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## **KINGDEE INTERNATIONAL SOFTWARE GROUP COMPANY LIMITED**

**金蝶國際軟件集團有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock code: 268)**

### **TERMINATION OF CONNECTED TRANSACTION IN RELATION TO PROPOSED ACQUISITION OF EQUITY INTEREST IN CLOUDHUB**

Reference is made to the announcement of Kingdee International Software Group Company Limited (the "**Company**") dated 6 March 2019 (the "**Previous Announcement**") regarding the equity transfer agreement (the "**Equity Transfer Agreement**") entered into on the same date between 蝶創控股有限公司 (Diechuang Holdings Limited\*) ("**Diechuang Holdings**") (as seller) and 深圳市弘金投資有限公司 (Shenzhen Hongjin Investment Company Limited\*) (a controlled structured entity in the Group's consolidated financial statements) ("**Hongjin Investment**") (as purchaser) in relation to the proposed acquisition (the "**Proposed Acquisition**") by Hongjin Investment of the equity interest representing approximately 51.73% of the registered capital in 深圳雲之家網絡有限公司 (Shenzhen CloudHub Network Co., Ltd.\*) ("**CloudHub**"). Capitalised terms used herein shall have the same meanings as defined in the Announcement unless otherwise specified.

On 4 April 2019, Diechuang Holdings and Hongjin Investment entered into a termination agreement (the "**Termination Agreement**"), pursuant to which the parties mutually agreed to terminate the Equity Transfer Agreement and the transaction contemplated thereunder, and the parties agreed to permanently discharge each other from any claims, responsibility, obligations, undertakings or liabilities under the Equity Transfer Agreement or in respect of the underlying subject matter. As at the date of this announcement, the Group has not made any payment to Diechuang Holdings under the Equity Transfer Agreement and the transaction contemplated under the Equity Transfer Agreement has not been completed. Notwithstanding the termination, the Directors (including the independent non-executive Directors) maintain that they considered that the terms of the Proposed Acquisition were fair and reasonable, on normal commercial terms and in the interests of the Company and shareholders of the Company as a whole. The reason for terminating the Proposed Acquisition is that varying market interests after the issue of the Previous Announcement made it opportune for the parties to reconsider the Proposed Acquisition. Given that there was a time gap between signing and settlement of the Equity Transfer Agreement, the parties took the opportunity to discuss amicably and reached a mutual decision to terminate the Proposed Acquisition. The Company considers that this will allow management attention and resources to be devoted to other arising business initiatives and opportunities.

Following the termination of the Proposed Acquisition pursuant to the Termination Agreement, Hongjin Investment shall continue to own approximately 9.13% of the equity interest in CloudHub, which is accounted for as an interest in associate in the financial statements of the Group.

The Directors consider that the terms of the termination of the Equity Transfer Agreement are fair and reasonable and in the interests of the Company and its shareholders as a whole, and the termination of the Proposed Acquisition has no material adverse impact on the existing business or financial position of the Group.

*\* for identification purposes only*

On behalf of the Board  
**Kingdee International Software Group Company Limited**  
**Lin Bo**  
*Director*

Shenzhen, the People's Republic of China, 4 April 2019

*As at the date of this announcement, the Board comprises Mr. Xu Shao Chun (Chairman of the Board and Chief Executive Officer) and Mr. Lin Bo (Chief Financial Officer) as executive directors; Ms. Dong Ming Zhu and Mr. Shen Yuan Ching as non-executive directors; and Mr. Gary Clark Biddle, Mr. Cao Yang Feng and Mr. Liu Chia Yung as independent non-executive directors.*