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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 2024**

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 2024 (the “**Reporting Period**”) on the Shanghai Stock Exchange on 27 April 2024, 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 fair and timely access to the information of the Company, the Company hereby announces the following unaudited financial information prepared under 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 RMB212.99 million, representing an increase of 9% as compared with the same period of last year, of which revenue generated from cloud subscriptions was RMB147.85 million, representing an increase of 32% as compared with the same period of last year. Revenue generated from cloud subscriptions accounted for 69% of the total revenue of the Group. As at the end of the Reporting Period, contract liabilities from cloud subscriptions were RMB589.84 million, representing an increase of 10% over the end of last year. During the Reporting Period, the Group recorded gross profit of RMB153.47 million, representing an increase of 16% as compared with the same period of last year.

During the Reporting Period, the Group recorded a net loss attributable to shareholders of the parent of RMB4.39 million, representing a decrease of 73% as compared with a net loss of RMB16.23 million for the same period of last year, mainly because (i) the Group firmly implemented the long-term strategy of prioritising cloud service business and subscriptions, resulting in expansion of paying enterprise users scale and driving the rapid growth in revenue from cloud subscriptions; and (ii) efficient operations were implemented, resulting in an increase of only 3% in the total of research and development expenses, selling expenses and administrative expenses as compared with the same period of last year.

As at 31 March 2024, the total assets of the Group were RMB1,622.06 million, representing an increase of 2% as compared with RMB1,585.58 million at the end of last year.

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”). Firmly adhering to the principle of customer success, the Group made continuous efforts to improve product competitiveness, expedite the application of AI technology in product innovation and corporate operation, adamantly pursued ecological co-prosperity from application services to ecological platform services, promoted the development of business scale, and implemented comprehensive and efficient management as a way to enhance operating efficiency and continuously improve profitability.

At the product level, based on the nationwide popularisation of comprehensive digital electronic invoices (the “**All-electronic Invoices**”) and the gradual promotion of a unified national electronic tax bureau (全國統一電子稅局) under the “Golden Tax Phase IV (金稅四期)”, our digital intelligent finance and taxation products fully supported the whole-process management of the All-electronic Invoices and further improved the automation and intelligence level. The intelligent finance and taxation BaaS service has completed the V3.0 upgrade and with the application of large models, machine learning, rule engines, RPA and other AI technologies, continued to optimise and improve the efficiency and accuracy of the fully automated bookkeeping and tax declaration. In the field of digital intelligent business, the Group released the intelligent interactive robot Chanjet Assistant (小暢助手) combined with AI technology, to help MSEs better serve their customers, improve the efficiency of communication and collaboration and enhance customer stickiness. Combining the development of low-code or zero-code platforms, AI, data services and other technologies, the Group accelerated the product innovation and satisfied the needs of MSEs in industrialisation and personalisation through flexible configurations and personalised solutions, so as to improve the efficiency of management.

At the marketing level, the Group continued to strengthen the channel layout stationing and promote the channel sinking to cover county-level market and empowered channel partners to improve customer acquisition and customer success operation capability with the help of AI, big data and other technologies. In the fields of “new finance and taxation, new commerce, new retail, new manufacturing and new service”, the Group continued to focus on the economic and industrial belt to strengthen the stronghold for industrialised and digital intelligent operation for MSEs, and consistently carried out the “Digital Intelligent Salon” industry operation seminar to facilitate the digital intelligent transformation and upgrading of MSEs. In the direct sales channel, the Group continued to optimise the operation strategy and system and acquired large-scale of business opportunity leads with the help of AI large models to improve the quality of such leads and secure sustained and high growth of direct sales business. During the Reporting Period, the “Benefiting Corporate and Amazing Beijing·Digital and Intelligent Transformation (益企京彩·數智轉型)” Digital and Intelligent Transformation Activity for Micro, Small and Medium-sized Enterprises was hosted by Beijing Service Center for SME (北京市中小企業服務中心), Haidian District Branch of Beijing Municipal Bureau of Economy and Information Technology (北京市海淀區經濟和信息化局) and Beijing Public Service Platform for SME (北京市中小企業公共服務平台), and organised by the Company, which has strengthened the policy publicity in digital transformation and built a communication platform between high-quality digital transformation service providers and MSEs. The Group also continued to actively participate in the application and selection of digital transformation service providers for small and medium-sized enterprises in various places, drove partners to participate in enterprise cloud integration projects carried out by local governments and help MSEs realise digital and intelligent transformation and high-quality development.

During the Reporting Period, the number of new paying enterprise users of the Group’s cloud service business was 35,000, representing an increase of 43% as compared with the same period of last year. As of the end of the Reporting Period, the number of accumulated paying enterprise users of cloud service business reached 668,000. 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
26 April 2024

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. Lau, Chun Fai Douglas, Ms. Wu Xiaoqing and Mr. Cui Qiang.

* *For identification purposes only*