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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) (the “**SFO**”) and Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders (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 six months ended June 30, 2022 (the “**Reporting Period**”), the Group expects to record a profit attributable to equity shareholders of the Company of not less than RMB88 million for the Reporting Period, representing a turnaround from a loss attributable to equity shareholders of the Company of approximately RMB214.8 million for the same period in 2021.

The turnaround 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 February 18, 2022; (b) the Company continued to improve the capabilities in empowering supply chain and creating synergies 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, which contributed to the increase in the revenue from our service business.

During the Reporting Period, the adjusted profit attributable to equity shareholders of the Company, being the profit/loss attributable to equity shareholders of the Company adding back the interest expenses arising from redeemable capital contributions, is expected to be not less than RMB180 million, representing an expected increase of not less than 50% compared with the adjusted profit attributable to equity shareholders of the Company of RMB118.5 million for the same period in 2021.

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. Details of the Group's financial information for the first half of 2022 will be disclosed in the Company's interim results announcement for the six months ended June 30, 2022 to be published by the end of August 2022.

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
July 14, 2022

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 and Mr. Zhao Liangsheng; the non-executive Directors, namely Mr. Wang Jian, Mr. Cai Zhongqiu and Mr. Wang Yi; and the independent non-executive Directors, namely Ms. Yu Lixin, Mr. Liu Xiangdong and Mr. Cheng Zichuan.