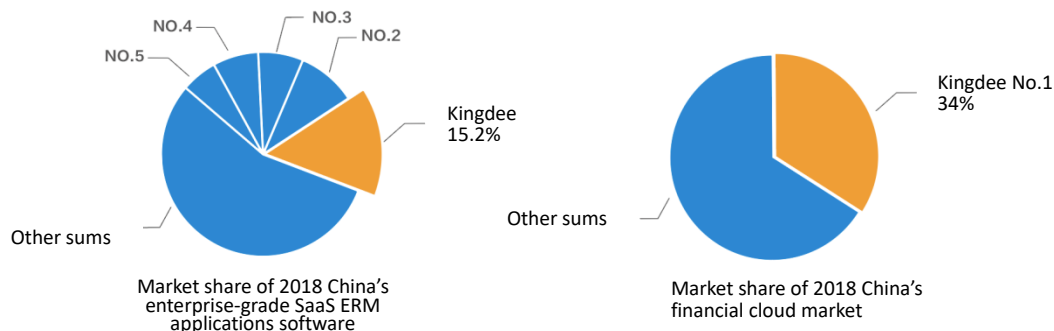【*Press release*】

For Immediate Release

Expanding Its Presence in the Industrial Internet Sector, Kingdee Has Ranked First in Chinese Enterprise SaaS ERM Market for Three Consecutive Years

(26 August 2019, Hong Kong) **Kingdee International Software Group Company Limited** ("Kingdee" or the "Group"; stock code: 00268.HK) is pleased to announce that Kingdee held a 15.2% share of the Chinese enterprise-grade SaaS ERM (Enterprise Resource Management) applications market in 2H2018, up from 14% in 2017, ranking first by market share for three consecutive years, according to the China Semiannual Enterprise SaaS ERM Applications Market Tracker (2H2018) recently published by International Data Corporation ("IDC"). With a 34% share of the domestic enterprise-grade SaaS financial software applications market in 2018, Kingdee had also commanded the largest share of that market for three consecutive years.

Market share of 2018 China's enterprise-grade SaaS ERM applications software

Market share of 2018 China's financial cloud market

*Data is from IDC Report, China Semi-Annual Enterprise SaaS ERM Applications Market Tracker (2H2018)

Cloud Transformation Accelerated

Behind these achievements is Kingdee's perseverance with and devotion to Cloud transformation. Leveraging market opportunities, Kingdee officially initiated cloud transformation in 2011, rolling out Kingdee Cloud Galaxy for growth companies and Kingdee Cloud Cosmic, a strategic product for large enterprises. According to recently-announced interim results, Kingdee's revenue from Cloud services rose 54.9% year-on-year in 1H2019, accounting for 37% of the Group's total revenue. Revenue from Kingdee Cloud Galaxy increased 50.5% year-on-year in 1H2019, with customer's dollar retention rate remained at over 90%. Kingdee Cloud Cosmic has continued to achieve major breakthroughs in industrial Internet, corporate middle office construction and

smart finance by capitalizing on its advantages in platform technology. Some 43 firms have signed up with Kingdee Cloud Cosmic, including some Fortune 500 companies such as Xiamen International Trade Group Corporation and HBIS Group.

Kingdee's Cloud ecosystem has also undergone constant upgrades. In addition to Kingdee Cloud, the Group has also launched Kingdee Jingdou Cloud (Cloud services for micro and small-sized enterprises), Kingdee Guanyi Cloud (Cloud services for e-commerce operators), Cloud-Hub (intelligent Cloud office), Wojia Cloud (Cloud services for property industry) and Cargeer (cloud services for auto dealers). Kingdee Cloud-Hub has become a leading brand in the Chinese corporate collaborative SaaS market, ranking No. 1 with a market share of 38.3%, larger than that of the second to fifth-ranking companies combined, according to the China Corporate Team Collaborative Applications Market Tracker (2H2018) published by IDC.

Expanding Its Presence in the Industrial Internet Sector
In addition to Kingdee Cloud's excellent performance, Kingdee continues to expand its presence in the industrial Internet sector. Kingdee currently serves over 6.8 million clients in various industries, including TMT, manufacturing, modern agriculture and animal husbandry, FMCG, financial services, transportation and logistics, as well as conglomerates. It has helped leading companies such as China Merchants, Vanke, Huawei and PetroChina achieve digital transformation. In May 2019, Kingdee, China Info 100 and the Institute of Global Entrepreneurship & Innovation co-established the Industry Internet Lab (II-Lab), which is committed to helping industry leaders and Cloud ecosystem partners promote industrial Internet development in China.
Smashing computers, servers, offices, chairs and even ERP … Every May, Mr. Robert Xu, founder and chairman of Kingdee Group, smashes one object with a hammer to show Kingdee's confidence and determination in pushing transformation and innovation. While other players are still in the wait-and-see phase or seeking ways to achieve transformation, Kingdee has already stepped up efforts to expand its presence in the industrial Internet sector and is on a path to accelerated growth.

~ The 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: 0268.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 helping businesses achieve their growth targets and let the sun shine on every company through dedicated services. It strives to provide them with the most trusted enterprise service platform.

Through persistent efforts to explore China's Cloud enterprise service market, Kingdee has retained the largest share in the enterprise application software sector for fast-growing enterprises for 14 consecutive years, and has grasped the biggest share in the enterprise-grade SaaS ERM software market for three consecutive years. In addition, Kingdee's diverse Cloud services and products are the preferred choices of leading enterprises. They include "Kingdee Cloud Cosmic" (a Cloud service platform for large enterprises), "Kingdee Cloud Galaxy" (a digital innovative Cloud service platform for medium and large enterprises and fast-growing enterprises), "Kingdee Jingdou Cloud" (one-stop Cloud services platform for micro and small-sized enterprises), "Cloud-Hub" (intelligent Cloud office), "Guanyi Cloud" (Cloud services for E-commerce operators) , "Cargeer" (Cloud services for auto dealers) and "Wojia Cloud"(Cloud services for Property Industry). With its strengths in management software and Cloud services, Kingdee provides services and products to more than 6.8 million enterprises, government agencies and other organizations around the world.

Investor and Media Enquiries:

Fredrick Law

Tel：852-2155 3721

Email: fredrick_law@kingdee.com

Summer Gan

Tel：86-21-61625518

Email: summer_gan@kingdee.com

Yoriko Huang

Tel：86-755-8607 2591

Email: yanni_huang@kingdee.com

Aggie Fang

Tel: 852-2522 1838

Email: afang@prchina.com.hk

Ray Sun

Tel: 852-2522 1838

Email: rsun@prchina.com.hk