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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect about this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in **Chinasoft International Limited**, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or the transferee or to the bank, the licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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)*

**(Stock Code: 354)**

**NOTICE OF ANNUAL GENERAL MEETING  
GENERAL MANDATES TO ISSUE NEW SHARES AND REPURCHASE SHARES  
PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT  
RE-ELECTION OF RETIRING DIRECTORS  
AND  
DECLARATION OF DIVIDEND**

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A notice convening the annual general meeting (the “**Annual General Meeting**”) of Chinasoft International Limited (the “**Company**”) to be held at Units 4607-8, 46th Floor, COSCO Tower, No.183 Queen’s Road Central, Hong Kong at 4:00 p.m. on Friday, 18 May 2018 is contained in this circular. Whether or not you are able to attend such meeting, please complete and return the form of proxy enclosed herewith in accordance with the instructions printed thereon to the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, 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, as soon as possible and in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the Annual General Meeting or any adjournment thereof (as the case may be) should you so wish.

17 April 2018

\* For identification purpose only

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:*

“AGM”	the annual general meeting of the Company to be held at Units 4607-8, 46th Floor, COSCO Tower, No.183 Queen’s Road Central, Hong Kong on Friday, 18 May 2018 at 4:00 p.m.;
“AGM Notice”	the notice for convening the AGM as set out on pages 17 to 21 of this circular;
“Articles of Association”	the articles of association of the Company as may be amended from time to time;
“Board”	the board of Directors;
“Company”	Chinasoft International Limited (Stock Code: 354), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange;
“Directors”	directors of the Company for the time being;
“Existing Share Option Scheme”	the share option scheme of the Company adopted pursuant to an ordinary resolution of the Company passed by the Shareholders on 20 May 2013
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Latest Practicable Date”	9 April 2018, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange;
“Option”	a right to subscribe for Shares on terms determined by the Board and granted pursuant to the terms of the Existing Share Option Scheme and the Terminated Scheme;
“Ordinary Resolution(s)”	the proposed ordinary resolution(s) as set out in the AGM Notice;
“PRC”	the People’s Republic of China;

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## DEFINITIONS

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“Re-election of Retiring Directors”	the proposed re-election of Mr. Gao Liangyu as a non-executive director, Dr. Leung Wing Yin Patrick as an independent non-executive director and Dr. Lai Guanrong as an independent non-executive director immediately following their retirement at the AGM;
“Repurchase Mandate”	a general mandate to the Directors to exercise the powers of the Company to repurchase Shares up to a maximum of 10% of the total number of Shares in issue as at the date of passing of Ordinary Resolution no. 6 during the period as set out in Ordinary Resolution no. 6;
“Scheme Mandate Limit”	the number of Shares which may be issued upon exercise of the maximum number of Options that may be granted under the Existing Share Option Scheme, or of the such limit after refreshment as approved by the Shareholders;
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong;
“Share(s)”	ordinary share(s) of HK\$0.05 each in the share capital of the Company (or of such other nominal amount as shall result from a sub-division, consolidation, reclassification or reconstruction of the share capital of the Company from time to time);
“Share Buyback Rules”	the relevant rules set out in the Listing Rules to regulate the share repurchase by companies with primary listing on the Stock Exchange;
“Share Issue Mandate”	a general mandate to the Directors to exercise the powers of the Company to allot and issue Shares during the period as set out in Ordinary Resolution no. 5 up to 20% of the total number of Shares in issue as at the date of passing Ordinary Resolution no. 5;
“Shareholder(s)”	holder(s) of Share(s);
“Stock Exchange” or “SEHK”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs;

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## DEFINITIONS

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“Terminated Scheme”	the share option scheme adopted by a written resolution of the shareholders of the Company on 2 June 2003 and terminated pursuant to an ordinary resolution of the Company passed by the Shareholders on 20 May 2013;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“RMB”	Renminbi, the lawful currency of the PRC; and
“%”	per cent.

