, the Company and Digital Science & Technology entered into the Equity Transfer Agreement, pursuant to which, the Company agreed to acquire and Digital Science & Technology agreed to dispose of 15% of the equity interests in China Ocean Intelligent for a consideration of RMB7.5 million.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Digital Science & Technology directly holds 31.71% of the equity interests in the Company, and Digital Science & Technology is held as to 84.72%, 5.06%, 3.93%, 5.06% and 1.23% by Mr. Liu Donghai, Ms. Liu Hua, Ms. Liu Wencui, Ms. Liu Yongmei and Ms. Liu Wenli, respectively. Mr. Liu Donghai, Ms. Liu Hua, Ms. Liu Wencui, Ms. Liu Yongmei and Ms. Liu Wenli are siblings, and Ms. Liu Wencui indirectly holds 1.12% of the equity interests in the Company through her non-wholly owned holding company Rong Feng Tai. Since Digital Science & Technology directly and indirectly holds 32.83% of the equity interests in the Company, it is a controlling shareholder as defined under the Listing Rules, and thus is a connected person of the Company. Therefore, the transaction contemplated under the Equity Transfer Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio of the Equity Transfer Agreement is more than 0.1% but less than 5%, such transaction shall be subject to the reporting and announcement requirements but exempt from the independent Shareholders' approval requirement as set out in Chapter 14A of the Listing Rules.

EQUITY TRANSFER AGREEMENT

The Board is pleased to announce that on 28 June 2019, the Company and Digital Science & Technology entered into the Equity Transfer Agreement, pursuant to which, the Company agreed to acquire and Digital Science & Technology agreed to dispose of 15% of the equity interests in China Ocean Intelligent. The principal terms of the Equity Transfer Agreement are set out as follows:

- Date: 28 June 2019
- Parties: (1) Digital Science & Technology (as the transferor)
(2) The Company (as the transferee)
- Subject matter: The Company agreed to acquire 15% of the equity interests in China Ocean Intelligent from Digital Science & Technology
- Consideration and payment: The consideration for the transfer is RMB7.5 million which shall be settled in cash by the Company to Digital Science & Technology. The Company shall make payment to Digital Science & Technology in a lump sum by way of bank transfer before 28 July 2019.
- Pricing basis: The consideration was determined with reference to Digital Science & Technology's capital contribution to 15% equity interests in China Ocean Intelligent. As of the date of this announcement, the registered capital of China Ocean Intelligent is RMB50 million, of which RMB7.5 million was contributed by Digital Science & Technology with its holding of 15% equity interests.
- Completion: The Company and Digital Science & Technology shall complete the relevant procedures for change of industrial and commercial registration after the payment of the consideration by the Company and before 28 July 2019.

INFORMATION ON CHINA OCEAN INTELLIGENT

China Ocean Intelligent is a sino-foreign joint venture incorporated in the PRC with limited liability on 6 March 2017. As at the date of this announcement, China Ocean Intelligent is held as to 40%, 30%, 15% and 15% by China Ocean Industry (Shenzhen) Company Limited (中海重工(深圳)有限公司), HYULIM ROBOT Co., Ltd., Shenzhen Qianhai Zhonglian Huachuang Investment Development Co., Ltd. (深圳前海中聯華創投資發展有限公司) and Digital Science & Technology, respectively. China Ocean Intelligent is principally engaged in the development and manufacturing of industrial robots and automate system integration solutions, and is dedicated to establishing system integration solutions with leading technologies within the industry in the PRC.

The key financial data of China Ocean Intelligent for the two years ended 31 December 2018, which were prepared under the PRC Accounting Standards for Business Enterprises, are set out as follows:

| | For the year ended 31 December 2017 | For the year ended 31 December 2018 |
|-------------------|--|--|
| | <i>RMB</i> | <i>RMB</i> |
| | (Audited) | (Audited) |
| Revenue | 1,521,631.79 | 68,647,830.72 |
| Profit before tax | 2,477,918.69 | 6,594,937.01 |
| Profit after tax | 2,438,417.56 | 4,430,720.97 |

According to the financial data of China Ocean Intelligent prepared under the PRC Accounting Standards for Business Enterprises, the audited total assets and net assets of China Ocean Intelligent as at 31 December 2018 amounted to RMB110,457,231.70 and RMB56,892,677.73, respectively.

