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Telecom Digital Holdings Limited
電訊數碼控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 6033)

CONTINUING CONNECTED TRANSACTIONS

2020/21 TENANCY AGREEMENTS AND 2020/21 LICENCE AGREEMENTS WITH EAST-ASIA GROUP

On 31 March 2020, GEL, GIL, Marina, SCL, TPIL and TSL (wholly-owned subsidiaries of East-Asia) as landlords have entered into the 2020/21 Tenancy Agreements and 2020/21 Licence Agreements with CTL, TDM and TDS (wholly-owned subsidiaries of the Company) as tenants respectively in relation to the tenancy of the Properties and the Carparking Spaces.

East-Asia is indirectly wholly-owned by the Cheung Family Trust which indirectly holds 54.49% of the issued share capital of the Company. Therefore, each of the GEL, GIL, Marina, SCL, TPIL and TSL, being a party to the 2020/21 Tenancy Agreements and 2020/21 Licence Agreements, is a connected person of the Company. Accordingly, the 2020/21 Tenancy Agreements and 2020/21 Licence Agreements constitute continuing connected transactions for the Company.

It is expected that the aggregate annual rentals and the licence fees payable by the Group to the East-Asia Group under the 2020/21 Tenancy Agreements and the 2020/21 Licence Agreements for the year ending 31 March 2021 will not exceed HK\$17,800,000. For the purpose of compliance with the Listing Rules, the aggregate annual rentals and licence fees are treated as the annual cap of the transactions.

As all applicable percentage ratios (other than the profits ratio) in respect of the aggregate annual rentals and licence fees under the 2020/21 Tenancy Agreements and 2020/21 Licence Agreements are less than 5% but aggregate annual rentals and licence fees are more than HK\$3,000,000, the annual rentals and licence fees under the 2020/21 Tenancy Agreements and the 2020/21 Licence Agreements are subject to the announcement, annual review and reporting requirements, but exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

TRANSACTIONS WITH TSO

On 31 March 2020, TDD, TDS, TSN and D1 entered into the separate individual services agreements for 2020/21 with TSO in respect of the (a) provision of repair and refurbishment services for pagers and Mango Devices by TSO to TDD; (b) consignment of accessories for mobile phones and personal electronic products of TSO by TDS; (c) provision of logistic services to TSO by TSN, (d) provision of repair and refurbishment services for a brand of mobile phones by TSO to D1 and (e) provision of grading and refurbishment services for used mobile phones by TSO to TDS respectively for a term of one year commencing on 1 April 2020 and to fix the annual caps for the year ending 31 March 2021 for the above transactions with TSO to HK\$4,500,000.

TSO is a wholly-owned subsidiary of TSOH which is indirectly owned by the Cheung Family Trust as to 51.43%. As the Cheung Family Trust indirectly holds 54.49% of the issued share capital of the Company, TSO is a connected person of the Company under the Listing Rules.

As all applicable percentage ratios (other than the profits ratio) in respect of the annual cap for (a) provision of repair and refurbishment services for pagers and Mango Devices by TSO to TDD; (b) consignment of accessories for mobile phones and personal electronic products of TSO by TDS; (c) provision of logistic services to TSO by TSN, (d) provision of repair and refurbishment services for a brand of mobile phones by TSO to D1 and (e) provision of grading and refurbishment services for used mobile phones by TSO to TDS are less than 5% but aggregate annual fee is more than HK\$3,000,000, the aggregate annual fee and the above transactions with TSO are subject to the announcement, annual review and reporting requirements, but exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

TRANSACTIONS WITH SUN ASIA GROUP

The Group will be conducting various transactions with Sun Asia Group for a term of one year commencing on 1 April 2020 and the scope of transactions includes of (i) leasing of a property by CTL to TDKS; (ii) provision of steaming real-time quote service by TDD to TDKS; and (iii) provision of IT support services by TDS to TDKS and TDKC. The annual caps is fixed based on the aggregate annual fees receivable for respective transactions for the year ending 31 March 2021 to HK\$3,225,000.

