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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)

POSITIVE PROFIT ALERT

This announcement is made pursuant to Rule 13.09 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, Laws of Hong Kong).

The Board wishes to inform the Company's shareholders and potential investors that based on preliminary estimates of the unaudited consolidated management accounts of the Group, the profit attributable to owners of the parent for the six months ended 30 June 2018 is expected to increase by over 70% as compared to approximately RMB47.22 million of the same period of 2017.

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

This announcement is made by Chanjet Information Technology Company Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09 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, Laws of Hong Kong).

* *For identification purposes only*

The board of directors of the Company (the "**Board**") wishes to inform the Company's shareholders and potential investors that based on preliminary estimates of the unaudited consolidated management accounts of the Group, the profit attributable to owners of the parent for the six months ended 30 June 2018 is expected to increase by over 70% as compared to RMB47.22 million of the same period of 2017.

The Board considers that the big increase expected in the profit attributable to owners of the parent for the six months ended 30 June 2018 is mainly due to (i) the continuation of R&D capitalization projects newly initiated in the second quarter of 2017 as well as the decrease in R&D costs with R&D investment for our new generation of cloud service products declining from its peak, optimized R&D organization and improved efficiency; (ii) increase in earnings from wealth management products of banks and interest income, and (iii) continuous improvement in the operation and management of the Group.

For the six months ended 30 June 2018, the Group focused on the financial and management services for micro and small enterprises ("**MSEs**") and fully implemented the business strategy of scale economy of cloud service business and cost-effective growth of software business. In respect of product, it provided close cooperation with the operation of cloud business, continued to provide MSEs with comprehensive cloud management services that integrated "personnel, finance, commodity and customer" and cloud finance services that integrated finance, invoice and taxes, and accelerated the innovation in respect of product application to improve users' experiences and explore data value-added services. In respect of marketing, the Group speeded up business development breakthrough of cloud finance, invested more resources in cloud services and developed internet and resource-oriented partners; the business operation system was upgraded to empower and guide the channel partners in the transformation and upgrade towards cloud service business to jointly promote "Cloud Access for Enterprises (企業上雲)"; meanwhile, it worked to accelerate the upgrade from traditional software users to cloud users through provision of scenario intelligent services to traditional software users; the Group also carried out over one thousand large-scale market activities themed "settlement and payment of income taxes (匯算清繳)", "Financial Literacy Programs (財務普及風暴)" and "520 I Love MSEs (520我愛小微企業)", to promote terminal sales of software and cloud service products. In the second half of 2018, the Group will further increase investment of resources in Cloud services to promote large-scale growth of cloud services. The Board considers that the overall business operation of the Group remains sound.

The information in this announcement is based on a preliminary assessment by the Board with reference to the consolidated management accounts of the Group which are neither audited nor reviewed. Detailed financial information of the Company will be disclosed in the interim results announcement for the six months ended 30 June 2018 to be published by the end of August 2018.

Shareholders of the Company and potential investors 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
23 July 2018

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