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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)**

**CONTINUING CONNECTED TRANSACTION  
REGARDING  
LEASE AGREEMENTS**

On 30 June 2017, Kingdee China (a direct wholly-owned subsidiary of the Company) entered into the Lease Agreements with Suishou Technology pursuant to which Kingdee China agrees to lease the Office Premises to Suishou Technology for a term commencing from 1 July 2017 to 31 December 2018 (both dates inclusive).

**Implications under the Listing Rules**

As at the date of this announcement, Suishou Technology is a company indirectly controlled by Mr. Xu Shao Chun (an executive Director, the Chairman of the Board, the Chief Executive Officer and the controlling shareholder of the Company), thus Suishou Technology is an associate of Mr. Xu Shao Chun and a connected person of the Company. The transactions contemplated under the Lease Agreements constitute continuing connected transactions of the Company for the purpose of the Listing Rules.

As one of the applicable percentage ratios (as defined under the Listing Rules) in respect of the aggregate transactions contemplated under the Lease Agreements and the Existing Lease Agreements exceeds 0.1% and is below 5%, the Lease Agreements are subject to the reporting, announcement and annual review requirements and exempt from the independent shareholders' approval requirement under the Listing Rules.

## LEASE AGREEMENTS

The principal terms of the Lease Agreements and the Existing Lease Agreements are summarised as follows:

	<b>Lease Agreements</b>	<b>Existing Lease Agreements</b>
<b>Date:</b>	30 June 2017	28 December 2016
<b>Parties:</b>	<p>(1) Kingdee China, as lessor, a company incorporated in the PRC with limited liability and is a direct wholly-owned subsidiary of the Company which, together with its subsidiaries, principally carries out business in the corporate management software and internet services markets; and</p> <p>(2) Suishou Technology, as lessee, a company incorporated in the PRC with limited liability and is indirectly controlled by Mr. Xu Shao Chun (an executive Director, the Chairman of the Board, the Chief Executive Officer and the controlling shareholder of the Company). It is principally engaged in Providing financial services Application for individuals.</p>	<p>(1) Kingdee China as lessor; and</p> <p>(2) Suishou Technology as lessee</p>
<b>Subject matter:</b>	<p>Kingdee China shall lease the following Office Premises to Suishou Technology for the use as office purpose:</p> <p>1) North of 3rd Floor, Block B, Kingdee Software Park No.2 Kejinan 12 Road South District Hi-Tech Industrial Park Nanshan District Shenzhen having an aggregate floor area of approximately 1,567.5 square meters (“<b>B3 Office</b>”); and</p> <p>2) South of 10th Floor, Block B, Kingdee Software Park No.2 Kejinan 12 Road South District Hi-Tech Industrial Park Nanshan District Shenzhen having an aggregate floor area of approximately 2,087 square meters (“<b>B10 Office</b>”)</p>	<p>Kingdee China shall lease the B3 Office and the B10 Office to Suishou Technology for the use as office purpose</p>

	<b>Lease Agreements</b>	<b>Existing Lease Agreements</b>
<b>Term:</b>	Commencing from 1 July 2017 to 31 December 2018 (both dates inclusive), renewable upon three months' notice	Commencing from 1 January 2017 to 30 June 2017 (both dates inclusive), renewable upon one month's notice
<b>Rental and charges:</b>	<p>For B3 Office: RMB213,963.75 per calendar month, inclusive of facilities usage charges and exclusive of management fees, other utilities charges and tax</p> <p>For B10 Office: RMB232,909.2 per calendar month, inclusive of management fees and facilities usage charges and exclusive of other utilities charges and tax</p>	<p>For B3 Office: RMB213,963.75 per calendar month, inclusive of facilities usage charges and exclusive of management fees, other utilities charges and tax</p> <p>For B10 Office: RMB232,909.2 per calendar month, inclusive of management fees and facilities usage charges and exclusive of other utilities charges and tax</p>

## **ANNUAL CAP AND HISTORICAL TRANSACTIONS**

The annual cap for the continuing connected transactions contemplated under the Lease Agreements together with the Existing Lease Agreements (being the aggregate of the annual rentals and charges) shall be RMB5,362,475.4 for each of the years ending 31 December 2017 and 2018. The rentals and charges payable under the Lease Agreements are determined between the parties on arm's length basis with reference to the historical rental paid (as disclosed below) and the prevailing market rent of comparable properties.