TDKS is a wholly-owned subsidiary of Sun Asia and TDKC is indirectly owned as to 70% by Sun Asia, which is ultimately owned by the Cheung Brothers (the beneficiary of the Cheung Family Trust). Therefore, each of TDKS and TDKC is an associate of the Cheung Brothers and thus a connected person of the Company. Accordingly, the transactions with Sun Asia Group constitute continuing connected transactions for the Company.

As all applicable percentage ratios (other than the profits ratio) in respect of the aggregate annual fees for the transactions with Sun Asia Group are less than 5% but aggregate annual fee is more than HK\$3,000,000, the aggregate annual fee and the transactions with Sun Asia Group are subject to the announcement, annual review and reporting requirements, but exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

2020/21 TENANCY AGREEMENTS AND 2020/21 LICENCE AGREEMENTS WITH EAST-ASIA GROUP

Reference is made to the announcement of the Company dated 31 March 2019 in relation to the 2019/20 Tenancy Agreements and 2019/20 Licence Agreements entered into between the East-Asia Group and the Group in which setting out the terms and conditions for leasing of properties in Hong Kong and Macau for a term up to 31 March 2020.

On 31 March 2020, GEL, GIL, Marina, SCL, TPIL and TSL (wholly-owned subsidiaries of East-Asia) as landlords have entered into the 2020/21 Tenancy Agreements and 2020/21 Licence Agreements with CTL, TDM and TDS (wholly-owned subsidiaries of the Company) as tenants respectively in relation to the tenancy of the Properties and the Carparking Spaces.

After entering into the 2020/21 Tenancy Agreements and the 2020/21 Licence Agreements, it is expected that the aggregate annual rentals and licence fees to be paid/payable by the Group to the East-Asia Group under the 2020/21 Tenancy Agreements and the 2020/21 Licence Agreements for year ending 31 March 2021 will not exceed HK\$17,800,000. For the purpose of compliance with the Listing Rules, the aggregate annual rentals and licence fees are treated as the aggregate annual cap of the transactions.

The principle terms of the 2020/21 Tenancy Agreements and 2020/21 Licence Agreements are set out below:

(A) 2020/21 Tenancy Agreements

| Property | Address | Tenant | Landlord | Usage | Term | Monthly rent HK\$ |
|----------|---|--------|----------|-----------|--------------------------------|----------------------|
| 1 | Roof of 17/F, Cheron Court, Hungghom, Kowloon | CTL | GEL | Cell site | 1 April 2020– 31 March 2021 | 4,700 |
| 2 | Shop G5, G/F., Commercial Podium Sincere House, 83 Argyle Street, Kowloon | TDS | GEL | Shop | 1 April 2020– 31 March 2021 | 155,000 |
| 3 | Room 1–2, 36/F, Tower 2, Metroplaza, Kwai Fong, New Territories | TDS | GEL | Office | 1 April 2020– 31 March 2021 | 150,412 |
| 4 | Unit C, 10/F, YHC Tower, No.1 Sheung Yuet Road, Kowloon Bay, Kowloon | TDS | GEL | Office | 1 April 2020– 31 March 2021 | 51,117 |
| 5 | Portion B of Unit 3608-3612, 36/F, Tower 2, Metroplaza, Kwai Fong, New Territories | TDS | GEL | Office | 1 April 2020– 31 March 2021 | 75,777 |

