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暢捷通

Chanjet

暢捷通信息技術股份有限公司

CHANJET INFORMATION TECHNOLOGY COMPANY LIMITED*

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1588)

(1) PROPOSED CAPITALIZATION ISSUE
(2) PROPOSED CHANGE OF REGISTERED CAPITAL AND
AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AND
(3) CLOSURE OF REGISTER OF MEMBERS

I. PROPOSED CAPITALIZATION ISSUE

On 18 August 2021, the Board proposed the Capitalization Issue on the basis of five (5) Capitalization Shares for every ten (10) Shares by way of capitalization of capital reserve to all the Shareholders, representing a total increase of 108,590,833 Shares comprising of 81,090,833 new Domestic Shares and 27,500,000 new H Shares based on the Company's total share capital of 217,181,666 Shares comprising of 162,181,666 Domestic Shares and 55,000,000 H Shares as at the date of this announcement. Upon completion of the Capitalization Issue, the total issued Shares of the Company will increase from 217,181,666 Shares to 325,772,499 Shares (comprising 243,272,499 Domestic Shares and 82,500,000 H Shares).

Conditions to the Capitalization Issue

The issue of Capitalization Shares is subject to the following conditions:

- (i) approval from the Shareholders by way of special resolution(s) at the EGM;
- (ii) the Hong Kong Stock Exchange granting the listing of, and permission to deal in, the new H Shares to be allotted and issued under the Capitalization Issue; and
- (iii) compliance with the relevant legal procedures and requirements under the Company Law to effect the Capitalization Issue.

Reasons for the Capitalization Issue

Based on the positive expectation of future development of the Company, after considering the operation and overall financial performance of the Company, the Board proposes the Capitalization Issue in order to share the returns of sustainable development of the Company with the Shareholders and enhance the overall and long-term interests of the Shareholders.

In addition, the Board views that the Capitalization Issue enables the Shareholders to increase their shareholdings in the Company on a pro rata basis without any substantial cost incurred. Although the Capitalization Issue would not give rise to the increase in their shareholding percentages in the Company by the Shareholders, the amounts of the Shares held by the Shareholders would increase after the Capitalization Issue, which would enhance the Shareholders' flexibility in managing their investment portfolios, such as facilitating their disposal of part of the Shares in return for cash. The increase in the amounts of the issued Shares of the Company and the Shares held by the H Shareholders resulting from the Capitalization Issue could also boost the trading activities and the liquidity of the H Shares in the market.

Status of the Capitalization Shares

The Capitalization Shares will, subject to the Articles of Association, rank pari passu in all respects with the Shares in issue on the date of the issuance of the Capitalization Shares. Holders of the Capitalization Shares will be entitled to receive all future dividends and distributions (if any) which are declared, made or paid after the date on which the Capitalization Shares are allotted and issued. The Capitalization Issue should not result in any change to the rights of the Shares.

II. PROPOSED CHANGE OF REGISTERED CAPITAL AND AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Given that the total issued Shares of the Company shall increase from 217,181,666 Shares to 325,772,499 Shares and the registered capital shall increase from RMB217,181,666 to RMB325,772,499 after the completion of the Capitalization Issue, on 18 August 2021, the Board proposed to increase the registered capital of the Company from RMB217,181,666 to RMB325,772,499 and make corresponding amendments to the Articles of Association.

Particulars of the proposed amendments to the Articles of Association are as follows:

Existing Articles	Revised Articles
<p>Article 19</p> <p>Upon the establishment of the Company, as approved by China Securities Regulatory Commission (the “CSRC”) and the Hong Kong Stock Exchange, the Company has issued 55,000,000 H shares.</p> <p>Upon completion of the aforesaid issue of H shares, the Company has a registered capital of RMB217,181,666. Its shareholding structure is as follows: 217,181,666 ordinary shares, comprising 55,000,000 H shares and 162,181,666 domestic shares.</p>	<p>Article 19</p> <p>Upon the establishment of the Company, as approved by China Securities Regulatory Commission (the “CSRC”) and the Hong Kong Stock Exchange, the Company has issued 55,000,000 H shares.</p> <p>Upon completion of the aforesaid issue of H shares, the Company has a registered capital of RMB217,181,666. Its shareholding structure is as follows: 217,181,666 ordinary shares, comprising 55,000,000 H shares and 162,181,666 domestic shares.</p> <p><u>In 2021, upon the completion of capitalization issue, the Company has increased 108,590,833 new shares; its shareholding structure is as follows: 325,772,499 ordinary shares, comprising 82,500,000 H shares and 243,272,499 domestic shares.</u></p>

