Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

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)

INSIDE INFORMATION
PROPOSED USE OF RESERVES TO OFFSET LOSSES

This announcement is made by Huitongda Network Co., Ltd. (the "**Company**") pursuant to Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**").

The board (the "**Board**") of directors (the "**Director(s)**") of the Company hereby announces that the Board has considered and approved, among others, the resolution in relation to the use of reserves to offset losses at the Board meeting held on November 18, 2025.

BASIC INFORMATION FOR USING RESERVES TO OFFSET LOSSES

According to the audit conducted by KPMG, as of December 31, 2024, the financial statements of the Company recorded accumulated losses of RMB2,065.456 million, with no balance in surplus reserve (i.e. RMB0) and capital reserve of RMB9,267.639 million. The accumulated losses of the Company were mainly attributable to the interest expenses accrued on financial liabilities arising from the redemption obligation assumed during multiple rounds of financing prior to the initial public offering of the Company's H shares.

In accordance with the relevant provisions of the Company Law of the People's Republic of China, the Notice on Financial Treatment Issues Following the Implementation of the Company Law and the Foreign Investment Law (《關於公司法、外商投資法施行後有關財務處理問題的通知》) issued by the Ministry of Finance of the PRC and other relevant laws, regulations and normative documents, as well as the relevant provisions of the articles of association of the Company, the Company proposes to use RMB2,065.456 million from the capital reserve of the parent company to offset the accumulated losses of the parent company. The entire capital reserve proposed for use in offsetting losses is derived from the capital (share) premium paid by the shareholders of the Company in the form of monetary contributions.

IMPACTS OF USING RESERVES TO OFFSET LOSSES ON THE COMPANY

Upon completion of the plan to offset losses with reserves, the capital reserve of the Company will be reduced to RMB7,202.183 million, while the accumulated losses will be reduced to RMB0.

The Company will strengthen its financial foundation and create more favorable conditions for future dividend distributions through prudently using capital reserve to offset current losses. This approach will also contribute to the long-term preservation and enhancement of the Company's value, ensuring that the interests of all shareholders of the Company are safeguarded and enhanced to the greatest extent.

GENERAL

The aforementioned resolution in relation to the proposed use of reserves to offset losses is subject to consideration and approval by the shareholders of the Company at the general meeting of the Company (the "**General Meeting**") by way of ordinary resolution.

A circular containing, among others, details of the proposed use of reserves to offset losses together with a notice of the General Meeting, will be published on the website of the Hong Kong Stock Exchange (www.hkexnews.hk) and the website of the Company (www.htd.cn) in due course.

By order of the Board
Huitongda Network Co., Ltd.
Wang Jianguo
Chairman

Nanjing, the PRC
November 18, 2025

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, Mr. Zhao Liangsheng and Mr. Sun Chao; the non-executive Directors, namely Mr. Cai Zhongqiu and Ms. Xu Di; and the independent non-executive Directors, namely Ms. Yu Lixin, Mr. Liu Xiangdong and Mr. Diao Yang.