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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 TRANSACTION
FRAMEWORK AGREEMENT OF COMPREHENSIVE CLOUD SERVICES
FOR SOCIAL EMPLOYMENT**

**FRAMEWORK AGREEMENT OF COMPREHENSIVE CLOUD SERVICES FOR
SOCIAL EMPLOYMENT**

The Board hereby announces that on 28 May 2024, the Company entered into the Framework Agreement of Comprehensive Cloud Services for Social Employment with Yonyou Xinfushe, pursuant to which Yonyou Xinfushe Group will provide the Group with Comprehensive Cloud Services for Social Employment. The term of the Framework Agreement will commence from 28 May 2024 and expire on 31 December 2024.

IMPLICATIONS UNDER THE HONG KONG LISTING RULES

As at the date of this announcement, Yonyou Xinfushe is a subsidiary of Yonyou Network, the controlling shareholder of the Company, and therefore a connected person of the Company. Therefore, according to the Hong Kong Listing Rules, the transactions contemplated under the Framework Agreement constitute continuing connected transactions of the Company.

As one or more of the applicable percentage ratios, calculated based on the annual caps of the transactions under the Framework Agreement, exceed 0.1% but are all less than 5%, the transactions under the Framework Agreement are only subject to the reporting, announcement and annual review requirements but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Hong Kong Listing Rules.

I. INTRODUCTION

In order to promote the business development of the Group and make full use of the extensive market resources and marketing capabilities, the Group has adopted the form of cooperation with external partners to provide product promotion and supporting services to the Group by

using their platforms and their own resources. Therefore, the Group will establish business cooperation relationship with these partners through Social Employment. The Board hereby announces that on 28 May 2024, the Company entered into the Framework Agreement of Comprehensive Cloud Services for Social Employment with Yonyou Xinfushe, pursuant to which Yonyou Xinfushe Group will provide the Group with Comprehensive Cloud Services for Social Employment.

II. FRAMEWORK AGREEMENT OF COMPREHENSIVE CLOUD SERVICES FOR SOCIAL EMPLOYMENT

A summary of the principal terms of the Framework Agreement of Comprehensive Cloud Services for Social Employment is set out below:

1. Date

28 May 2024

2. Parties

(i) The Company

(ii) Yonyou Xinfushe

3. Term and Termination

The Framework Agreement shall take effect upon being signed and stamped by the legal representatives or authorized representatives of both parties, and shall expire on 31 December 2024. Upon the expiry of the term, subject to compliance with the provisions of the Hong Kong Listing Rules and other applicable laws and regulations, both parties can renew the agreement upon friendly negotiation and the renewal period shall not exceed three years.

4. Transaction Contents

Yonyou Xinfushe Group provides the Group with Comprehensive Cloud Services for Social Employment, that is, through comprehensive cloud service platform for Social Employment (website: www.xinfushe.com, referred to as the “**Cloud Platform**”) that is self-developed and with self-owned intellectual property rights, Yonyou Xinfushe and/or its subsidiaries provide the Company and/or its subsidiaries and the Partners with Internet application services for Social Employment information and process management, Business Expenses Settlement Agency Services, and related Business Expenses Tax-related Agency Services (collectively referred as the “**Comprehensive Cloud Services for Social Employment**”).

Yonyou Xinfushe Group will open an account of the Cloud Platform for the Group, and the Group can log in to the Cloud Platform to use cloud services such as Social Employment information and process management, mainly including management/analysis of information of the Partners, contract information management/analysis, contract template services, information management of the release, tax-related information management, material sorting services, electronic contract signing tool services and other service functions. The Group shall complete the real-name authentication of the Partners on the Cloud Platform system one working day before each time Yonyou Xinfushe Group is entrusted to release Business Expenses to the Partners, provide necessary information of the Partners to Yonyou Xinfushe Group, and pay the full amount of the Business Expenses and Brokerage Service Fee for the current period to the account designated by Yonyou Xinfushe Group. After confirming that the Group has paid in full and the information is complete, Yonyou Xinfushe Group shall settle the Business Expenses to the Partners through payment institutions within one working day after the Group has reviewed and confirmed the settlement amount. Yonyou Xinfushe Group shall launch the Business Expenses Tax-related Agency Services after the completion of the Business Expenses Settlement Agency Services for the current period, and provide the Group with the relevant tax payment vouchers and value-added tax invoices after the completion of the Business Expenses Tax-related Agency Services. The specific arrangements for the settlement of Business Expenses and tax-related matters are subject to the specific business contracts separately signed by the Group and Yonyou Xinfushe Group under the Framework Agreement.

