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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)

ANNOUNCEMENT ON FINANCIAL INFORMATION FOR THE THIRD QUARTER OF 2022

This announcement is made by Chanjet Information Technology Company Limited (the “**Company**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The controlling shareholder of the Company, Yonyou Network Technology Co., Ltd., will announce its unaudited third quarterly results for the nine months ended 30 September 2022 (the “**Reporting Period**”) on the Shanghai Stock Exchange on 28 October 2022, which include the unaudited financial information of the Company and its subsidiaries (the “**Group**”) for the Reporting Period. In order to ensure that all the shareholders of the Company have equal and timely access to the information of the Company, the Company hereby announces the following unaudited financial information according to the Accounting Standards for Business Enterprises issued by the Ministry of Finance of the People's Republic of China:

During the Reporting Period, the Group recorded operating revenue of RMB498.47 million, representing an increase of 34% as compared with the same period of last year, of which revenue generated from SaaS subscriptions was RMB276.82 million, representing an increase of 55% as compared with the same period of last year. Revenue generated from SaaS subscriptions accounted for 56% of the total revenue of the Group. The Group recorded gross profit of RMB301.75 million, representing an increase of 21% as compared with the same period of last year.

During the Reporting Period, the net loss attributable to shareholders of the parent of the Group was RMB141.39 million, representing a decrease of 22% as compared with the loss of RMB180.94 million for the same period of last year, which was mainly due to the significant increase in revenue as a result of the comprehensive promotion of the development of cloud service business and R&D costs, selling expenses and administrative expenses remaining basically stable, which in aggregate only increased by 5% as compared with the same period of last year.

As at 30 September 2022, the total assets of the Group was RMB1,588.63 million.

During the Reporting Period, the Group focused on the two major fields of digital intelligent finance and taxation and digital intelligent business for micro and small scale enterprises (“MSEs”), accelerated the innovation and iteration of product applications in the fields of “new finance and taxation, new commerce, new retail, new manufacturing and new service” (“Five-New”), actively expanded sales channels and ecological cooperation, strengthened customer success operations, maintained high growth in SaaS subscription revenue, thereby achieving rapid growth in total revenue. At the product level, in the field of digital intelligent finance and taxation, the Group continued to optimize and create popularized cloud financial products, continued to enhance the bank-enterprise interconnection capabilities, accelerated the connection with the national electronic invoice platform, improved the integration and openness capabilities of Chanjet Good Accountant and platform manufacturers, supported the business expansion for more ecological cooperation scenarios, and enhanced the advantages of products integrating the invoice, finance, tax, fee, bank and filing of digital intelligent finance and taxation. In the field of digital intelligence business, the Group optimized product development in the fields of new commerce, new retail, new manufacturing and new service, improved its industry adaptability and enhanced its large-scale delivery capabilities. The new version of T⁺Cloud18.0 was released to provide comprehensive support to growing innovative MSEs, enabling them to carry out industry innovation and build scenario-based applications and services quickly and independently by utilizing highly reliable cloud application services, so as to improve the agility and competitiveness of MSEs in an uncertain environment while improving efficiency, increasing revenue and optimizing customer services. At the marketing level, by launching the first “The Best Service Provider of Chanjet (暢捷通最美服務商)” selection activity, the Group made continuous efforts to promote service providers to carry out industrial marketing in the “Five-New” fields, built a model regional base for digital intelligence of MSEs, and promoted the transformation of traditional channel partners to digital intelligence value-added service providers. The Group attached importance to safety inspection activities for MSEs, and promoted the SaaS cloud products integrating invoice, finance and taxation in the pilot area of all-electronic invoice to accelerate users to realize cloud adoption and cloud migration. In terms of the direct sales channel, the Group strengthened the customer acquisition marketing and operation, increased investment in SEM advertising, continued to optimize the advertisement placement content, enriched the operation of short video content in new media, and effectively increased business opportunities; in terms of customer payment conversion, the Group made further efforts in group operation, community operation, in-product operation and other means and implemented its inbound marketing model, thereby constantly improving its large-scale customer acquisition capabilities and input-output ratio; in terms of the operation of customer success, the Group strengthened the push and sharing of successful cases and skills of product application and helped customers to profoundly apply products according to different scenarios, so as to improve customer activity and retention rate.

During the Reporting Period, the Group’s cloud service business newly added 81,000 paying enterprise users. As at the end of the Reporting Period, the number of accumulated paying enterprise users of the cloud service business reached 478,000. The board of directors of the Company considers that the overall business operation of the Group remains a sound momentum of development.

The financial information for the Reporting Period in this announcement is prepared with reference to the consolidated management accounts of the Group which are neither audited nor reviewed by the auditors of the Company. **Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.**

On behalf of the Board
Chanjet Information Technology Company Limited
Wang Wenjing
Chairman

Beijing, the PRC
27 October 2022

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. Yang Yuchun; and the independent non-executive directors of the Company are Mr. Chen, Kevin Chien-wen, Mr. Lau, Chun Fai Douglas, and Ms. Wu Xiaoqing.

* *For identification purpose only*