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LETTER FROM THE BOARD

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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)

(Stock Code: 354)

*Executive Directors:*

Dr. Chen Yuhong (Chairman and Chief Executive Officer)

Dr. Tang Zhenming

*Non-executive Director:*

Dr. Zhang Yaqin

Mr. Samuel Thomas Goodner

Mr. Gao Liangyu

*Independent Non-executive Directors:*

Mr. Zeng Zhijie

Dr. Leung Wing Yin Patrick

Dr. Lai Guanrong

*Registered Office:*

Century Yard, Cricket Square,  
Hutchins Drive, P.O. Box 2681,  
George Town, Grand Cayman KY1-1111,  
Cayman Islands,  
British West Indies

*Principal place of business in*

*Hong Kong:*

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

17 April 2018

*To the Shareholders*

Dear Sir or Madam,

**NOTICE OF ANNUAL GENERAL MEETING  
GENERAL MANDATES TO ISSUE NEW SHARES AND REPURCHASE SHARES  
PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT  
RE-ELECTION OF RETIRING DIRECTORS  
AND  
DECLARATION OF DIVIDEND**

**1. INTRODUCTION**

At the AGM to be held on Friday, 18 May 2018, the Ordinary Resolutions will be proposed, among other things, to grant to the Directors general mandates to allot, issue and deal with new Shares and to repurchase the Shares, to approve the Re-election of Retiring Directors, to refresh the Scheme Mandate Limit and to approve the payment of a dividend from the share premium account of the Company in respect of the year ended 31 December 2017.

\* For identification purpose only

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## LETTER FROM THE BOARD

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The purpose of this circular is to give you the AGM Notice, to provide you with information regarding, the Share Issue Mandate, the Repurchase Mandate, the refreshment of the Scheme Mandate Limit and information on the retiring Directors to be re-elected and the payment of a dividend, as well as to seek your approval of the Ordinary Resolutions relating to these matters at the AGM.

### **2. GENERAL MANDATES**

At the AGM, separate ordinary resolutions will be proposed to refresh the general mandates given to the Directors (i) to allot, issue and otherwise deal with Shares not exceeding 20% of the total number of Shares in issue as at the date of passing of the resolution; (ii) to exercise all powers of the Company to repurchase issued and fully paid Shares up to a maximum of 10% of the total number of Shares in issue at the date of passing of the resolution; (iii) to extend the general mandate granted to the Directors to allot, issue and deal with additional new Shares as mentioned in paragraph (i) above by the aggregate number of Shares repurchased by the Company under the general mandate granted to the Directors as mentioned in paragraph (ii) above. The Share Issue Mandate and the Repurchase Mandate will be valid from the date of passing of the relevant resolution approving the same up to the earliest of (a) the date of the next annual general meeting of the Company; (b) the date by which the next annual general meeting of the Company is required to be held by law or by its articles of association; or (c) the date upon which such authority is revoked or varied by an ordinary resolution of the shareholders in a general meeting of the Company. The existing general mandates to issue and repurchase Shares granted to the Directors pursuant to the ordinary resolution passed by the Shareholders at the annual general meeting held on 18 May 2017 will expire at the AGM.

As at the Latest Practicable Date, the issued share capital of the Company comprised 2,402,274,436 Shares. Assuming no issue of new Shares or repurchase of Shares by the Company from the Latest Practicable Date up to and including the date of the AGM, the Share Issue Mandate will authorize the Directors to issue and allot up to 480,454,887 new Shares.

An explanatory statement containing all relevant information relating to the proposed Repurchase Mandate is set out in Appendix I to this circular. The information in the explanatory statement provides you with information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution to grant to the Directors the Repurchase Mandate.

### **3. REFRESHMENT OF THE EXISTING SCHEME MANDATE LIMIT**

The Company adopted the Existing Share Option Scheme and terminated the Terminated Scheme by the Shareholders at the annual general meeting held on 20 May 2013. Under the rules of the Existing Share Option Scheme:

- (i) the number of Shares subject to Options that may be granted shall not exceed 10% of the Shares in issue at the date of approval of the Share Option Scheme or of the refreshment of the Scheme Mandate Limit;
- (ii) the Company may seek Shareholders' approval to refresh the Scheme Mandate Limit. However, the Scheme Mandate Limit as refreshed shall not exceed 10% of the Shares in issue as at the date of the aforesaid Shareholders' approval. Options previously granted

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## LETTER FROM THE BOARD

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under the Existing Share Option Scheme and other share option schemes of the Company (including those outstanding, cancelled, lapsed in accordance with the schemes or exercised options) shall not be counted for the purpose of calculating the Scheme Mandate Limit as refreshed. A circular must be sent to Shareholders in connection with the meeting at which their approval will be sought;

- (iii) the Company may seek separate approval of the Shareholders in general meeting to grant Options beyond the Scheme Mandate Limit to participants specifically identified by the Company before the aforesaid Shareholders' meeting where such approval is sought; and
- (iv) the overall limit on the number of Shares which may be issued upon the exercise of all outstanding Options granted and yet to be exercised under the Existing Share Option Scheme and any other share option schemes of the Company must not in aggregate exceed 30% of the total number of Shares in issue from time to time.

