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**暢捷通**

*Chanjet*

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)**

**CONTINUING CONNECTED TRANSACTIONS**  
**(I) TELECOMMUNICATIONS SERVICE PURCHASE**  
**FRAMEWORK AGREEMENT; AND**  
**(II) PROPERTY LEASING FRAMEWORK AGREEMENT**

The Board hereby announces that (i) on 21 December 2015, the Company (as the purchaser) entered into the Telecommunications Service Purchase Framework Agreement with Yonyou Mobile (as the vendor), pursuant to which the Company agreed to purchase multi-party call recharge cards from Yonyou Mobile; (ii) on 21 December 2015, the Company (as lessee) entered into the Property Leasing Framework Agreement with Yonyou (as lessor), pursuant to which Yonyou agreed to lease the Property to the Company.

Yonyou is the controlling shareholder of the Company and Yonyou Mobile is a subsidiary of Yonyou. Therefore, both Yonyou and Yonyou Mobile are connected persons of the Company as defined under Rule 14A.07 of the Hong Kong Listing Rules. Accordingly, the transactions contemplated under the Telecommunications Service Purchase Framework Agreement and the Property Leasing Framework Agreement constitute connected transactions of the Company pursuant to the Hong Kong Listing Rules.

As one or more of the applicable percentage ratios (as defined under Rule 14A.77 of the Hong Kong Listing Rules) calculated exceed 0.1% but are all less than 5%, the transactions contemplated under the Telecommunications Service Purchase Framework Agreement and the Property Leasing Framework Agreement are only subject to the reporting, announcement and annual review requirements, but exempt from the independent shareholders' approval requirement under Chapter 14A of the Hong Kong Listing Rules.

\* For identification purposes only

## **I. TELECOMMUNICATIONS SERVICE PURCHASE FRAMEWORK AGREEMENT**

### **i. Background**

On 21 December 2015, the Company (as the purchaser) entered into the Telecommunications Service Purchase Framework Agreement with Yonyou Mobile (as the vendor), pursuant to which the Company agreed to purchase multi-party call recharge cards from Yonyou Mobile.

### **ii. Telecommunications Service Purchase Framework Agreement**

A summary of the principal terms of the Telecommunications Service Purchase Framework Agreement is set out as follows:

**Date:** 21 December 2015

**Parties:** (1) the Company, as the purchaser  
(2) Yonyou Mobile, as the vendor

**Transaction:** The Company entered into Telecommunications Service Purchase Framework Agreement with Yonyou Mobile, pursuant to which the Company would purchase multi-party call recharge cards from Yonyou Mobile, which would in turn be sold to the Channel Partners of the Company. The Company would build the multi-party call function into its products such as Biz Chat (工作圈), T<sup>+</sup>, etc., so as to improve the market competitiveness of its products and enhance the loyalty of its users.

**Term:** The Telecommunications Service Purchase Framework Agreement shall take effect from its signing by the legal representatives or the authorized representatives of the parties with their official seals and shall expire on 31 December 2016. Subject to compliance with the Hong Kong Listing Rules and other applicable laws and regulations, the parties can negotiate on whether to renew the agreement for another term of not exceeding three years.

**Pricing:** The transactions are required to be conducted on normal commercial terms. Yonyou Mobile guarantees that the multi-party recharge cards that Yonyou Mobile sells to the Company would be at a price no higher than the market rates. In particular, the price shall be determined with reference to the average prices charged on Independent Third Party purchasers of multi-party call recharge cards of Yonyou Mobile 60 days before entering into this agreement and shall be at the discount of 10%-17% of such price.

**Other terms:** Under the Telecommunications Service Purchase Framework Agreement, the Company (or its subsidiaries) and Yonyou Mobile (or its subsidiaries) shall enter into individual purchase agreements setting out details of the subject matters before every purchase actually takes place, which, if applicable, shall be subject to the reporting and announcement requirements and/or the independent shareholders' approval requirement under the Hong Kong Listing Rules. The individual purchase agreements shall be consistent with the principal terms of the Telecommunications Service Purchase Framework Agreement.

**iii. Proposed Annual Caps of the Telecommunications Service Purchase Framework Agreement**

There is no historical amount available for transactions of a similar nature given that the transactions contemplated hereunder are new cooperations between the Company and Yonyou Mobile.

### ***Proposed Annual Caps***

The proposed annual caps for the transactions under the Telecommunications Service Purchase Framework Agreement and the basis of determination thereof are as follows:

	<b>For the year ended 31 December 2015 (RMB)</b>	<b>For the year ended 31 December 2016 (RMB)</b>
Proposed annual caps	3,700,000	6,000,000

The above proposed annual caps were mainly determined with reference to: (i) the existing and expected number of Channel Partners of the Company that have and/or will purchase the multi-party call recharge cards from the Company; (ii) the existing and estimated monetary value of the multi-party call recharge cards that each Channel Partner would purchase from the Company; and (iii) the price of the multi-party call recharge cards that Yonyou Mobile sells to the Company.

