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## **iDreamSky Technology Holdings Limited** **创梦天地科技控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 1119)**

### **POSITIVE PROFIT ALERT**

This announcement is made by iDreamSky Technology Holdings Limited (the “**Company**”, together with its subsidiaries and its PRC consolidated affiliated entities, collectively referred to as 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 (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) of 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 hereby informs the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary assessment of the Group’s unaudited consolidated management accounts for the six months ended June 30, 2023 (the “**First Half of 2023**”), the Group expects that the net profit for the First Half of 2023 will range from approximately RMB35 million to RMB55 million, as compared to a net loss of RMB222 million for the same period last year; the adjusted net profit (*Note 1*) for the First Half of 2023 will range from approximately RMB195 million to RMB215 million, as compared to the adjusted net loss of RMB51 million for the same period last year; both net profit and adjusted net profit record a turnaround from loss to profit, mainly due to: (1) our user operations with Fanbook continued to deepen, increasing revenue from our own channels and improving our gross margin; (2) our continuously improved customer acquisition efficiency and refined operations result in a significant reduction in marketing expenses; (3) we have taken initiatives to reduce costs and increase efficiency, resulting in lower general and administrative expenses; and (4) we have split-up the IP derivatives business and the impact of operating loss of this business was reduced.

*Note 1:* Adjusted net profit was derived from our net profit, excluding share-based compensation expenses, fair value gains or losses on financial assets, interest expenses on convertible bonds, impairment loss on intangible assets, net impairment loss on financial assets and prepayments, loss on non-continuing operation IP derivatives business segment and exchange losses. The adjusted net profit for the first half of 2022 has been restated and adjusted to be comparable to that of the First Half of 2023.

The Group expects that the net cash generated from operating activities will range between approximately RMB230 million and RMB250 million in the First Half of 2023, representing an increase of 9,326.2% to 10,145.9% compared to the Group's net cash generated from operating activities of RMB2.44 million in the first half of 2022, which represents a solid cash-generating capability of the Company.

The Company is in the process of finalizing the Group's interim results for the First Half of 2023. The data set out in this announcement are based only on the Board's preliminary assessment of the Group's unaudited consolidated management accounts for the First Half of 2023 and the information currently available to the Board, and have not been reviewed by the Company's audit committee and/or the independent auditors. Therefore, the actual results for the First Half of 2023 may be different from the information disclosed in this announcement. Shareholders and potential investors are advised to refer to the details set out in the Group's interim results announcement for the First Half of 2023, which is expected to be published by the end of August 2023.

**The Company will keep the Shareholders and potential investors informed of any material developments in connection with the above matters by way of periodic announcement(s) and/or further announcement(s) as and when appropriate. 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  
**iDreamSky Technology Holdings Limited**  
**Chen Xiangyu**  
*Chairman of the Board*

Shenzhen, the PRC, 14 August 2023

*As at the date of this announcement, the Board comprises Mr. Chen Xiangyu as chairman and executive Director, Mr. Guan Song and Mr. Jeffrey Lyndon Ko as executive Directors, Mr. Ma Xiaoyi, Mr. Zhang Han, Mr. Yao Xiaoguang and Mr. Chen Yu as non-executive Directors, and Ms. Yu Bin, Mr. Li Xintian, Mr. Zhang Weining and Mr. Mao Rui as independent non-executive Directors.*