Transactions under the Framework Agreement will be conducted on normal commercial terms. The quality and conditions of the services provided by Yonyou Xinfushe Group to the Group are no less favourable to the Group than the quality and conditions of the same or similar services provided by an independent third party to the Group or provided by Yonyou Xinfushe Group to an independent third party.

5. Pricing Policy

During the term of the Framework Agreement, each time Yonyou Xinfushe Group provides the Group with Business Expenses Settlement Agency Services, the Group shall pay the Brokerage Service Fee to Yonyou Xinfushe Group at “the settlement amount of current Business Expenses × the applicable brokerage service rate”. The specific proportion and calculation method of the brokerage service rate will be negotiated by the Group and Yonyou Xinfushe Group based on the principle of fair market, and executed in accordance with the specific business contract separately signed under the Framework Agreement. The Group shall obtain quotes from two or more comparable independent third parties through public tender or fee quotation. When using the method of public tender, the Group will issue the information in relation to potential transactions and obtain the bidding documents as well as details of the qualification and pricing from the independent third parties. When using the method of fee quotation, the Group will obtain quotes from two or more independent third-party suppliers. The Brokerage Service

Fee is determined on a basis that is no less favourable to the Group than the terms provided by an independent third party to the Group or by Yonyou Xinfushe Group to an independent third party.

6. Other Principal Terms

During the term of the Framework Agreement, the Group and Yonyou Xinfushe Group will, from time to time, enter into separate specific business contracts for each specific transaction under the Framework Agreement as necessary to set out the specific service contents and details of the transactions contemplated thereunder. The Framework Agreement shall apply to the specific business contracts (if any) entered into by the Group and Yonyou Xinfushe Group in respect of the transactions under the Framework Agreement, and in the event of inconsistency between the contents of such specific business contracts and those of the Framework Agreement in any material aspect (including but not limited to pricing policies), the Framework Agreement shall prevail.

III. HISTORICAL TRANSACTION AMOUNTS AND PROPOSED ANNUAL CAP OF THE FRAMEWORK AGREEMENT OF COMPREHENSIVE CLOUD SERVICES FOR SOCIAL EMPLOYMENT

1. Historical Transaction Amounts

Due to the business development needs of the Group, since February 2023, Nanchang Yonyou Xinfushe has provided the Group with Comprehensive Cloud Services for Social Employment. For the year of 2023 and for the four months ended 30 April 2024, the actual transaction amounts in respect of the aforesaid Comprehensive Cloud Services for Social Employment provided to the Group were approximately RMB1,255,968 and RMB1,377,893, respectively. The above amounts and the actual transaction amounts in 2024 up to the date of this announcement are less than HK\$3 million, and all applicable percentage ratios calculated based on such amounts are less than 5%, and therefore comply with the requirements for fully exempted transactions under Chapter 14A of the Listing Rules.

2. Annual Cap

For the year ending 31 December 2024, the annual cap of the Group's aggregate Brokerage Service Fee for transactions under the Framework Agreement of Comprehensive Cloud Services for Social Employment is as follows:

	For the year ending 31 December 2024 (RMB)
Annual cap	5,300,000 ^{Note}

Note: The annual cap includes the Brokerage Service Fee of Nanchang Yonyou Xinfushe incurred for the year of 2024 for the Comprehensive Cloud Services for Social Employment provided before the date of the Framework Agreement.

The above annual cap was determined after taking into account the following factors:

- (i) according to the business development plan of the Group, the estimated amount of Business Expenses to be settled by Yonyou Xinfushe Group as an agent to the Partners calculated based on the annual sales quota target or projected target set by the business units that use Social Employment to provide product promotion and supporting services, as well as the expected achievement of the product promotion and supporting services provided by the Partners;
- (ii) the time when the end customers of the Group activate and start using the aforesaid products and services promoted by Social Employment and the relevant accounting standards for recognizing Brokerage Service Fee;
- (iii) the pricing policy and benchmark of Brokerage Service Fee as determined by the Framework Agreement; and
- (iv) the historical actual transaction amounts of the connected transactions between the Group and Nanchang Yonyou Xinfushe in relation to the Comprehensive Cloud Services for Social Employment.