| Property | Address | Tenant | Landlord | Usage | Term | Monthly rent HK\$ |
|-----------------|---|---------------|-----------------|---|--------------------------------|------------------------------|
| 6 | Unit D, 10/F, YHC Tower, No. 1 Sheung Yuet Road, Kowloon Bay, Kowloon | TDS | GIL | Office | 1 April 2020– 31 March 2021 | 58,608 |
| 7 | Shop A4, G/F., Kam Wah Mansion, No. 226–242 Cheung Sha Wan Road, Kowloon | TDS | SCL | Shop | 1 April 2020– 31 March 2021 | 98,000 |
| 8 | Portion of Shop 4, G/F., 93 Lion Rock Road, Kowloon City, Kowloon | TDS | SCL | Shop | 1 April 2020– 31 March 2021 | 53,500 |
| 9 | 19/F., YHC Tower, No. 1 Sheung Yuet Road, Kowloon Bay, Kowloon | TDS | SCL | Office | 1 April 2020– 31 March 2021 | 413,424 |
| 10 | Room & Roof top of Flat G, 5/F., Silver Centre Building, 10 Mui Wo Ferry Pier Road, Lantau Island, New Territories | CTL | TPIL | Cell site | 1 April 2020– 31 March 2021 | 11,300 |
| 11 | Unit A025, 1/F., Nan Fung Centre, 264–298 Castle Peak Road, Tsuen Wan, New Territories | TDS | TPIL | Shop | 1 April 2020– 1 March 2021 | 98,000 |
| 12 | Shop C28 & C29, 1/F, Kingswood Richly Plaza, 1 Tin Wu Road, New Territories | TDS | TPIL | Shop | 1 April 2020– 31 March 2021 | 77,000 |
| 13 | Roof Level of Flat E on 22/F. of Block 5, Hong Kong Garden (Phase 1), 101 Castle Peak Road, Tsing Lung Tau, New Territories | CTL | TSL | Cell site | 1 April 2020– 31 March 2021 | 2,800 |
| 14 | Shop 6, Wing Light Building, 68–76 Castle Peak Road, Yuen Long, New Territories | TDS | TSL | Shop | 1 April 2020– 31 March 2021 | 98,000 |
| 15 | Unit 1801 to Unit 1809 and Unit 1812 to Unit 1820, Shen Rong Building, No.1045 Fuqiang Road, Futian District, Shenzhen City, PRC | TDM | Marina | Customer service center and IT support office | 1 April 2020– 31 March 2020 | 105,000 |

(B) 2020/21 Licence Agreements

| Carparking Space | Address | Usage | Term | Monthly rent HK\$ |
|-------------------------|--|------------------|--------------------------------|------------------------------|
| 1 | Carparking Space Nos. 5, 6 and 7 on 2/F. of YHC Tower, No.1 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong | Carparking space | 1 April 2020– 31 March 2021 | 11,400 |
| 2 | Carparking Space Nos. 45, 46, 47, 48 and 49 on 2/F. of YHC Tower, No.1 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong | Carparking space | 1 April 2020– 31 March 2021 | 19,000 |

Reasons and benefits for entering into 2020/21 Tenancy Agreements and 2020/21 Licence Agreements

The Properties have been rented by the Group for the use as shops, cell sites and office premises. The Group considers that the Properties are suitable for the business of the Group. Thus, the Group entered into the 2020/21 Tenancy Agreements to secure the continuous use of the Properties as shops, cell sites and office premises.

The Group has been using the offices located at YHC Tower, No.1 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong as headquarters of its operations. Thus, the Company entered into the 2020/21 Licence Agreements to secure the continuous use of the carparking spaces at YHC Tower for use by the Group's logistic vehicle fleet.

The terms of the 2020/21 Tenancy Agreements and the 2020/21 Licence Agreements are arrived at after arm's length negotiation and are on normal commercial terms. The rentals under the 2020/21 Tenancy Agreements were determined with reference to the prevailing market rent of similar properties in the nearby locations. The licence fees under the 2020/21 Licence Agreements were determined with reference to the prevailing market licence fees of the carparking spaces located at YHC Tower and similar properties in the nearby locations. The Directors (except the Cheung Brothers being the Directors who have material interests in the 2020/21 Tenancy Agreements and the 2020/21 Licence Agreements and who abstained from participating in the approval of the relevant Board resolutions due to conflict of interests), including the independent non-executive Directors, considered that the terms of the 2020/21 Tenancy Agreements and the 2020/21 Licence Agreements are fair and reasonable and the 2020/21 Tenancy Agreements and the 2020/21 Licence Agreements are on normal commercial terms, in the ordinary and usual course of business of the Group, and in the interests of the Company and its shareholders as a whole.