#### **iv. Reasons for and Benefit of Entering into the Telecommunications Service Purchase Framework Agreement**

1. With the incorporation of multi-party call service into our products, our users could initiate multi-party conference calls from the interface of Biz Chat or T+, etc., which could tremendously improve the organization and communication effectiveness of our users in telecommuting and enhance the loyalty of our customers;
2. The incorporation of multi-party call function into our products would effectively enhance the market competitiveness of our products, promote sales rate, improve turnover and customer volume of our products;
3. Furthermore, multi-party call service can bring us sustainable revenue, the incorporation of which could elevate the sustainable revenue capacity and profitability of the Company.

The Directors (including the independent non-executive Directors) are of the view that the Telecommunications Service Purchase Framework Agreement is conducted on normal commercial terms and is in the ordinary and usual course of business of the Company, and the terms and conditions therein are fair and reasonable and are in line with the overall development strategy of the Group as well as in the interests of the Company and the Shareholders as a whole.

## **II. PROPERTY LEASING FRAMEWORK AGREEMENT**

### **i. Background**

On 21 December 2015, the Company (as lessee) entered into the Property Leasing Framework Agreement with Yonyou (as lessor), pursuant to which Yonyou agreed to lease the Property to the Company.

### **ii. Property Leasing Framework Agreement**

A summary of the principal terms of the Property Leasing Framework Agreement is set out as follows:

**Date:** 21 December 2015

**Parties:** (1) the Company, as the lessee  
(2) Yonyou, as the lessor

**Use:** The Property of Yonyou and/or its subsidiaries will be leased to the Group for office use

**Term:** The Property Leasing Framework Agreement shall take effect from its signing by the legal representatives or the authorized representatives of the parties with their official seals of both parties and shall commence from 1 January 2016 to 31 December 2018. Subject to compliance with the Hong Kong Listing Rules and other applicable laws and regulations, the parties can negotiate on whether to renew the agreement for another term of three years.

**Pricing:**

The transactions are required to be conducted on normal commercial terms. The pricing of the properties to be leased is determined after arms' length negotiation between the parties and with reference to the following factors:

- (1) primary land development and consolidation costs, construction costs, water, electricity and heating reconstruction costs, renovation costs, and depreciation costs of the Property;
- (2) the rent offered by Independent Third Parties to Yonyou or the Company for same or similar properties located in the same region; and
- (3) reasonable profit.

**Other terms and conditions:**

The Property Leasing Framework Agreement, having signed and taken effect, shall supersede the previous property leasing framework agreement made between the Company and Yonyou dated 17 February 2014.

Under the Property Leasing Framework Agreement, the Company (or its subsidiaries) and Yonyou (or its subsidiaries) shall enter into individual property leasing agreements setting out details of the property to be leased before each property leasing actually takes place, which, if applicable, shall be subject to the reporting and announcement requirements and/or the independent shareholders' approval requirement under the Hong Kong Listing Rules. The individual property leasing agreements shall also be consistent with the principal terms of the Property Leasing Framework Agreement.

**iii. Historical Transaction Amounts and Proposed Annual Caps of the Property Leasing Framework Agreement**

***Historical Transaction Amounts***

The historical amounts for transactions of a similar nature to the transactions under the Property Leasing Framework Agreement were as follows:

	<b>For the year ended 31 December 2012 (RMB)</b>	<b>For the year ended 31 December 2013 (RMB)</b>	<b>For the year ended 31 December 2014 (RMB)</b>	<b>For the period between 1 January 2015 and 30 November 2015 (RMB)</b>
Aggregate amount paid by the Group to Yonyou Group for property leasing	6,251,563	6,725,270	4,607,261	4,648,827

***Proposed Annual Caps***

The proposed annual caps for the transactions under the Property Leasing Framework Agreement and the basis of determination thereof are as follows:

	<b>For the year ended 31 December 2016 (RMB)</b>	<b>For the year ended 31 December 2017 (RMB)</b>	<b>For the year ended 31 December 2018 (RMB)</b>
Proposed annual caps	7,564,000	9,053,000	9,921,000

The above annual caps were mainly determined with reference to: (i) for business development reasons, the total area of properties that the Group needs to rent from Yonyou Group from 2016 to 2018 will increase; (ii) the prevailing market rate of the similar properties in the locality and (iii) the fluctuation of such prevailing market rate in the next three years.

#### **iv. Reasons for and Benefit of Entering into the Property Leasing Framework Agreement**

As the Group has been using the properties of Yonyou Group historically as office units, the Directors are of the view that it is in the interests of the Group in terms of cost, time and stability to enter into the Property Leasing Framework Agreement instead of finding and relocating to alternative properties.

The Directors (including the independent non-executive Directors) are of the view that the Property Leasing Framework Agreement is conducted on normal commercial terms and is in the ordinary and usual course of business of the Company, and the terms and conditions therein are fair and reasonable and are in line with the overall development strategy of the Group as well as in the interests of the Company and the Shareholders as a whole.

### **III. HONG KONG LISTING RULES IMPLICATIONS**

Yonyou is the controlling shareholder of the Company and Yonyou Mobile is a subsidiary of Yonyou. Therefore, both Yonyou and Yonyou Mobile are connected persons of the Company as defined under Rule 14A.07 of the Hong Kong Listing Rules. Accordingly, the transactions contemplated under the Telecommunications Service Purchase Framework Agreement and the Property Leasing Framework Agreement constitute connected transactions of the Company pursuant to the Hong Kong Listing Rules.