The historical rental paid by Suishou Technology to the Group for the six months ending 30 June 2017, the three years ended 31 December 2014, 2015 and 2016 were HK\$2,681,237.7, HK\$663,495, HK\$1,401,343 and HK\$2,865,440, respectively. In the past three years, Suishou Technology has been expanding its Office Premises areas leased from the Group because of its business development.

## **REASONS AND BENEFITS FOR ENTERING INTO THE LEASE AGREEMENTS**

The Group is principally engaged in the provision of software products and Cloud services for corporations, government organizations and other users worldwide.

The Group has leased out office premises in the Kingdee Software Park to companies engaged in software and hardware development. The leasing of the Office Premises to Suishou Technology is in the ordinary course of business of the Company. The Directors, including the independent non-executive Directors, consider that the entering into of the Lease Agreements is in the ordinary course of business of the Company, on normal commercial terms which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **IMPLICATIONS UNDER THE LISTING RULES**

As at the date of this announcement, Suishou Technology is a company indirectly controlled by Mr. Xu Shao Chun (an executive Director, the Chairman of the Board, the Chief Executive Officer and the controlling shareholder of the Company), thus Suishou Technology is an associate of Mr. Xu Shao Chun and a connected person of the Company. The transactions contemplated under the Lease Agreements constitute continuing connected transactions for the Company for the purpose of the Listing Rules.

As one of the applicable percentage ratios (as defined under the Listing Rules) in respect of the aggregate transactions contemplated under the Lease Agreements and the Existing Lease Agreements exceeds 0.1% and is below 5%, the Lease Agreements are subject to the reporting, announcement and annual review requirements and exempt from the independent shareholders' approval requirement under the Listing Rules.

Mr. Xu Shao Chun did abstain from voting on the relevant Board resolution(s) in view of his material interests in the Lease Agreements.

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following expressions have the same meanings set out below:

“Board”	the board of Directors
“connected person(s)”	has the meaning as ascribed thereto under the Listing Rules
“Company”	Kingdee International Software Group Company Limited, a company incorporated in the Cayman Islands with limited liabilities, whose Shares are listed on the Stock Exchange (Stock Code: 268)
“Director(s)”	the director(s) of the Company
“Existing Lease Agreements”	the lease agreements dated 28 December 2016 entered into between Kingdee China and Suishou Technology in relation to the lease of the Office Premises to Suishou Technology for a term from 1 January 2017 to 30 June 2017
“Group”	the Company together with its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Kingdee China”	金蝶軟件(中國)有限公司 (Kingdee Software (China) Co., Ltd.*), a company incorporated in the PRC and a direct wholly-owned subsidiary of the Company
“Lease Agreements”	the lease agreements dated 30 June 2017 entered into between Kingdee China and Suishou Technology in relation to the lease of the Office Premises to Suishou Technology for a term from 1 July 2017 to 31 December 2018

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Office Premises”	collectively, the B3 Office and the B10 Office as described in the section headed the “Lease Agreements”, and the subject matters under the Lease Agreements
“PRC”	the People’s Republic of China, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the ordinary share(s) of HK\$0.025 each in the issued share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning as ascribed thereto under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Suishou Technology”	深圳市隨手科技有限公司 (Shenzhen Suishou Technology Co., Ltd.*), a company incorporated in the PRC and indirectly controlled by Mr. Xu Shao Chun as at the date of this announcement
“%”	per cent

By order of the Board  
**Kingdee International Software Group Company Limited**  
**Xu Shao Chun**  
*Chairman*

Shenzhen, the People’s Republic of China, 30 June 2017

*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. Chen Zhang as non-executive directors; and Mr. Gary Clark Biddle, Mr. Wu Cheng and Mr. Liu Chia Yung as independent non-executive directors.*

\* *for identification only*