Under the Existing Share Option Scheme, the Board has the right to grant to the eligible participants Options to subscribe for a maximum of 240,227,443 Shares, being 10% of the Shares in issue as at 18 May 2017, being the date of annual general meeting of the Company at which the scheme mandate limit was previously refreshed and representing approximately 10% of the issued ordinary share capital of the Company as at the Latest Practicable Date.

After refreshment of the scheme mandate limit as approved by the Shareholders at last year's annual general meeting of the Company held on 18 May 2017, Options to subscribe for 20,000,000 Shares were granted, and no Option was exercised, cancelled or lapsed under the Existing Share Option Scheme.

Since the date of adoption of the Existing Share Option Scheme, as at the Latest Practicable Date, Options carrying right to subscribe for up to 273,000,000 Shares remain outstanding under the Existing Share Option Scheme.

The total number of Shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Existing Share Option Scheme is 273,000,000 (representing approximately 11.36% of the issued ordinary share capital of the Company as at the Latest Practicable Date). Of these outstanding Options, 3,000,000 Options were granted to Dr. Zhang Yaqin (being Director). The remaining 270,000,000 Options were granted to other participants of the Existing Share Option Scheme.

As the Company had increased its total number of issued Shares pursuant to, including but not limited to, placing and subscription of shares, exercise of share options and conversion of convertible notes, etc. since the date of adoption of Existing Share Option Scheme, a refreshment of the Scheme Mandate Limit would increase the total number of options that the Directors may grant under the Existing Share Option Scheme. The Directors consider that the Company should refresh the Scheme Mandate Limit so that the Company can have more flexibility to provide incentive to participants of the Existing Share Option Scheme by way of granting Options to them. If the refreshment of the Scheme Mandate Limit is approved at the AGM, based on the 2,402,274,436 Shares in issue as at the Latest Practicable Date and assuming no new Shares are issued and no Shares are repurchased after the Latest Practicable

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## LETTER FROM THE BOARD

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Date and up to the date of the AGM, the Directors will be authorised to grant Options to subscribe for up to a total of 240,227,443 Shares, representing approximately 10% of the issued ordinary share capital of the Company as at the date of the AGM. Accordingly, the Board proposes to refresh the Scheme Mandate Limit to the effect that the maximum number of Shares which may be issued upon exercise of all the Options to be granted under the Scheme Mandate Limit as refreshed will be 240,227,443 Shares (assuming no further issue or repurchase of Shares prior to the AGM), representing approximately 10% of the issued share capital of the Company as at the date of the approval of the refreshment of the Scheme Mandate Limit by the Shareholders at the AGM. As at the Latest Practicable Date, the Company has not adopted any share option schemes other than the Existing Share Option Scheme and the Terminated Scheme.

The proposed refreshment of the Scheme Mandate Limit will be conditional upon the Listing Committee of the Stock Exchange granting the listing of, and the permission to deal in, such number of Shares, representing 10% of the Shares in issue as at the date of AGM, which may fall to be allotted and issued pursuant to the exercise of Options which may be granted under the Existing Share Option Scheme up to the refreshed Scheme Mandate Limit.

Application will be made to the Stock Exchange for granting the listing of, and the permission to deal in, the 240,227,443 Shares, representing 10% of the issued ordinary share capital of the Company as at the Latest Practicable Date and assuming no new Shares are issued and no Shares are repurchased after the Latest Practicable Date and up to the date of AGM, to be issued pursuant to the exercise of the Options which may be granted under the Existing Share Option Scheme up to the refreshed Scheme Mandate Limit.

The Directors consider that the refreshment of the Scheme Mandate Limit is in the interest of the Group and the Shareholders as a whole because it will enhance the ability of the Company to reward and motivate its employees and other selected participants under the Existing Share Option Scheme. The refreshment of the Scheme Mandate Limit is in line with purpose of the Existing Share Option Scheme.

An ordinary resolution, as special business, will be proposed at the forthcoming AGM to approve the refreshment of the existing Scheme Mandate Limit in the terms as set out in Resolution no.8 of the AGM Notice. In order that the Company could continue to grant Options to selected participants as incentives or rewards for their contribution to the Company, the Directors recommend that Shareholders to vote in favour of this resolution.