As one or more of the applicable percentage ratios (as defined under Rule 14A.77 of the Hong Kong Listing Rules) calculated exceed 0.1% but are all less than 5%, the transactions contemplated under the Telecommunications Service Purchase Framework Agreement and the Property Leasing Framework Agreement are only subject to the reporting, announcement and annual review requirements, but exempt from the independent shareholders' approval requirement under Chapter 14A of the Hong Kong Listing Rules.

Our Directors, Mr. Wang Wenjing, Mr. Wu Zhengping and Mr. Zeng Zhiyong, who are also directors of Yonyou Mobile, are deemed to have material interests in the transactions contemplated under the Telecommunications Service Purchase Framework Agreement and have abstained from voting on the relevant Board resolutions. Other than those Directors mentioned above, none of other Directors has a material interest in the transactions under the Telecommunications Service Purchase Framework Agreement or is required to abstain from voting on the relevant resolutions at the Board meeting.



Our Directors, Mr. Wang Wenjing, Mr. Wu Zhengping and Mr. Zeng Zhiyong, who are also directors or senior management of Yonyou or its subsidiaries, are deemed to have material interests in the transactions contemplated under the Property Leasing Framework Agreement and have abstained from voting on the relevant Board resolutions. Other than those Directors mentioned above, none of other Directors has a material interest in the transactions under the Property Leasing Framework Agreement or is required to abstain from voting on the relevant resolutions at the Board meeting.

To the best of the Directors' knowledge, information and belief, having made all reasonable inquiry, other than the above disclosure, there is no other connected transaction entered into by any member of the Group and the Yonyou Group and/or the Yonyou Mobile Group and their ultimate beneficial owner(s) or otherwise related, which would be, together with the transactions contemplated under the Telecommunications Service Purchase Framework Agreement and/or the Property Leasing Framework Agreement, aggregated under Rule 14A.81 of the Hong Kong Listing Rules.

#### **IV. GENERAL INFORMATION OF THE PARTIES**

##### **The Company**

The Company is a leading provider of enterprise software and services designed for micro and small scale enterprises in China. The core business of the Company is to develop and provide software and services designed to satisfy the informatization needs of micro and small scale enterprises.

##### **Yonyou**

Yonyou, a leading solutions and professional service provider for large and medium scale enterprises and organizations in China, was established in January 1995 and listed on the Shanghai Stock Exchange in May 2001.

##### **Yonyou Mobile**

Yonyou Mobile is a subsidiary of Yonyou and is owned as to 19.8% by the Company. It was established in March 2014. It is principally engaged in providing enterprise customers with a full range of mobile communications applications and information technology solutions which consolidate telecommunications, IT and data.

## V. DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the meanings ascribed to them below:

“Board”	the board of directors of the Company
“Channel Partner(s)”	a person or organization that provides services or sells products on behalf of a software or hardware vendor, including value-added channel partners, consultants and distributors
“Company”	Chanjet Information Technology Company Limited (暢捷通信息技術股份有限公司), a joint stock limited company incorporated in the PRC with limited liability, whose H shares are listed and traded on the Hong Kong Stock Exchange
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Third Party(ies)”	an individual(s) or a company(ies) who/which is/are independent of and not connected with (within the meaning of the Hong Kong Listing Rules) any of Directors, supervisors, executive officers or substantial shareholders (as defined in the Hong Kong Listing Rules) of the Company, its subsidiaries or any of their respective associates
“PRC” or “China”	the People’s Republic of China, which for the purpose of this announcement only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Property”	the property of Yonyou and/or its subsidiaries under the Property Leasing Framework Agreement

“Property Leasing Framework Agreement”	the property leasing framework agreement dated 21 December 2015 entered into by the Company and Yonyou in relation to property leasing
“RMB”	means Renminbi, the lawful currency of the PRC
“Telecommunications Service Purchase Framework Agreement”	the telecommunications service purchase framework agreement dated 21 December 2015 entered into by the Company and Yonyou Mobile in relation to the purchase of multi-party call recharge cards
“Yonyou”	Yonyou Network Technology Co., Ltd. (用友網絡科技股份有限公司), a joint stock company incorporated in the PRC on 18 January 1995 with limited liability, which is the controlling shareholder of the Company, the shares of which are listed and traded on the Shanghai Stock Exchange (Stock Code: 600588)
“Yonyou Group”	Yonyou and its subsidiaries (excluding the Company)
“Yonyou Mobile”	Yonyou Mobile Telecommunications Technology Services Co., Ltd. (用友移動通信技術服務有限公司), a limited liability company incorporated in the PRC and a subsidiary of Yonyou and 19.8% of its shares are held by the Company
“Yonyou Mobile Group”	Yonyou Mobile and its subsidiaries

By order of the Board  
**Chanjet Information Technology Company Limited**  
**Wang Wenjing**  
*Chairman*

Beijing, the PRC  
21 December 2015

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