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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)

PRELIMINARY ESTIMATION FOR 2024 INTERIM RESULTS

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

The board of directors (the “**Board**”) of the Company hereby informs the shareholders and potential investors of the Company that, based on a preliminary assessment of the unaudited consolidated management accounts of the Group, it is expected that the revenue recorded by the Group for the six months ended 30 June 2024 (the “**Reporting Period**”) would represent an increase of approximately 20% as compared to the same period of last year, of which revenue generated from cloud subscriptions would record an increase of 33% to 37% as compared to the same period of last year. Revenue generated from cloud subscriptions would account for more than 65% of the total revenue of the Group.

During the Reporting Period, it is expected that the Group would record a loss attributable to owners of the parent ranging from RMB5.00 million to RMB15.00 million, as compared to a profit attributable to owners of the parent of approximately RMB18.14 million for the same period of 2023, in which: (i) the gain recognised from the disposal of the Finance & Taxation Practical Skills Training Product and Service Business was approximately RMB43.75 million for the same period of last year (for details, please refer to the announcement of the Company dated 24 March 2023 in relation to the disposal of the Finance & Taxation Practical Skills Training Product and Service Business), whereas there was no such gain for the current period; and (ii) a fair value gain on unlisted equity investments at fair value through profit or loss was RMB30.99 million for the same period of last year, whereas a fair value loss of approximately RMB10.00 million is expected to be recorded for the current period.

After excluding the impact of the aforementioned two non-operating factors, it is expected that the Group's profit/loss attributable to owners of the parent during the Reporting Period will range from a loss of RMB5.00 million to a profit of RMB5.00 million, representing a substantial decrease in loss from the loss attributable to the owners of the parent of RMB56.61 million for the same period of last year, mainly because the Group firmly implemented the long-term strategy of prioritising cloud service business and subscriptions. The digital intelligent finance and taxation combined with the nationwide popularisation and promotion of comprehensive digital electronic invoices (all-electronic invoices), and the promotion of the regional and industrialized development of "new commerce, new retail, new manufacturing and new service" by digital intelligent business, facilitated the development of the business on a large scale, leading to a rapid increase in the number of new paying enterprise users and revenue from cloud subscriptions. At the same time, efficiency-driven operations were implemented, resulting in a decrease in labor costs as compared with the same period of last year.

During the Reporting Period, the Group's cloud service business newly added 73,000 paying enterprise users, representing an increase of 29% as compared to the same period of last year. As at the end of the Reporting Period, the number of accumulated paying enterprise users of the cloud service business reached 706,000. Net cash flows from operating activities of the Group are expected to turn positive during the Reporting Period. The Board considers the overall business operation of the Group remains a sound momentum of development.

The information contained in this announcement is based on a preliminary assessment of the consolidated management accounts of the Group which are neither audited nor reviewed. Detailed financial information of the Group will be disclosed in the interim results announcement for the six months ended 30 June 2024 of the Company to be published by the end of August 2024.

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

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

Beijing, the PRC
16 July 2024

As at the date of this announcement, the non-executive directors of the Company are Mr. Wang Wenjing and Mr. Wu Zhengping; the executive director of the Company is Mr. Yang Yuchun; and the independent non-executive directors of the Company are Mr. Lau, Chun Fai Douglas, Ms. Wu Xiaoqing and Mr. Cui Qiang.

* *For identification purposes only*