IV. INTERNAL CONTROL MEASURES

To protect the interests of the Group, the Group will adopt the following internal control measures:

1. Pursuant to the connected transaction management rules of the Company, the relevant personnel of the Group will closely monitor the transactions of the Group under the Framework Agreement to ensure that the transaction amounts do not exceed the annual caps set for the transactions under the Framework Agreement;
2. Pursuant to the Framework Agreement, the Group and Yonyou Xinfushe Group may from time to time enter into separate specific business contracts for each specific transaction under the Framework Agreement as necessary. Meanwhile, pursuant to the connected transaction management rules of the Company, each transaction to be actually entered into by the Group shall be subject to the appropriate approval of the relevant departments of the Company to ensure that each transaction is in line with the pricing policy and principal terms of the Framework Agreement;

3. The auditors of the Company shall conduct annual reviews on pricing and annual caps of such continuing connected transactions to ensure that the transaction amounts are within the annual caps and that the transactions in all material aspects are conducted on the terms in the relevant agreement of such transactions; and
4. The independent non-executive Directors shall conduct annual reviews on the continuing connected transactions contemplated under the Framework Agreement to ensure that such transactions are conducted on normal commercial terms or better and are in the ordinary and usual course of business of the Group, and the terms thereof are fair and reasonable and are in the interests of the Company and its Shareholders as a whole, and make a confirmation in the Company's annual report.

In addition, the Group will endeavour to fully monitor the total transaction amount under the Framework Agreement with respect to the relevant annual cap, and the information on the connected transactions (including the quarterly transaction amount and the cumulative amount) will be reviewed on a quarterly basis, and if necessary, the Group will follow the relevant procedures to conduct approval procedures to increase the annual cap of connected transactions in a timely manner, prepare relevant announcement(s) and/or obtain independent Shareholders' approvals (if necessary) to ensure compliance with the requirements under the Hong Kong Listing Rules.

V. REASONS FOR AND BENEFITS OF ENTERING INTO THE FRAMEWORK AGREEMENT OF COMPREHENSIVE CLOUD SERVICES FOR SOCIAL EMPLOYMENT

Entrusting Yonyou Xinfushe Group to provide the Group and its Partners with Comprehensive Cloud Services for Social Employment enables the Group to allocate resources and forms of product promotion more flexibly, and effectively reduce the cost and difficulty of managing its Partners in the process of business operation. Taking into account the Group's business development plan, it is expected that the amount of Brokerage Service Fee of the Comprehensive Cloud Services for Social Employment will increase, and therefore, the Group has entered into the Framework Agreement with Yonyou Xinfushe to strengthen the regulation of the continuing connected transactions contemplated thereunder.

The Directors (including independent non-executive Directors) are of the view that the transactions under the Framework Agreement are conducted on normal commercial terms or better, the Framework Agreement is entered into in the ordinary and usual course of business of the Company, and the terms and conditions thereof 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 its Shareholders as a whole. The abovementioned annual cap of transactions under the Framework Agreement for the year ending 31 December 2024 is also fair and reasonable.

VI. IMPLICATIONS UNDER THE HONG KONG LISTING RULES

As at the date of this announcement, Yonyou Xinfushe is a subsidiary of Yonyou Network, the controlling shareholder of the Company, and therefore a connected person of the Company. Therefore, according to the Hong Kong Listing Rules, the transactions contemplated under the Framework Agreement constitute continuing connected transactions of the Company.

As one or more of the applicable percentage ratios, calculated based on the annual cap of the transactions under the Framework Agreement, exceed 0.1% but are all less than 5%, the transactions under the Framework Agreement are only subject to the reporting, announcement and annual review requirements but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Hong Kong Listing Rules.

