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**中 彩 網 通 控 股 有 限 公 司**  
**China Netcom Technology Holdings Limited**

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

**(Stock Code: 8071)**

**PROFIT WARNING**

This announcement is made by China Netcom Technology Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules (the “**GEM Listing Rules**”) Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined in the GEM Listing Rules) under Part XIVA of the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the third quarterly results announcement for the nine months ended 30 September 2019 of the Company dated 7 November 2019. Since late October 2019, after, among other factors, the investigation conducted on the debt-collection agencies assigned by 51 Credit Card Inc. (Stock code: 2051), the Company’s ultimate parent company (please refer to the announcements of 51 Credit Card Inc. dated 21 and 22 October 2019 for details), and a series of regulatory documents and guidances was being issued by the PRC government (including the Guidances on the Transformation of Online Lending Information Intermediary Institutions into Pilot Micro Credit Companies\* issued on 27 November 2019, etc.), fluctuations occurred on the personal credit market due to rising risks.

Affected by the factors above, the bad debt level of the Group’s financial technology services business has increased significantly and meanwhile, the Group has significantly reduced the credit facilitation volume in the fourth quarter of 2019 to avoid potential risks. Therefore, it is expected that the Group’s revenue will decline significantly in the fourth quarter of 2019 and the Group’s operating performance for the year ended 31 December 2019 will be affected and record a loss. As there is still no obvious indication of recovery of the personal credit market, it is expected that the revenue and operating performance of the Group’s financial technology services business in the first quarter of 2020 will continue to be affected and record a decline when compared to the corresponding period in 2019.

The Group will closely monitor the market fluctuations and appropriately adjust the operation of the financial technology services business and the overall strategies of the Group, including the reduction or termination of certain loss-making businesses and the launching of smart retail business as soon as possible, so as to achieve the Group's long-term goal of sustainable development.

The information contained in this announcement is solely based on the preliminary assessment by the board (the “**Board**”) of directors (the “**Directors**”) of the Company upon its review of the unaudited consolidated management accounts of the Group and the currently available information to the Board which have not been audited nor reviewed by the Company's auditor. The financial results of the Group for the financial year ended 31 December 2019 will only be ascertained after all the relevant results and accounting treatments have been finalized. Shareholders and potential investors of the Company are advised to refer to the details of the Company's annual results announcement for the financial year ended 31 December 2019 which will be published before the end of March 2020.

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

\* *The English name has been transliterated from its Chinese name and is for identification only.*

By order of the Board  
**China Netcom Technology Holdings Limited**  
**Sun Haitao**  
*Chairman and Executive Director*

20 January 2020

*As at the date of this announcement, the executive Directors are Mr. Sun Haitao and Mr. Zhao Ke; and the independent non-executive Directors are Mr. Song Ke, Mr. Wu Bo and Mr. Michael Yu Tat Chi.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for a minimum period of 7 days from the date of its publication and on the Company's website at [www.irasia.com/listco/hk/chinanetcom](http://www.irasia.com/listco/hk/chinanetcom).*