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Huitongda Network Co., Ltd.

匯通達網絡股份有限公司

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

(Stock Code: 9878)

POSITIVE PROFIT ALERT

This announcement is made by Huitongda Network Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders and potential investors of the Company that based on the Board’s preliminary assessment of the unaudited consolidated management accounts of the Group for the year ended December 31, 2022 (the “**2022 Financial Year**”), the Group expects to record a profit attributable to equity shareholders of the Company of not less than RMB285.0 million for the 2022 Financial Year, representing a turnaround from a loss attributable to equity shareholders of the Company of approximately RMB349.9 million for the same period in 2021. The Group expects that the 2022 Financial Year’s adjusted profit attributable to equity shareholders of the Company, being the profit attributable to equity shareholders of the Company adding back the interest expenses arising from redeemable capital contributions, will be not less than RMB377.0 million.

Such positive profit estimation was mainly because (a) the Company’s redeemable capital contributions were converted into equity after the completion of the global offering of the Company, and no interest expense has been incurred since the listing of the Company’s H shares; (b) the Company continued to improve the capabilities in empowering supply chain and creating synergies by deepening brand links, optimizing the structure of secondary product offerings and building self-owned brands, etc., so as to provide member stores with more stable and high-efficient solutions for trading of merchandise, thereby increasing the revenue from our commerce business; and (c) the Company further deepened the implementation of the SaaS+ business strategy and continued to expand the member network and improve the service capability, which contributed to the increase in the revenue from our service business.

The information contained in this announcement is based on the preliminary assessment made by the Company with reference to the unaudited consolidated management accounts of the Group, which has not been audited or reviewed by the Company's auditors or audit committee of the Board. Details of the Group's financial information for 2022 Financial Year will be disclosed in the Company's annual results announcement for the year ended December 31, 2022 to be published by the end of March 2023.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Huitongda Network Co., Ltd.
Wang Jianguo
Chairman

Nanjing, the People's Republic of China
February 20, 2023

As at the date of this announcement, the Board comprises the Chairman and non-executive Director, namely Mr. Wang Jianguo; the executive Directors, namely Mr. Xu Xiuxian, Mr. Zhao Liangsheng and Mr. Sun Chao; the non-executive Directors, namely Mr. Cai Zhongqiu and Mr. Wang Ran; and the independent non-executive Directors, namely Ms. Yu Lixin, Mr. Liu Xiangdong and Mr. Cheng Zichuan.