Implications under the Listing Rules

East-Asia is indirectly wholly-owned by the Cheung Family Trust which indirectly holds 54.49% of the issued share capital of the Company. Therefore, each of the following wholly-owned subsidiaries of East-Asia, namely, GEL, GIL, Marina, SCL, TPIL and TSL, being a party to the 2020/21 Tenancy Agreements and the 2020/21 Licence Agreements, is a connected person of the Company. Accordingly, the 2020/21 Tenancy Agreements and the 2020/21 Licence Agreements constitute continuing connected transactions of the Company.

As all applicable percentage ratios (other than the profits ratio) in respect of the aggregate annual rentals and licence fees under the 2020/21 Tenancy Agreements and 2020/21 Licence Agreements are less than 5% but aggregate annual rentals and licence fees are more than HK\$3,000,000, the annual rentals and licence fees under the 2020/21 Tenancy Agreements and the 2020/21 Licence Agreements are subject to the announcement, annual review and reporting requirements, but exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

TRANSACTIONS WITH TSO

Reference is made to the announcement of the Company dated 31 March 2019 regarding the separate individual services agreements entered into between TDD, TDS, TSN and D1 with TSO for the transactions between TSO and the Group for a term up to 31 March 2020.

The transactions between TSO and the Group will be continued after the expiration of the services agreements. Therefore, on 31 March 2020, TDD, TDS, TSN and D1 entered into the separate individual services agreements for 2020/21 with TSO in respect of the (a) provision of repair and refurbishment services for pagers and Mango Devices by TSO to TDD; (b) consignment of accessories for mobile phones and personal electronic products of TSO by TDS; (c) provision of logistic services to TSO by TSN, (d) provision of repair and refurbishment services for a brand of mobile phones by TSO to D1 and (e) provision of grading and refurbishment services for used mobile phones by TSO to TDS respectively for a term of one year commencing on 1 April 2020 and to fix the annual caps based on the aggregate annual services fees payable thereunder for respective services for the year ending 31 March 2021 to HK\$4,500,000.

(a) Provision of repair and refurbishment services for pagers and Mango Devices by TSO to TDD

TSO has been providing repair and refurbishment services for pagers and Mango Devices to TDD. The service fees charged by TSO are on a "per device" basis. The service fees are determined by TSO and TDD with reference to the prevailing market rate (in terms of, among others, profit margin) of similar services, the number of pagers and Mango Devices which is expected to be used by the customers of TDD and the historical amounts paid by the Group to TSO. Due to the popularity of various channels of mobile communication, the Company anticipates that the total number of paging based services subscribers will continue to experience a decrease in future and so as to the repair and refurbishment services for the pagers and Mango Devices.

The historical amounts for the aggregate repair and refurbishment service fees paid by TDD to TSO for the previous years were set out below:-

| | <i>HK\$</i> |
|--|-------------|
| Year ended 31 March 2017 | 5,846,000 |
| Year ended 31 March 2018 | 3,576,000 |
| Year ended 31 March 2019 | 3,918,000 |
| For the nine months ended 31 December 2019 | 1,157,000 |

(b) *Consignment of accessories for mobile phones and personal electronic products of TSO by TDS*

TDS has allowed TSO to sell the accessories for mobile phones and personal electronic products at the retail shops of the Group on a consignment basis in consideration of a consignment fee. The consignment fee, which is based on a fixed percentage of the sales of consigned goods, shall be paid by TSO to TDS for the consignment arrangement. Such consignment fee has been determined by TSO and TDS with reference to the prevailing market rate of similar consignment arrangements, the amount and value of the consigned goods which is expected to be sold by TSO and the historical amounts received by TDS from TSO.