#### **4. RE-ELECTION OF RETIRING DIRECTORS**

The Board currently consists of eight Directors including two executive Directors, three non-executive Directors and three independent non-executive Directors.

Pursuant to the Articles of Association, at each annual general meeting one-third of the Directors for the time being, or the number nearest to but not less than one-third shall retire from office by rotation and shall be eligible for re-election. The Directors to retire shall include any Director who wishes to retire and not to offer himself for re-election. Any further Director so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment. In addition, any Director so appointed by the Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

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## LETTER FROM THE BOARD

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Mr. Samuel Thomas Goodner, Dr. Leung Wing Yin Patrick and Dr. Lai Guanrong, being those among the other Directors who have been longest in office since their last re-election, shall retire by rotation at the AGM. Except Mr. Samuel Thomas Goodner, all other retiring Directors, being eligible, will offer themselves for re-election. Mr. Gao Liangyu shall hold office only until the AGM and shall then be eligible for re-election.

Up to the date of this circular, Dr. Leung Wing Yin Patrick has served as an independent non-executive Director for more than nine years since 22 March 2006. Pursuant to code provision A.4.3 of the Corporate Governance Code set out in Appendix 14 of the Listing Rules, (a) having served the company for more than nine years could be relevant to the determination of an independent non-executive director's independence and (b) if an independent non-executive director has served more than nine years, his further appointment should be subject to a separate resolution to be approved by shareholders.

The Company has received from Dr. Leung Wing Yin Patrick a confirmation of independence pursuant to Rule 3.13 of the Listing Rules. Dr. Leung Wing Yin Patrick has not engaged in any executive management of the Group. Taking into consideration of his independent scope of work in the past years, the Directors consider Dr. Leung Wing Yin Patrick to be independent under the Listing Rules despite the fact that he has served the Company for more than nine years. Accordingly, Dr. Leung Wing Yin Patrick shall be subject to retirement by rotation and re-election by way of a separate resolution to be approved by the Shareholders at the AGM.

Brief biographical details of the above retiring Directors proposed to be re-elected at the AGM are set out in Appendix II to this circular.

### **5. DECLARATION OF DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS**

As mentioned in the announcement of the Company dated 26 March 2018, the Board has resolved to recommend a dividend out of the share premium account of the Company of HK\$0.018 per Share in respect of the year ended 31 December 2017, (the "Dividend") which is subject to approval of the Shareholders at the AGM and compliance with the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands (the "Company Law") and will be payable on 13 June 2018.

Under Section 34(2) of the Companies Law, the share premium account may be applied by the company paying dividends to members provided that no dividend may be paid to members out of the share premium account unless, immediately following the date on which the dividend proposed to be paid, the company shall be able to pay its debts as they fall due in the ordinary course of business. The Board confirms that with respect to the Dividend, the Company meets the solvency test as laid down under the Companies Law and shall be able to pay its debts as they fall due in the ordinary course of business immediately following the date on which the Dividend is proposed to be paid.

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## LETTER FROM THE BOARD

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The register of members of Shares will be closed from Wednesday 30 May 2018 to Friday 1 June 2018, both days inclusive. In order to qualify for the 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 Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Tuesday 29 May 2018.

### **6. ANNUAL GENERAL MEETING**

Set out on pages 17 to 21 in this circular is the AGM Notice containing the Ordinary Resolutions to be proposed at the AGM to, among other things, grant to the Directors the Repurchase Mandate, the Share Issue Mandate, the extension of the Share Issue Mandate, to approve the refreshment of the Scheme Mandate Limit, the Re-election of Retiring Directors and the declaration of Dividend.

### **7. ACTION TO BE TAKEN**

A proxy form for use at the AGM is dispatched to you with this circular. Whether or not you intend to attend the AGM, you are requested to complete the proxy form and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong or the principal place of business of the Company at Units 4607-8, 46th Floor, COSCO Tower, No. 183 Queen's Road Central, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM.

### **8. VOTE BY POLL**

Pursuant to the Article 66 of the Articles of Association, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded:

- (a) by the chairman of such meeting; or
- (b) by at least three Shareholders present in person or in the case of a member of the Company being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or
- (c) by any Shareholder or Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorised representative or by proxy and representing not less than one-tenth of the total voting rights of all the Shareholders having the right to vote at the meeting; or
- (d) by any Shareholder or Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorised representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

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## LETTER FROM THE BOARD

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In accordance with Rule 13.39(4) of the Listing Rules, the chairman of the AGM will demand that voting on all resolutions set out in the AGM Notice, including the Ordinary Resolutions, be decided by poll.

