

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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, 28 April 2022, 2 June 2022, 26 August 2022, 9 October 2022 and 18 November 2022 (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, and the announcement of 2022 Interim Results dated 26 August 2022, 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 and 2022 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) the 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; and (x) the public solicitation of transferees for potential transfer of certain shares of the Company by the controlling shareholders of the Company. 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. Although the outbreak of COVID-19 pandemic, to varying degrees, has a negative impact on the business of the Group and the retail sector as a whole, including all potential customers and business partners of the Group, the gradual relaxation of restrictive measures to control epidemic situation has created conditions for the retail sector as a whole, as well as the overall business operation of the Group, to gradually return to normalcy. Therefore, during the last quarter, the overall business operation of the Group remains largely normal in all major respects. While implementing a series of cost reduction and efficiency enhancement measures, the Company continues to explore potential new business opportunities that may be conducive to the growth and development of the Group's business. With the current layout of the Group's stores with excellent business condition and good pressure resistance, the Company is still confident and optimistic about its business prospects, and will continue to give full play to the advantages of online and offline retail channels. Leverage on the solid foundation laid for the Company in its retail business of telecommunications devices, the Company will actively explore business opportunities in other industrial-tracks, aiming to expand the source of income and maximize shareholder returns.

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. Save for the restoration of the minimum public float requirement, the Company has resolved all 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, 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 disclosed in the announcement of the Company dated 9 October 2022, the Company's controlling shareholder, Hong Kong Huafa Investment Holdings Limited ("**Hong Kong Huafa**"), performed public solicitation of potential transferees within the PRC (excluding Hong Kong for the purpose of the public notice) through the Zhuhai Assets & Equity Exchange Centre Co., Ltd. (珠海產權交易中心有限責任公司) on 9 October 2022, for potential transfer of approximately 15.76% of the total number of issued shares of the Company during the solicitation period(s). The public solicitation was performed for the purpose of placing down the Company's shares held by the controlling shareholder to meet the public float requirement. As disclosed in the announcement of the Company dated 18 November 2022, as Hong Kong Huafa has not solicited any suitable transferee prior to the expiration of the initial and extended solicitation periods, the public solicitation has been terminated.

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. The Company is still taking appropriate actions to restore the minimum public float requirement as soon as possible.

REQUEST FOR EXTENSION FOR REMEDIAL PERIOD

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 will expire on 3 December 2022. If the Company fails to remedy the issues causing its trading suspension, fulfill the resumption guidance and fully comply with the Listing Rules to the Stock Exchange's satisfaction and resume trading in its shares by 3 December 2022, the Listing Division will recommend the Listing Committee to proceed with cancellation of the Company's listing.

Due to the recent exceptional volatile and adverse capital market conditions in Hong Kong and the intermittent lockdowns affecting major cities in the PRC due to COVID-19 reported cases, notwithstanding the effort made by the Offeror Group to approach potential investors through public solicitation of transferees or otherwise, the Company experienced difficulties to restore the minimum public float of the Company.

On 2 December 2022, the Company submitted a letter to the Listing Division of the Stock Exchange to request for extension of the 18-month remedial period for resumption of trading (the "**Extension Request**") from 4 December 2022 to 30 September 2023. The Company is confident that, if the Extension Request is approved by the Stock Exchange, the Company would have sufficient time to effect appropriate measures to restore the public float and thereby resolving this only outstanding issue that had caused the suspension of trading, which is in the best interest of the Company and its shareholders as a whole. The Company attaches great importance to the shareholders' rights and interests of the Company. The Company believes that the Extension Request, if granted, will allow the Company and the Offeror Group additional time to restore the public float, and in turn allow the Company to maintain status as a public company and its H Shares to be traded in a liquid market and allow the minority public shareholders to continue to enjoy information rights and minority protection rights regulated by the Stock Exchange and the Securities and Futures Commission and provided in the applicable securities law.

The Company will continue to publish announcement(s) to inform and update the shareholders of the Company on, among others, the Resumption Guidance, the progress of restoration of minimum public float requirement and resumption and quarterly updates pursuant to Rule 13.24A of the Listing Rules, as and when appropriate.

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 of the Company and potential investors 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
2 December 2022

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.