The historical amounts for the consignment fees received by TDS from TSO for the previous years were set out below:-

| | <i>HK\$</i> |
|--|-------------|
| Year ended 31 March 2017 | 961,000 |
| Year ended 31 March 2018 | 734,000 |
| Year ended 31 March 2019 | 565,000 |
| For the nine months ended 31 December 2019 | 560,000 |

(c) *Provision of logistic services to TSO by TSN*

TSN has been providing logistic services for delivery of goods (for example, defective devices for repair and refurbishment) between the office, service centers and collection points of TSO. The fees charged by TSN are on a “per delivery” basis. The fees for the services are determined by TSO and TSN with reference to the prevailing market rate of similar services and the historical amounts received by TSN from TSO.

The historical amounts for the logistic services fees paid by TSO to TSN for the previous years were set out below:-

| | <i>HK\$</i> |
|--|-------------|
| Year ended 31 March 2017 | 741,000 |
| Year ended 31 March 2018 | 676,000 |
| Year ended 31 March 2019 | 738,000 |
| For the nine months ended 31 December 2019 | 598,000 |

(d) *Provision of repair and refurbishment services for a brand of mobile phones by TSO to D1*

TSO has been providing repair and refurbishment services for a brand of mobile phones to D1 since 1 April 2019. The service fees charged by TSO are on a “per mobile phone” basis. The service fees are determined by TSO and D1 with reference to the prevailing market rate (in terms of, among others, profit margin) of similar services and the estimation based on the historical amounts paid by D1 to TSO. The historical amount for such services fees paid by D1 to TSO for the nine months ended 31 December 2019 was HK\$298,000.

(e) *Provision of grading and refurbishment services for used mobile phones by TSO to TDS*

TSO has been providing grading and refurbishment services for used mobile phones trade in by the Group since 1 November 2019. The services fees charged by TSO are on a “per mobile phone” basis and determined by the forecast and estimation on the number of mobile phones trade in by TDS.

Reasons and benefits of entering into the services agreements for 2020/21 with TSO

TSO has been providing repair and refurbishment services for pagers and Mango Devices to the Group and also selling the accessories for mobile phones and personal electronic products of certain brands at retail shops of the Group since 2013. D1 is the sole distributor of a brand of mobile phones and is entitled to source the repair and refurbishment services for such brand. The Group has the services for trade in used mobile phones, therefore, the Group appointed TSO to provide grading and refurbishment services for those used mobile phones. The principal activities of TSO are the provision of repair and refurbishment services for mobile phones and other personal electronic products as well as the sales of related accessories. Therefore, it is in the normal and ordinary course of business of TSO to continue and /or provide the services with the Group.

The terms of the services agreements for 2020/21 with TSO are arrived at after arm's length negotiation and are on normal commercial terms. The Directors (except the Cheung Brothers who have material interest in the services agreements for 2020/21 with TSO and who abstained from participating in the approval of the relevant Board resolutions due to conflict of interests), including the independent non-executive Directors, are of the view that the entering into the services agreement for 2020/21 with TSO are in the ordinary and usual course of business of the Company, and that the services agreements for 2020/21 with TSO including the aggregate annual caps for the transactions with TSO are on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole.

Implications under Listing Rules

TSO is a wholly-owned subsidiary of TSOH which is indirectly owned by the Cheung Family Trust as to 51.43%. As the Cheung Family Trust indirectly holds 54.49% of the issued share capital of the Company, TSO is a connected person of the Company under the Listing Rules.