So far as the Directors are aware, as at the Latest Practicable Date, no Shareholder will be required to abstain from voting under the Listing Rules in respect of any of the resolutions to be proposed at the AGM.

### 9. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the 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 the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

### 10. RECOMMENDATION

The Directors believe that the Share Issue Mandate, the Repurchase Mandate, the extension of the Share Issue Mandate, the refreshment of the Scheme Mandate Limit, Re-election of Retiring Directors and declaration of Dividend and all other resolutions set out in the AGM Notice are all in the best interest of the Company and its Shareholders as a whole. Accordingly, the Directors recommend that you vote in favour of each of the Ordinary Resolutions set out in the AGM Notice.

Yours faithfully,  
By Order of the Board  
**Chinasoft International Limited**  
**Dr. Chen Yuhong**  
*(Chairman and Chief Executive Officer)*

This appendix serves as an explanatory statement, as required under the Share Buyback Rules, to provide information to the Shareholders with regard to the Repurchase Mandate to enable them to make an informed decision as to whether to vote in favour of the Repurchase Mandate.

### **1. SHARE CAPITAL**

As at the Latest Practicable Date, there were in total an aggregate number of 2,402,274,436 Shares in issue. As at the same date, Options to subscribe for 273,000,000 Shares had been granted and were outstanding under the Existing Share Option Scheme.

Subject to the passing of the Ordinary Resolution no. 6 and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 240,227,443 Shares representing not more than 10% of the issued Shares as at the Latest Practicable Date.

### **2. REASONS FOR REPURCHASES**

The Directors believe that it is in the best interest of the Company and its Shareholders to have a general authority from the Shareholders to enable the Directors to repurchase Shares on the Stock Exchange. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share and will only be made when the Directors believe that such repurchases are beneficial to the Company and its Shareholders.

### **3. FUNDING OF REPURCHASES**

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and Articles of Association and the applicable laws and regulations of the Cayman Islands. The Companies Law, Cap.22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands provides that Shares may be purchased out of the profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose or in the manner provided for therein out of capital.

The Directors at present have not decided which proposed source of funding is to be used when the Repurchase Mandate is exercised.

There might be a material adverse effect on the working capital or gearing position of the Company (as compared with the position disclosed in the audited consolidated accounts contained in the annual report for the financial year ended 31 December 2017) in the event that the Repurchase Mandate is exercised in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

**4. UNDERTAKING**

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will only exercise the Repurchase Mandate in accordance with the Listing Rules, the memorandum of association and Articles of Association and the applicable laws of the Cayman Islands.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company under the Repurchase Mandate if such is approved by Shareholders and exercised by the Board.

No core connected person (as defined in the Listing Rules) has notified the Company that he or it has a present intention to sell Shares to the Company or its subsidiaries, or has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders and exercised by the Board.

**5. TAKEOVERS CODE**

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the increase of the Shareholders' interests, could obtain or consolidate control of the Company and become obliged to make a mandatory general offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, Dr. Chen Yuhong and his associates held 444,692,861 Shares, representing approximately 18.51% of the total issued Shares. To the best of knowledge and belief of the Company, no other person, together with his/her associates, was beneficially interested in Shares representing 10% or more of the total issued Shares as of the Latest Practicable Date.

In the event that the Directors exercise the Repurchase Mandate in full, then (if the present shareholdings otherwise remained the same) the holdings of Dr. Chen Yuhong in the total ordinary issued share capital of Company would be increased from approximately 18.51% to approximately 20.57% of the total ordinary issued share capital of the Company. The Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any purchase made under the Repurchase Mandate. In the event that the Repurchase Mandate is exercised in full, the number of Shares held by the public would not fall below 25%, the relevant prescribed minimum percentage of the Shares in issue required by the Stock Exchange to be held by the public.

