

[Press Release] For immediate release

Kingdee Makes Strategic Investment in FXiaoKe

(23 January 2018, Hong Kong) **Kingdee International Software Group Company Limited** ("Kingdee" or the "Company", stock code: 00268.HK), a leading enterprise Cloud services provider, announced that the Company has made a strategic investment in **FXiaoKe** to become its largest single shareholder.



Mr. Lin Bo, the CFO of Kingdee (The third from right) and Mr. Luo Xu, the founder and CEO of FXiaoKe (The fourth form right) attended FXiaoKe strategic financing conference.

According to a study by the Mobile Informatization Research Centre ("MIRC"), total revenue from Cloud-based CRM in China exceeded RMB1 billion for the first time in 2017 and is expected to increase by 41.7% year-on-year in 2018. FXiaoKe has long been recognized in the CRM market as a market leader. Kingdee made the strategic investment in FXiaoKe as it remains very optimistic about the prospects of China's CRM market and is highly confident in FXiaoKe's market leadership, product innovation capabilities and management team.

With the investment, FXiaoKe will improve its financial position and be able to leverage Kingdee' leadership in management, brand, products, technologies, customers and channels to drive further growth in the CRM market. Mr. Luo Xu, the founder and CEO of FXiaoKe, said, "We will never ignore our original aspirations and are committed to our mission of delivering more valuable Cloud services to more enterprises, thereby strengthening our leadership in China's CRM market."





Mr. Xu Shaochun, the founder and chairman of Kingdee, said, "The strategic investment in FXiaoKe will enable us to strengthen the offerings for our Cloud-based CRM services and offer more comprehensive solutions to enterprises to help them implement digitalization. By combining our respective strengths, both companies can create more values to customers. We selected FXiaoKe as our partner because of its industry leading position, strong innovation and execution capabilities. Going forward, we will lend full support to its independent development."

Kingdee has established itself as the preeminent and fastest-growing domestic Cloud services provider with increasingly comprehensive Cloud business strategies. According to IDC, an internationally-renowned market intelligence firm, Kingdee Cloud has overtaken its international peers to become China's largest enterprise SaaS provider in terms of market share. Mr. Xu Shaochun added, "While ensuring the rapid growth of our core operations, we will take an open and collaborative approach to maintaining our steady development. Through internal innovations and external investments, the Company is committed to serving enterprises and strives to provide them with the most trustworthy and reliable services platform."

~End~

About Kingdee

Kingdee International Software Group Company Limited ("Kingdee International" or "Kingdee") was established in 1993. It is listed on the Main Board of the Hong Kong Stock Exchange (stock code: 268.HK) and headquartered in Shenzhen, the PRC. Adhering to the core values of "Acting in all Conscience, with Integrity and Righteousness", the Company is committed to serving enterprises and strives to provide them with the most trustworthy services platform.

As a leading enterprise Cloud services provider in China, Kingdee International has commanded the largest share in the ERP sector for fast-growing enterprises for 13 consecutive years and grasped the biggest share in enterprise-grade SaaS Cloud services industry. Its Cloud services and products are the most preferred choices in the market. They include Kingdee Cloud (Cloud management services for medium and large-sized enterprises), Kingdee Jingdou Cloud (one-stop Cloud services platform for micro and small-sized enterprises) and Guanyi Cloud (Cloud services for E-commerce operators). With its strengths in management software and Cloud services, it provides services and products to more than 6.8 million enterprises, government agencies and other organizations around the world.





Investor and Media Enquiries:

Steve Zhang Kingdee International Software Group Co., Ltd. Tel: 852-2155 3721 Email: <u>szhang@kingdee.com</u>

Summer Gan Kingdee International Software Group Co., Ltd. Tel: 86-21-61625518 Email: <u>summer_gan@kingdee.com</u>

Yoriko Huang Kingdee International Software Group Co., Ltd. Tel: 86-755-8607 2591 Email:<u>yanni_huang@kingdee.com</u> Charles Chan PRChina Limited Tel: 852-2522 1838 Email: <u>ckchan@prchina.com.hk</u>

David Shiu PRChina Limited Tel: 852-2522 1838 Email: <u>dshiu@prchina.com.hk</u>

Rachel Kwok PRChina Limited Tel: 852-2522 1838 Email: <u>rkwok@prchina.com.hk</u>