As all applicable percentage ratios (other than the profits ratio) in respect of the aggregate annual cap for (a) provision of repair and refurbishment services for pagers and Mango Devices by TSO to TDD; (b) consignment of accessories for mobile phones and personal electronic products of TSO by TDS; (c) provision of logistic services to TSO by TSN, (d) provision of repair and refurbishment services for a brand of mobile phones by TSO to D1 and (e) provision of grading and refurbishment services for used mobile phones by TSO to TDS are less than 5% but aggregate annual fee is more than HK\$3,000,000, the aggregate annual fee and the above transactions with TSO are subject to the announcement, annual review and reporting requirements, but exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

TRANSACTIONS WITH SUN ASIA GROUP

The Group will be conducting various transactions with Sun Asia Group for a term of one year commencing on 1 April 2020 and the scope of transactions includes of (i) leasing of a property by CTL to TDKS; (ii) provision of steaming real-time quote service by TDD to TDKS; and (iii) provision of IT support services by TDS to TDKS and TDKC. The annual caps is fixed based on the aggregate annual fees receivable for respective transactions for the year ending 31 March 2021 to HK\$3,225,000.

(i) Leasing of a property by the Group to TDKS

The Group will be leasing of property 16 to TDKS for office commencing from 1 April 2020 for a term of one year. The rental was determined with reference to the prevailing market rent of similar properties in nearby location. The principle terms of the tenancy are set out below:

| Property | Address | Tenant | Landlord | Usage | Term | Monthly rent HK\$ |
|----------|--|--------|----------|--------|--------------------------------|----------------------|
| 16 | Unit 10A, 10/F, YHC Tower, No.1 Sheung Yuet Road, Kowloon Bay, Kowloon | TDKS | CTL | Office | 1 April 2020– 31 March 2021 | 75,339 |

(ii) Provision of steaming real-time quote services by TDD to TDKS

The Group provides steaming real-time quote services via mobile applications to TDKS. In consideration for such services, the Group received subscription fees charged on a per-user basis with reference to the current market rate of similar services. The amount for such services fees paid by TDKS to TDD for the nine months ended 31 December 2019 was HK\$832,000.

(iii) Provision of IT support services by TDS to TDKS and TDKC

The Group assists TDKS and TDKC to develop software applications and provide related information technology support. In consideration for such services, TDS receive a fixed monthly service fee determined with reference to the cost of the relevant personnel. The monthly service fees of HK\$50,000 would be received from each of TDKS and TDKC for such services.

Reasons and benefits of the transactions with Sun Asia Group

The property 16 would be rented by TDKS for the use as office premises. TDKS considers that the property 16 is suitable for their business. In relation to the provision of steaming real-time quote services and IT support services, TDS has the unique technical support experience for the businesses of TDKS and TDKC, therefore, TDKS and TDKC appointed TDS to provide such services in order to accommodate the development of their businesses.

The transactions with Sun Asia Group are arrived at after arm's length negotiation and are on normal commercial terms. The Directors (except the Cheung Brothers who have material interest in the transactions with Sun Asia Group and who abstained from participating in the approval of the relevant Board resolutions due to conflict of interests), including the independent non-executive Directors, are of the view that the transactions with Sun Asia Group are in the ordinary and usual course of business of the Company, and that the transactions with Sun Asia Group including the aggregate annual caps are on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole.

Implications under Listing Rules

TDKS is a wholly-owned subsidiary of Sun Asia and TDKC is indirectly owned as to 70% by Sun Asia, which is ultimately owned by the Cheung Brothers (the beneficiary of the Cheung Family Trust). Therefore, each of TDKS and TDKC is an associate of the Cheung Brothers and thus a connected person of the Company. Accordingly, the transactions with Sun Asia Group constitute continuing connected transactions for the Company.