**6. SHARE PRICES**

The highest and lowest prices at which the Shares have been traded on the main board of the Stock Exchange in each of the twelve months prior to the Latest Practicable Date were as follows:

<b>Month</b>	<b>Highest trade price (HK\$)</b>	<b>Lowest trade price (HK\$)</b>
<b>2017</b>		
April	4.81	4.21
May	4.78	4.17
June	4.49	4.05
July	4.60	3.90
August	4.49	4.03
September	4.69	4.15
October	4.79	4.34
November	5.38	4.43
December	5.24	4.50
<b>2018</b>		
January	5.86	5.14
February	5.81	4.69
March	7.28	5.65
April (up to the Latest Practicable Date)	7.42	6.60

**7. SHARE REPURCHASE MADE BY THE COMPANY**

The Company did not repurchase any of its Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

The followings are the particulars of the retiring Directors proposed to be re-elected at the AGM:

**Mr. Gao Liangyu (Non-executive Director)**

Mr. Gao Liangyu (高良玉), aged 52, was appointed as a non-executive Director on 3 July 2017. He has been serving as the chairman of the board of CSOP Asset Management Limited (南方東英資產管理有限公司) since March 2013, engaging in asset management business. Prior to joining CSOP Asset Management Limited, Mr. Gao was previously the deputy general manager at China Southern Fund Management Co., Ltd. (南方基金管理有限公司) in March 1998 and became the general manager of the same company from September 1998 to March 2013, responsible for the management and operation. Mr. Gao acted as the deputy division chief of the Public Offering Supervision Department of the China Securities Regulatory Commission (中國證券監督管理委員會) from March 1993 to March 1998, the section chief of the Finance Management Department of the People's Bank of China (中國人民銀行) from February 1991 to March 1993, studied in the Postgraduate Department of Financial Research Institute of the People's Bank of China from September 1988 to February 1991, and an officer of the Audits Department of Nanjing Agriculture University (南京農業大學) from July 1986 to August 1988. He served as an independent non-executive director of Jutal Offshore Oil Services Limited (巨濤海洋石油服務有限公司), a company listed on the Stock Exchange (stock code: 3303), from 2009 to 2015. Mr. Gao obtained his bachelor's degree in agricultural economics from Nanjing Agricultural University in July 1986.

Save as disclosed above, as at the Latest Practicable Date, Mr. Gao did not hold any other directorship in public companies listed on any securities market in Hong Kong or overseas in the last three years nor hold any position in any members of the Group.

Mr. Gao Liangyu is not related to any other director, senior management, substantial shareholder or controlling shareholder of the Company. As at the Latest Practicable Date, Mr. Gao did not have interest in the Shares within the meaning of Part XV of the SFO.

Mr. Gao has entered into a letter of appointment for a term of three years since 3 July 2017 with the Company and is subject to retirement by rotation and re-election in accordance with the Articles of Association. Mr. Gao is entitled to an annual director's fee of HK\$300,000 for his position as a non-executive director, by reference to his background, experience, duties and responsibilities with the Company, remuneration policy of the Company and the prevailing market conditions.

Save as disclosed above, Mr. Gao Liangyu confirmed that there are no matter that needs to be brought to the attention of the Shareholders and there are no information that should be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

**Dr. Leung Wing Yin Patrick (Independent Non-executive Director)**

Dr. Leung Wing Yin Patrick (梁永賢), aged 61, was appointed as an independent non-executive Director on 22 March 2006. Dr. Leung has many years working experience in internal auditing and corporate finance in banks. He holds a doctor's degree in accounting from the University of New South Wales, Australia, and is a member of Certified Public Accountants of Australia, a member of the Hong Kong Institute of Certified Public Accountants and a member of the Hong Kong Securities Institute. Dr. Leung is an Assistant Professor and a Doctor Student Supervisor at the School of Accounting and Finance of the Hong Kong Polytechnic University. Dr. Leung previously worked as a consultant in a firm of Certified Public Accountants and as a Senior Lecturer at Charles Sturt University, Australia and the City University of Hong Kong.

Dr. Leung is the chairman of the audit committee, nomination committee and remuneration committee of the Company.

As at the Latest Practicable Date, Dr. Leung did not hold any directorship in public companies listed on any securities market in Hong Kong or overseas in the last three years nor hold any position in any members of the Group.

Dr. Leung is not related to any other director, senior management, substantial shareholder or controlling shareholder of the Company. As at the Latest Practicable Date, Dr. Leung did not have interest in the Shares within the meaning of Part XV of the SFO.

Dr. Leung has not entered into any letter of appointment with the Company and is entitled to a director's fee of HK\$10,000 per month which was determined by the Board with the Shareholders' authorization and recommendation from the remuneration committee of the Company with reference to his experience and prevailing market levels. Dr. Leung is subject to retirement by rotation and re-election in accordance with the Articles of Association.