Existing Articles	Revised Articles
<p>Article 23</p> <p>At its establishment, the Company had a registered capital of RMB134,156,895. Immediately before the issue of H shares, the Company had a registered capital of RMB162,181,666.</p> <p>Upon completion of the aforesaid issue of H shares, the registered capital of the Company is RMB217,181,666. Based on the actual situation regarding the issue, the Company shall undergo formalities regarding the change of registration with the competent administration for industry and commerce in respect of the change of registered capital, and shall file the same to the State Council authorities in charge of securities.</p>	<p>Article 23</p> <p>At its establishment, the Company had a registered capital of RMB134,156,895. Immediately before the issue of H shares, the Company had a registered capital of RMB162,181,666.</p> <p>Upon completion of the aforesaid issue of H shares, the registered capital of the Company is RMB217,181,666.</p> <p><u>In 2021, upon the completion of capitalization issue, the Company has a registered capital of RMB325,772,499.</u></p> <p>Based on the actual situation regarding the issue, the Company shall undergo formalities regarding the change of registration with the competent administration for industry and commerce market regulation in respect of the change of registered capital, and shall file the same to the State Council authorities in charge of securities.</p>

The Board considers that the proposed change of registered capital and amendments to the Articles of Association are in the interests of the Company and the Shareholders as a whole.

The full text of the proposed amendments to the Articles of Association was prepared in the Chinese language. In the event of any discrepancy between the English and the Chinese versions of the proposed amendments to the Articles of Association, the Chinese version shall prevail.

Prior to the completion of the Capitalization Issue and the passing of change of registered capital and amendments to the Articles of Association at the Shareholders' meeting, the existing Articles of Association remains valid.

III. CLOSURE OF REGISTER OF MEMBERS

(1) The proposed Capitalization Issue and (2) the proposed change of registered capital and amendments to the Articles of Association are subject to the approval of the Shareholders by way of special resolutions at the Shareholders' meeting. The Board hereby announces that the EGM is proposed to be held on Monday, 27 September 2021.

For the purpose of holding the EGM, the register of members of the Company will be closed from Tuesday, 7 September 2021 to Monday, 27 September 2021 (both days inclusive), during which period no transfer of the Shares will be registered. The Shareholders whose names appear on the register of members of the Company on Monday, 27 September 2021 are entitled to attend and vote at the EGM.

In order to be qualified to attend and vote at the EGM, all transfer documents together with the relevant share certificates shall be lodged with the H share registrar of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H shares of the Company), or the board office of the Company in the PRC, at Floor 3, Building 3, Yard 9, Yongfeng Road, Haidian District, Beijing, the PRC (for holders of domestic shares of the Company), not later than 4:30 p.m. on Monday, 6 September 2021.

A circular containing, amongst other things, detailed information in relation to (1) the proposed Capitalization Issue and (2) the proposed change of registered capital and amendments to the Articles of Association, together with a notice convening the EGM will be despatched to the Shareholders in due course.

DEFINITIONS

Unless the context otherwise requires, capitalized terms used in this announcement shall have the meanings as follow:

“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors
“Capitalization Issue”	the proposed issue of five (5) Capitalization Shares for every ten (10) Shares to all Shareholders by way of capitalization of capital reserve
“Capitalization Share(s)”	the new Shares to be allotted and issued under the Capitalization Issue

“Company”	Chanjet Information Technology Company Limited (暢捷通信息技術股份有限公司), a joint stock company incorporated in the PRC with limited liability, the H Shares of which are listed and traded on the Hong Kong Stock Exchange
“Company Law”	the Company Law of the PRC
“Directors”	the directors of the Company
“Domestic Share(s)”	the ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and paid up in RMB and are unlisted shares which are currently not listed or traded on any stock exchange
“Domestic Shareholder(s)”	the holder(s) of the Domestic Share(s)
“EGM”	the extraordinary general meeting of the Company to be held on Monday, 27 September 2021 to consider, and if thought fit, approve, among other things, the resolutions on (1) the proposed Capitalization Issue and (2) the proposed change of registered capital and amendments to the Articles of Association
“H Share(s)”	the overseas listed foreign shares in the ordinary share capital of the Company with a par value of RMB1.00 each, which are listed on Main Board of the Hong Kong Stock Exchange
“H Shareholder(s)”	holder(s) of H Share(s)
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“PRC” or “China”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region of the PRC and the region of Taiwan
“RMB”	Renminbi, the lawful currency of the PRC

“Shares” the share(s) of the Company

“Shareholder(s)” holder(s) of the share(s) of the Company

“%” percent

On behalf of the Board
Chanjet Information Technology Company Limited
Wang Wenjing
Chairman

Beijing, the PRC
18 August 2021

As at the date of this announcement, the non-executive Directors are Mr. Wang Wenjing and Mr. Wu Zhengping; the executive Director is Mr. Yang Yuchun; and the independent non-executive Directors are Mr. Chen, Kevin Chien-wen, Mr. Lau, Chun Fai Douglas and Mr. Chen Shuning.

** For identification purposes only*