As all applicable percentage ratios (other than the profits ratio) in respect of the aggregate annual fees for the transactions with Sun Asia Group are less than 5% but aggregate annual fee is more than HK\$3,000,000, the aggregate annual fee and the transactions with Sun Asia Group are subject to the announcement, annual review and reporting requirements, but exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

GENERAL INFORMATION

The Company is listed on Main Board of the Stock Exchange. The Group is principally engaged in the telecommunications and related business in Hong Kong, including (i) retail sales of mobile phones and other consumer goods and related services; (ii) distribution of mobile phones and related services; (iii) provision of paging and other telecommunications services; and (iv) provision of operation services to Sun Mobile Limited, an associate owned as to 40% by the Group and as to 60% by HKT Limited.

TSOH is listed on Main Board of the Stock Exchange and is principally engaged in investment holding. The principal activities of TSOH Group including TSO are provision of repair and refurbishment services for mobile phones and other personal electronic products as well as sales of related accessories.

East-Asia, an investment holding company, is indirectly wholly-owned by the Cheung Family Trust which indirectly holds 54.49% of the issued share capital of the Company. Therefore, East-Asia is a connected person of the Company.

Sun Asia, an investment holding company, is indirectly owned by the Cheung Brothers who are the beneficiary of the Cheung Family Trust which indirectly holds 54.49% of the issued share capital of the Company. Therefore, Sun Asia is a connected person of the Company.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

| | |
|------------------------------|---|
| “2019/20 Licence Agreements” | the licence agreements dated 30 March 2019 entered into between the subsidiaries of the Company and the subsidiaries of East-Asia in respect of the terms for use of Carparking Spaces from 1 April 2019 to 31 March 2020 |
| “2019/20 Tenancy Agreements” | all the separate individual tenancy agreements dated 30 March 2019 entered into between the subsidiaries of the Company and the subsidiaries of East-Asia in respect of the tenancy for the properties 1 to 14 from 1 April 2019 to 31 March 2020 |
| “2020/21 Licence Agreements” | the licence agreements dated 31 March 2020 entered into between the subsidiaries of the Company and the subsidiaries of East-Asia in respect of the terms for use of Carparking Spaces from 1 April 2020 to 31 March 2021 |

| | |
|------------------------------|--|
| “2020/21 Tenancy Agreements” | all the separate individual tenancy agreements dated 31 March 2020 entered into between the subsidiaries of the Company and the subsidiaries of East-Asia and Sun Asia in respect of the tenancy for the Properties from 1 April 2020 to 31 March 2021 |
| “Board” | the board of Directors |
| “Carparking Spaces” | the carparking space nos. 5, 6, 7, 45, 46, 47, 48 and 49 on 2/F. of YHC Tower, No.1 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong |
| “Cheung Brothers” | Mr. Cheung King Shek, Mr. Cheung King Shan, Mr. Cheung King Chuen Bobby and Mr. Cheung King Fung Sunny |
| “Cheung Family Trust” | a discretionary trust established for the benefit of the Cheung Brothers and their family members |
| “Company” | Telecom Digital Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 6033) |
| “connected person” | has the meaning ascribed to it under the Listing Rules |
| “CTL” | Carries Technology Limited, a company incorporated in Hong Kong and a wholly-owned subsidiary of the Company |
| “D1” | Distribution One Limited, a company incorporated in Hong Kong and a wholly-owned subsidiary of the Company |
| “Director(s)” | director(s) of the Company |
| “East-Asia” | East-Asia Pacific Limited, a company incorporated in the British Virgin Islands with limited liability, which is indirectly wholly-owned by the Cheung Family Trust and thus a connected person of the Company |
| “East-Asia Group” | East-Asia and its subsidiaries |
| “GEL” | Glossy Enterprises Limited, a company incorporated in Hong Kong with limited liability and wholly-owned by East-Asia which is indirectly wholly-owned by the Cheung Family Trust, and thus a connected person of the Company |