Save as disclosed above, Dr. Leung Wing Yin Patrick confirmed that there are no matter that needs to be brought to the attention of the Shareholders and there are no information that should be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

**Dr. Lai Guanrong (Independent Non-executive Director)**

Dr. Lai Guanrong (賴觀榮), aged 55, was appointed as an independent non-executive Director on 2 June 2015. Dr. Lai is currently the vice chairman of ABC Life Insurance Co., Ltd. (農銀人壽保險股份有限公司). Dr. Lai graduated from the School of Economics of Xiamen University in 1983 with a bachelor's degree, specialising in finance. He was awarded a master's degree by research by the Graduate School of the People's Bank of China (now known as the PBC School of Finance of Tsinghua University) in 1986. He was awarded a doctor's degree by research by the School of Economics of Xiamen University in 2001. He also took part in the 8-month special topic training "Dialogue between financial capital and technological innovation" organised by Tsinghua University in 2014. Dr. Lai was the secretary and deputy head of the office of the Fujian Province branch of the People's Bank of China. He led the establishment of the first securities company in Fujian and one of the first batch of securities companies in China, Minfa Securities Company Limited (閩發證券有限公司), and acted as the deputy general manager leading its work after the establishment of the company. He has led and successfully planned the merger and acquisition of listed companies, namely the merger of Xuji Electric (許繼電氣) (stock code: 000400SZ) with another listed company, Tianyu Electric (天宇電氣). In 1993, Dr. Lai led and successfully planned the listing of the earliest listed Fujian company, Fuyao Glass (福耀玻璃) (stock code: 600660SH). In 1996, Dr. Lai acted as the general manager of Fujian Min Qiao Trust Investment Company Limited (福建閩僑信託投資有限公司) and took over its management. After one year, Min Qiao Trust, which had been on the brink of bankruptcy, became the trust company with the highest gross profit and return on net assets ratio in the province. He has also been the president of Huafu Securities Company (華福證券公司), a provincial owned enterprise. When Dr. Lai was involved in the setting up of Jiahe Life Insurance Co., Ltd. (嘉禾人壽保險股份有限公司) and acted as its legal representative and president, he and the shareholders successfully introduced the Agricultural Bank of China as a controlling shareholder of Jiahe Life Insurance, together leading Jiahe Life Insurance into a new stage of development.

Dr. Lai is a member of audit committee, nomination committee and remuneration committee of the Company.

Save as disclosed above, as at the Latest Practicable Date, Dr. Lai did not hold any other directorship in public companies listed on any securities market in Hong Kong or overseas in the last three years nor hold any position in any members of the Group.

Dr. Lai is not related to any other director, senior management, substantial shareholder or controlling shareholder of the Company. As at the Latest Practicable Date, Dr. Lai did not have interest in the Shares within the meaning of Part XV of the SFO.

Dr. Lai has not entered into any letter of appointment with the Company and is entitled to a director's fee of HK\$300,000 per annum which was determined by the Board with the Shareholders' authorization and recommendation from the remuneration committee of the Company with reference to his experience and prevailing market levels. Dr. Lai is subject to retirement by rotation and re-election in accordance with the Articles of Association.

Save as disclosed above, Dr. Lai Guanrong confirmed that there are no matter that needs to be brought to the attention of the Shareholders and there are no information that should be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

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## NOTICE OF ANNUAL GENERAL MEETING

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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)*

**(Stock Code: 354)**

**NOTICE IS HEREBY GIVEN** that an annual general meeting of **CHINASOFT INTERNATIONAL LIMITED** (the “**Company**”) will be held at 4:00 p.m. on Friday, 18 May 2018 at Units 4607-8, 46th Floor, COSCO Tower, No.183 Queen’s Road Central, Hong Kong for the following purposes:

1. To receive and consider the audited consolidated financial statements of the Company and the reports of the directors and independent auditor of the Company for the year ended 31 December 2017;
2.
  - (i) To re-elect Mr. Gao Liangyu as non-executive director of the Company;
  - (ii) To re-elect Dr. Leung Wing Yin Patrick (who has served as an independent non-executive director for more than 9 years) as independent non-executive director of the Company;
  - (iii) To re-elect Dr. Lai Guanrong as independent non-executive director of the Company;
3. To authorise the board of directors of the Company to fix the remuneration of directors of the Company;
4. To re-appoint auditor of the Company and to authorise the board of directors of the Company to fix the remuneration of auditor of the Company;

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

### ORDINARY RESOLUTIONS

5. **“THAT:**
  - (a) subject to paragraph (c) of this resolution, and pursuant to the Rules Governing the Listing of Securities on the main board 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 ordinary 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 ordinary shares in the capital of the Company) which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;

