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中软国际

CHINASOFT INTERNATIONAL LIMITED

中軟國際有限公司*

(Incorporated in the Cayman Islands with limited liability)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting of CHINASOFT INTERNATIONAL LIMITED (the “Company”) will be held at 27/F, Two Exchange Square, 8 Connaught Place, Central, Hong Kong on 26 April, 2004 at 10:00 a.m. for the following purposes:–

1. To receive and consider the audited financial statements of the Company and the reports of the directors and auditors of the Company for the year ended 31 December, 2003;
2. To declare a final dividend;
3. To re-elect and appoint directors of the Company;
4. To authorise the board of directors of the Company to fix the remuneration of directors of the Company;
5. To re-appoint auditors of the Company and to authorise the board of directors of the Company to fix their remuneration;

and as special business, to consider and, if thought fit, pass the following resolutions as ordinary and/or special resolutions of the Company respectively, with or without modifications:

ORDINARY RESOLUTIONS

6. (1) **“THAT:**
 - (a) subject to paragraph (c) of this resolution, and pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant, whether conditionally or unconditionally, offers, agreements and options (including warrants,

bonds, debentures, notes and any securities which carry rights to subscribe for or are convertible into shares in the Company) which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) of this resolution shall authorize the directors of the Company during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds, debentures, notes and any securities which carry rights to subscribe for or are convertible into the shares in the Company) which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with (whether pursuant to options or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the grant or exercise of any option under any share option scheme of the Company or any other option, scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares in the Company or rights to acquire shares in the Company; or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares in the Company in accordance with the Articles of Association of the Company in force from time to time; or (iv) any issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any warrants or convertible bonds issued by the Company or any securities which carry rights to subscribe for or are convertible into shares in the Company, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (d) for the purpose of this resolution,

“Relevant Period” means the period from the date of the passing this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable laws to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution.

“Rights Issue” means an offer of shares in the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares open for a period fixed by the directors of the Company to holders of shares in the Company on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, or any recognized regulatory body or any stock exchange in any territory applicable to the Company.) “

(2) **“THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares in the capital of the Company on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited or any other stock exchange on which the shares in the Company may be listed and recognized by the Securities and Futures Commission and The Stock Exchange of Hong Kong Limited for such purpose, subject to and in accordance with the rules and regulations of the Securities and Future Commission, The Stock Exchange of Hong Kong Limited, the Companies Law of the Cayman Islands and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares in the Company which the Company is authorised to repurchase pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly;
- (c) for the purpose of this resolution,

“Relevant Period” means the period from the date of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any other applicable laws to be held ; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution. “

- (3) “**THAT** conditional upon resolution nos. (1) and (2) set out in item 6 of the notice convening this meeting being passed, the general mandate granted to the directors of the Company to allot, issue and deal with additional shares in the Company pursuant to the said resolution no. (1) be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares in the capital of the Company which are repurchased by the Company under the authority granted to the directors of the Company pursuant to the said resolution no. (2), provided that the amount of shares so repurchased by the Company shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company on the date of this resolution.”

SPECIAL RESOLUTION

7. “**THAT** the existing Articles of Association of the Company be and are hereby amended in the following manner:–

- (A) (i) by adding the following definition in Article 2(1) immediately after the definition “head office”:

“holding company” the meaning attributed to it in section 2 of the Companies Ordinance (Chapter 32, Laws of Hong Kong) (as amended from time to time).

- (ii) by deleting the definition “Subsidiary and Holding Company” in Article 2(1) and substituting therefor the following new definition:

“subsidiary” the meaning attributed to it in the rules of the Designated Stock Exchange.

- (B) by inserting the following new Article 77A immediately following Article 77:

“77A. Where the Company has knowledge that any Member is, under the rules of any Designated Stock Exchange, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.”

- (C) by deleting the words “not less than seven (7) clear days but not more than fourteen (14) clear days before the date of the general meeting” at the end of Article 88 and substituting therefor the words “no earlier than the day after the despatch of the notice of the meeting and no later than seven (7) clear days before the date appointed for the meeting”;

(D) by deleting Article 103(1) in its entirety and substituting the following therefor:

“103.(1) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board in respect of any contract or arrangement or any other proposal in which he or any of his associates (as defined by the rules, where applicable, of any Designated Stock Exchange) is materially interested, but this prohibition shall not apply to any of the following matters namely:

- (i) any contract or arrangement for the giving to such Director or his associate(s) (as defined by the rules, where applicable, of any Designated Stock Exchange) any security or indemnity in respect of money lent by him or any of them or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries;
- (ii) any contract or arrangement for the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) (as defined by the rules, where applicable, of any Designated Stock Exchange) has himself/themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (iii) any contract or arrangement concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his associate(s) (as defined by the rules, where applicable, of any Designated Stock Exchange) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
- (iv) any contract or arrangement in which the Director or his associate(s) (as defined by the rules, where applicable, of any Designated Stock Exchange) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company or any of its subsidiaries by virtue only of his/their interest in shares or debentures or other securities of the Company;
- (v) any contract or arrangement concerning any other company in which the Director or his associate(s) (as defined by the rules, where applicable, of any Designated Stock Exchange) is/are interested only, whether directly or indirectly, as an officer or executive or a shareholder or in which the Director or his associate(s) (as defined by the rules, where applicable, of any Designated Stock Exchange) is/are beneficially interested in shares of that company, other than a company in which the Director and any of his associates (as defined by the rules, where applicable, of the Designated Stock Exchange) are in aggregate

beneficially interested in five (5) per cent or more of the issued shares or of the voting rights of any class of shares of such company (or any third company through which his interest or that of his associate(s) (as defined by the rules, where applicable, of any Designated Stock Exchange) is derived); or

(vi) any proposal concerning the adoption, modification or operation of a share option scheme, a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to Directors, his associate(s) (as defined by the rules, where applicable, of any Designated Stock Exchange) and employees of the Company or of any of its subsidiaries and does not provide in respect of any Director or his associate(s) (as defined by the rules, where applicable, of any Designated Stock Exchange) as such any privilege or advantage not accorded to the employees to which such scheme or fund relates;

(vii) any contract or arrangement in which the Director or his associates (as defined by the rules, where applicable, of any Designated Stock Exchange) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.”

(E) by deleting Article 103(2) in its entirety and substituting the following therefor:

“A company shall be deemed to be a company in which a Director owns five (5) per cent or more if and so long as (but only if and so long as) he and his associates (as defined by the rules, where applicable, of the Designated Stock Exchange), (either directly or indirectly) are the holders of or beneficially interested in five (5) per cent or more of any class of the equity share capital of such company or of the voting rights available to members of such company (or of any third company through which his interest is derived). For the purpose of this paragraph there shall be disregarded any shares held by a Director or his associates (as defined by the rules, where applicable, of the Designated Stock Exchange) as bare or custodian trustee and in which he or any of them has no beneficial interest, any shares comprised in the trust in which the Director’s interest or that of his associate (as defined by the rules, where applicable, of the Designated Stock Exchange) is in reversion or remainder if and so some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director or his associates (as defined by the rules, where applicable, of the Designated Stock Exchange) is interested only as a unit holder and any shares which carry no voting right at general meetings and very restrictive dividend and return of capital right.”

(F) by deleting Article 103(4) in its entirety and substituting the following therefor:

“If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or his associates (as defined by the rules, where applicable, of the Designated Stock Exchange) as to the entitlement of any Director (other than such chairman) to vote and such question is not resolved by his voluntarily

agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director or that of his associates (as defined by the rules, where applicable, of the Designated Stock Exchange) concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting such question shall be decided by a resolution of the Board (for which purpose such chairman shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such chairman as known to such chairman has not been fairly disclosed to the Board.”

By order of the Board
Mr. Yim Hing Wah
Company Secretary

Hong Kong, 31 March, 2004

Registered Office:

Century Yard, Cricket Square,
Hutchins Drive, P.O. Box 2681 GT,
George Town, Grand Cayman,
Cayman Islands,
British West Indies

Principal Place of Business in Hong Kong:

Units 4607-8, 46th Floor,
COSCO Tower,
No.183 Queen’s Road Central,
Hong Kong

Notes:

- (1) Any member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and to vote instead of him. A proxy need not be a member of the Company.
- (2) Where there are joint holders of any share any one of such joint holder may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at any meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.

- (3) To be valid, the form of proxy, together with the power of attorney or other authority, if any, under which it is signed or a certified copy of such power or authority, must be deposited at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Rooms 1901-5, 19/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong or the principal place of business of the Company in Hong Kong at Units 4607-8, 46th Floor, COSCO Tower, No. 183 Queen's Road Central, Hong Kong, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting. Completion and return of the form of proxy will not preclude members from attending and voting in person at the meeting.
- (4) The register of members will be closed from Friday, 23 April, 2004 to Monday, 26 April, 2004, both days inclusive. In order to qualify for the final dividend, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Rooms 1901-05, 19/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:00 p.m. on Thursday, 22 April, 2004.

This announcement, for which the directors of the Company ("Directors") collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

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* For identification purpose only