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| “GIL” | Glossy Investment Limited, a company incorporated in Hong Kong with limited liability and wholly-owned by East-Asia which is indirectly wholly-owned by the Cheung Family Trust, and thus a connected person of the Company |
| “Group” | the Company and its subsidiaries |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Hong Kong” | The Hong Kong Special Administrative Region of the People’s Republic of China |
| “Listing Rules” | the rules governing the listing of securities on the Stock Exchange |
| “Marina” | Marina Trading Inc., a company incorporated in the British Virgin Islands with limited liability and indirectly wholly-owned by the Cheung Family Trust, and thus a connected person of the Company |
| “Mango Devices” | the specific devices designed by East-Asia Group for its Mobitex based services |
| “Mobitex” | an open systems interconnection model based open standard, national public access wireless packet-switched data network and a kind of wireless data technology |
| “PRC” | The People’s Republic of China |
| “Properties” | the Property 1 to Property 15 |
| “SCL” | Silicon Creation Limited, a company incorporated in Hong Kong with limited liability and wholly-owned by East-Asia which is indirectly wholly-owned by the Cheung Family Trust, and thus a connected person of the Company |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “subsidiary” | has the meaning ascribed to it under the Companies Ordinance (Chapter 622 of the laws of Hong Kong) |
| “Sun Asia” | Sun Asia Pacific Limited, a company incorporated in the British Virgin Islands with limited liability, which is ultimately owned by the Cheung Brothers who are the beneficiary of the Cheung Family Trust and thus a connected person of the Company |

| | |
|------------------|--|
| “Sun Asia Group” | Sun Asia and its subsidiaries |
| “TDD” | Telecom Digital Data Limited, a company incorporated in Hong Kong and a wholly-owned subsidiary of the Company |
| “TDKC” | TD King Capital Limited, a company incorporated in Hong Kong and owned as to 70% by Sun Asia, which is ultimately owned by the Cheung Brothers. Therefore, TDKC is an associate of the Cheung Brothers and thus a connected person of the Company. |
| “TDKS” | TD King Securities Limited, a company incorporated in Hong Kong and wholly-owned by Sun Asia, which is ultimately owned by the Cheung Brothers. Therefore, TDKS is an associate of the Cheung Brothers and thus a connected person of the Company. |
| “TDM” | Telecom Digital Mobile Limited, a company incorporated in Hong Kong and a wholly-owned subsidiary of the Company |
| “TDS” | Telecom Digital Services Limited, a company incorporated in Hong Kong and a wholly-owned subsidiary of the Company |
| “TPIL” | Telecom Properties Investment Limited, a company incorporated in Hong Kong with limited liability and wholly-owned by East-Asia which is indirectly wholly-owned by the Cheung Family Trust, and thus a connected person of the Company |
| “TSL” | Telecom Service Limited, a company incorporated in Hong Kong with limited liability and wholly-owned by East-Asia which is indirectly wholly-owned by the Cheung Family Trust, and thus a connected person of the Company |
| “TSN” | Telecom Service Network Limited, a company incorporated in Hong Kong and a wholly-owned subsidiary of the Company |
| “TSO” | Telecom Service One Limited, a company incorporated in Hong Kong and a wholly-owned subsidiary of TSOH |
| “TSOH” | Telecom Service One Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 3997) |

“TSOH Group”

TSOH and its subsidiaries

“%”

per cent.

Certain amounts and percentage figures included in this announcement have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

By Order of the Board
Telecom Digital Holdings Limited
Cheung King Shek
Chairman

Hong Kong, 31 March 2020

As at the date of this announcement, the executive Directors are Mr. Cheung King Shek, Mr. Cheung King Shan, Mr. Cheung King Chuen Bobby, Mr. Cheung King Fung Sunny, Mr. Wong Wai Man and Ms. Mok Ngan Chu, and the independent non-executive Directors are Mr. Lam Yu Lung, Mr. Lau Hing Wah and Mr. Chan Yuk Ming.

The English text of this announcement shall prevail over the Chinese text in case of inconsistencies.