\* For identification purpose only

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## NOTICE OF ANNUAL GENERAL MEETING

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- (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 ordinary shares in the capital of 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 ordinary 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 to 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 ordinary shares in the capital of the Company, shall not exceed 20% of the total number of ordinary shares of the Company in issue on the date of the passing this resolution provided that if any subsequent consolidation or subdivision of ordinary shares of the Company is effected, the maximum number of ordinary shares of the Company that may be issued pursuant to the approval in paragraph (a) above as a percentage of the total number of issued ordinary shares of the Company at the date immediately before and after such consolidation or subdivision shall be the same and such maximum number of ordinary shares of the Company shall be adjusted accordingly; and
  
- (d) 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 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.

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## NOTICE OF ANNUAL GENERAL MEETING

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“Rights Issue” means an offer of ordinary 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 ordinary shares in the Company on the register on a fixed record date in proportion to their then holdings of such ordinary 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.)”

6. **“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 ordinary shares in the capital of the Company on the main board of The Stock Exchange of Hong Kong Limited or any other stock exchange on which the ordinary 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 Futures Commission of Hong Kong, The Stock Exchange of Hong Kong Limited, the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) 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 number of ordinary 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% of the total number of ordinary shares of the Company in issue as at the date of the passing of this resolution provided that if any subsequent consolidation or subdivision of ordinary shares of the Company is effected, the maximum number of ordinary shares of the Company that may be repurchased pursuant to the approval in paragraph (a) above as a percentage of the total number of issued ordinary shares of the Company at the date immediately before and after such consolidation or subdivision shall be the same and such maximum number of ordinary shares of the Company shall be adjusted 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

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## NOTICE OF ANNUAL GENERAL MEETING

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- (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.”
7. “**THAT** conditional upon the resolutions set out in items 5 and 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 ordinary shares in the Company pursuant to the said resolution under item 5 be and is hereby extended by the addition thereto of the total number of ordinary shares repurchased by the Company under the authority granted to the directors of the Company pursuant to the said resolution under item 6.”
8. “**THAT** subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) granting the listing of, and permission to deal in, such number of fully paid ordinary shares in the capital of the Company which may fall to be allotted and issued pursuant to the exercise of the options which may be granted under the share option scheme adopted by the Company on 20 May 2013 (the “Share Option Scheme”) and any other share option scheme of the Company, representing 10% of the issued ordinary share capital of the Company as at the day on which this resolution is passed, the existing scheme mandate limit in respect of the granting of share options under the Share Option Scheme be refreshed provided that the total number of ordinary shares in the capital of the Company which may be issued upon the exercise of all options to be granted under the Share Option Scheme and any other option scheme of the Company shall not exceed 10% of the aggregate nominal amount of the ordinary share capital of the Company in issue on the date of passing of this resolution.”
9. “**THAT** the payment of a dividend out of the share premium account of the Company of HK\$0.018 per ordinary share of the Company in respect of the year ended 31 December 2017 (the “Dividend”) to holders of ordinary shares of the Company as recorded on the register of holders of ordinary shares of the Company on 1 June 2018 be and is hereby approved.”

By order of the Board  
**Chinasoft International Limited**  
**Dr. Chen Yuhong**  
*Chairman and Chief Executive Officer*

17 April 2018

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## NOTICE OF ANNUAL GENERAL MEETING

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*Registered Office:*

Century Yard, Cricket Square,  
Hutchins Drive, P.O. Box 2681 GT,  
George Town, Grand Cayman KY1-1111,  
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 proxy or more proxies (if hold more than one share) 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) A form of proxy for use at the meeting is enclosed.
- (4) 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 Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, 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.
- (5) The register of members of ordinary shares of the Company will be closed from Tuesday, 15 May 2018 to Friday, 18 May 2018, both days inclusive, during which period no transfer of ordinary shares will be registered. In order to ascertain the right to attend the forthcoming annual general meeting, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 14 May 2018.
- (6) The register of members of ordinary shares of the Company will also be closed from Wednesday, 30 May 2018 to Friday, 1 June 2018, both days inclusive, during which period no transfer of ordinary shares will be registered. In order to qualify for the Dividend, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 29 May 2018.
- (7) With regard to the resolutions in item no. 2 in this notice, details of the retiring directors of the Company are set out in Appendix II to the circular to shareholders of the Company dated 17 April 2018.