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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 FIRST QUARTER OF 2023

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 first quarterly results for the three months ended 31 March 2023 (the “**Reporting Period**”) on the Shanghai Stock Exchange on 29 April 2023, 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 RMB195.95 million, representing an increase of 21% as compared with the same period of last year, of which revenue generated from cloud subscriptions was RMB112.41 million, representing an increase of 31% as compared with the same period of last year. Revenue generated from cloud subscriptions accounted for 57% of the total revenue of the Group. The Group recorded gross profit of RMB131.90 million, representing an increase of 29% 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 RMB16.23 million, representing a decrease of RMB17.96 million as compared with the loss of RMB34.19 million for the same period of last year. The net loss decreased by 53% compared to the same period of last year, mainly due to (i) rapid growth in revenue and gross profit; (ii) the total of R&D costs, selling expenses and administrative expenses increased by RMB13.01 million as

compared with the same period of last year, with a year-on-year increase of only 8%; and (iii) the income from changes in fair value of unlisted equity investments measured at fair value increased by RMB9.23 million as compared with the same period of last year.

As at 31 March 2023, the total assets of the Group was RMB1,493.99 million.

During the Reporting Period, the Group continued to focus on the two major fields of digital intelligent finance and taxation and digital intelligent business for micro and small scale enterprises (“MSEs”). Adhering to the principle of customer success, the Group has continuously carried out the innovation and iteration of product applications in the fields of “new finance and taxation, new commerce, new retail, new manufacturing and new service”, so as to enhance its product competitiveness. The Group has made great efforts to pursue ecological co-prosperity from application services to ecological platforms, promote the large-scale development of businesses and enhance operating efficiency. At the product level, in the field of digital intelligent finance and taxation, the product lines supported the comprehensive digital electronic invoice (“**Digital Electronic Invoice**”) processing. Chanjet Good Accountant strengthened the integration and openness capabilities and continuously co-created products with internet platform manufacturers, thereby supporting the business expansion for more ecological cooperation scenarios. In the field of digital intelligent business, the Group strived to improve the field-oriented and industry-oriented adaptability of its products. The Group has improved the membership management system based on the characteristics of industries such as baking, fresh food and convenience stores, so as to provide support for the integrated online and offline operation of MSEs. It also optimised the functional modules of quality traceability management, material requirements planning (MRP) and smart workshop and enhanced the scale marketing and delivery capabilities of industries such as electronics, machinery, hardware, auto parts and food. The newly released Good Business and Finance (好業財) V3.0 is an innovative enterprise digital intelligent operation platform that incorporates the socialization, automation, AI and scenario-based features of native Cloud SaaS 2.0. By upgrading the integrated management automation of business, finance, invoice and taxation, it introduces marketing robots, approval robots, invoicing robots, financial robots and taxation robots to help MSEs realize precise marketing, reduce costs and increase efficiency. At the marketing level, against the favorable background of various government support policies for stabilizing the economy and promoting development, the Group continued to strengthen the channel penetration into county-level markets by expanding business footholds. Leveraging the market opportunities arising from the advancement of “Golden Tax Phase IV (金税四期)” and Digital Electronic Invoice, the Group launched nationwide marketing campaigns to promote the wide application of cloud finance and taxation, promoted lectures of Digital Electronic Invoice series through WeChat Channels and live streaming platforms, jointly operated and disseminated with more than 2,000 partners and launched preferential policies for software users to realize cloud adoption, so as to promote cloud adoption and cloud migration of users. In the field-oriented and industry-oriented market, relying on the comprehensive competitiveness of business-finance integration products, the Group focused on the construction of industrial belts and professional market bases by carrying out offline digital intelligence salon marketing and promoting partners to further conduct industry-oriented operations.

In terms of the direct sales channel, the Group continued to carry out its inbound marketing model by optimizing search engine placement strategies and improving content marketing strategies in multiple dimensions, thereby improving input-output ratios and staff efficiency.

During the Reporting Period, the Group's cloud service business newly added 25,000 paying enterprise users. As at the end of the Reporting Period, the number of accumulated paying enterprise users of the cloud service business reached 527,000. 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
28 April 2023

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*