REASONS FOR AND BENEFITS OF ENTERING INTO THE EQUITY TRANSFER AGREEMENT

As the market of robot industry thrives, the Company invests in the area of robot industry by acquiring partial equity interests in China Ocean Intelligent, so as to enhance the sources of profit growth of the Company.

The Directors (excluding Directors required to abstain from voting but including the independent non-executive Directors) are of the view that the terms of the Equity Transfer Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Since Mr. Liu Donghai and Ms. Liu Wencui are interested in Digital Science & Technology and Mr. Liu Songshan, Mr. Liu Donghai and Ms. Liu Wencui are siblings, Mr. Liu Donghai, Ms. Liu Wencui and Mr. Liu Songshan have abstained from voting on the relevant resolution in respect of considering and approving the Equity Transfer Agreement at the Board meeting. Save as disclosed above, no other Director has any material interest in the Equity Transfer Agreement.

INFORMATION ON THE COMPANY AND DIGITAL SCIENCE & TECHNOLOGY

The Company

The Company is a joint stock limited company incorporated in the PRC on 31 May 2001. The principal business activity of the Company is the sale of telecommunications devices at home and abroad.

Digital Science & Technology

Digital Science & Technology is a limited liability company incorporated in the PRC on 26 May 2005, and is the controlling shareholder of the Company. Digital Science & Technology mainly engages in the domestic investment business, which involves communications, real estate, intelligent manufacturing and other fields.

LISTING RULES IMPLICATIONS

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As the highest applicable percentage ratio of the Equity Transfer Agreement is more than 0.1% but less than 5%, such transaction shall be subject to the reporting and announcement requirements but exempt from the independent Shareholders' approval requirement as set out in Chapter 14A of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

| | |
|--------------------------------|---|
| “Board” | the board of directors of the Company |
| “Company” | Beijing Digital Telecom Co., Ltd. (北京迪信通商貿股份有限公司), a joint stock limited company incorporated in the PRC, the H shares of which are listed on the Hong Kong Stock Exchange |
| “connected person” | has the meaning ascribed to it under the Listing Rules |
| “connected transaction” | has the meaning ascribed to it under the Listing Rules |
| “controlling shareholder” | has the meaning ascribed to it under the Listing Rules |
| “Digital Science & Technology” | Digital Science & Technology Group Limited (迪信通科技集團有限公司), a limited liability company incorporated in the PRC and the controlling shareholder of the Company |
| “Director(s)” | the director(s) of the Company |
| “Equity Transfer Agreement” | the equity transfer agreement dated 28 June 2019 entered into between the Company and Digital Science & Technology, pursuant to which, the Company agreed to acquire and Digital Science & Technology agreed to dispose of 15% of the equity interests in China Ocean Intelligent |

| | |
|----------------------------|--|
| “Hong Kong Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Listing Rules” | the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited |
| “PRC” | the People’s Republic of China |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “Rong Feng Tai” | Beijing Rong Feng Tai Management and Consulting Company Limited (北京融豐泰管理諮詢有限公司), a limited liability company incorporated in the PRC |
| “Shareholder(s)” | holder(s) of the shares of the Company |
| “China Ocean Intelligent” | China Ocean Intelligent Equipment Manufacturing (Shenzhen) Company Limited (中海智能裝備製造(深圳)有限公司), a sino-foreign joint venture company incorporated in the PRC with limited liability, which is held as to 40%, 30%, 15% and 15% by China Ocean Industry (Shenzhen) Company Limited (中海重工(深圳)有限公司), HYULIM ROBOT Co., Ltd., Shenzhen Qianhai Zhonglian Huachuang Investment Development Co., Ltd. (深圳前海中聯華創投資發展有限公司) and Digital Science & Technology, respectively as at the date of this announcement |
| “%” | per cent |

By order of the Board
Beijing Digital Telecom Co., Ltd.
LIU Donghai
Chairman

Beijing, the PRC
28 June 2019

As at the date of this announcement, the executive Directors are Mr. LIU Donghai, Mr. LIU Yajun, Mr. LIU Songshan and Ms. LIU Wencui; the non-executive Directors are Mr. QI Xiangdong and Ms. XIN Xin; and the independent non-executive Directors are Mr. LV Tingjie, Mr. LV Pingbo and Mr. ZHANG Senquan.