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## **SPROCOMM INTELLIGENCE LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1401)**

### **POSITIVE PROFIT ALERT**

This announcement is made by Sprocomm Intelligence 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 (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and the potential investors that, based on the unaudited consolidated management accounts of the Group for the year ended 31 December 2022 and information currently available to the Company, the Group expects that it will record a net profit of not less than approximately RMB3.0 million as opposed to a net loss of RMB18.1 million for the year ended 31 December 2021.

The turnaround from loss to profit for the year ended 31 December 2022 is mainly attributed to the improvement of the Group’s gross profit margin from approximately 8.6% for the year ended 31 December 2021 to approximately 14.0% for the year ended 31 December 2022. The improvement in the gross profit margin mainly resulted from the decrease in the costs of major raw materials.

The information contained in this announcement is only based on the information currently available to the Company and the preliminary review by the Board on the unaudited consolidated management accounts of the Group for the year ended 31 December 2022, which have not been reviewed or audited by the independent auditors and/or the audit committee of the Company. The actual financial results of the Group for the year ended 31 December 2022 may differ from what is disclosed in this announcement. Shareholders and potential investors are advised to read carefully the annual results announcement of the Company for the year ended 31 December 2022, which is expected to be published in March 2023 in accordance with the requirements of the Listing Rules.

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

By order of the Board  
**Sprocomm Intelligence Limited**  
**Mr. Li Chengjun**  
*Chairman and Executive Director*

Hong Kong, 7 February 2023

*As at the date of this announcement, the executive Directors are Mr. LI Chengjun, Mr. XIONG Bin, Mr. WEN Chuanchuan and Mr. GUO Qinglin, and the independent non-executive Directors are Mr. HUNG Wai Man, Mr. WONG Kwan Kit, Mr. LU Brian Yong Chen and Ms. TSENG Chin I.*