Mr. Wang Wenjing, a Director, is also a director of Yonyou Network and Yonyou Xinfushe, and Mr. Wu Zhengping, a Director, is also a director of Yonyou Network, and are therefore deemed to have material interests in the abovementioned connected transactions. Accordingly, they have abstained from voting on the relevant resolutions at the Board meeting. To the best of the Directors' knowledge, information and belief, having made all reasonable inquiries, save as disclosed above, none of the other Directors has any material interest in the abovementioned transactions nor are they required to abstain from voting on the relevant resolutions at the Board meeting.

VII. INFORMATION ON THE PARTIES INVOLVED

The Company

The principal business of the Company is to provide platform services, application services and value-added data-based services for micro and small-scale enterprises in the PRC, with a focus on financial and business management cloud services.

Yonyou Xinfushe

Yonyou Xinfushe focuses on the comprehensive solutions of Social Employment, helping enterprises to establish a new employment model, improve staff efficiency, solve the problem of employment, realize the multi-dimensional marketing leadership, and promote the rapid growth of enterprise performance. As at the date of this announcement, Yonyou Xinfushe is a 71.43% owned subsidiary of Yonyou Network, the controlling shareholder of the Company.

Yonyou Network

Yonyou Network, a leading cloud service and software provider for large and medium-scale enterprises and public organizations in the PRC, was established in January 1995 and listed on the Shanghai Stock Exchange in May 2001.

VIII. DEFINITIONS

Unless the context otherwise requires, capitalized terms used in this announcement shall have the meanings as follow:

“Board”	the board of directors of the Company
“Brokerage Service Fee”	aggregate amount of fees paid by the Group to Yonyou Xinfushe Group for the Comprehensive Cloud Services for Social Employment as contracted in the Framework Agreement, including relevant taxes and fees to be paid by the Group (entrusted by the Partners) through Yonyou Xinfushe Group
“Business Expenses”	the cooperative expenses that the Group entrusts Yonyou Xinfushe Group to pay to the Partners in respect of product promotion and support services provided by the Partners
“Business Expenses Settlement Agency Services”	the settlement of Business Expenses of the Partners entrusted by the Group to Yonyou Xinfushe Group through a payment institution
“Business Expenses Tax-related Agency Services”	the Group entrusted Yonyou Xinfushe Group to file tax returns for value-added tax and surtax and individual income tax in the name of the Partners on the basis of the full amount of Business Expenses received by them at the location of the tax-related service organization through the tax-related service organization, and to pay taxes on its behalf
“Company”	Chanjet Information Technology Company Limited (暢捷通信息技術股份有限公司), a joint stock company incorporated in the PRC with limited liability, the H Shares of which are listed and traded on the Hong Kong Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Hong Kong Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Hong Kong Listing Rules
“Director(s)”	the director(s) of the Company

“Framework Agreement of Comprehensive Cloud Services for Social Employment” or “Framework Agreement”	the Framework Agreement of Comprehensive Cloud Services for Social Employment entered into between the Company and Yonyou Xinfushe on 28 May 2024
“Group”	the Company and/or its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Nanchang Yonyou Xinfushe”	Nanchang Yonyou Xinfushe Cloud Technology Co., Ltd. (南昌用友薪福社雲科技有限公司), a wholly-owned subsidiary of Yonyou Xinfushe
“Partners”	external partners who have voluntarily established business relationships with the Group but do not have labor relationships with the Group, and to whom the Group has entrusted Yonyou Xinfushe Group to provide Business Expenses Settlement Agency Services and Business Expenses Tax-related Agency Services
“PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region of the PRC and the region of Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the holder(s) of the Shares of the Company

“Social Employment”	refers to a method of employment in which an enterprise establishes cooperative relationships or partnerships with workers in the labor market in order to obtain labor, information, knowledge, technology, customers, suppliers, and other resources necessary for production and operation, so as to realize the goal of an enterprise to quickly obtain resources, reduce transaction costs and improve production efficiency
“Yonyou Network”	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 with limited liability on 18 January 1995, the shares of which are listed and traded on the Shanghai Stock Exchange (Stock Code: 600588) and is the controlling shareholder of the Company
“Yonyou Xinfushe”	Yonyou Xinfushe Cloud Technology Co., Ltd. (用友薪福社雲科技有限公司), a subsidiary of Yonyou Network, which holds 71.43% of its shares
“Yonyou Xinfushe Group”	Yonyou Xinfushe and/or its subsidiaries
“%”	percent

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

Beijing, the PRC
28 May 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*