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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)**

**ANNUAL RESULTS ANNOUNCEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2023**

The board (the “Board”) of directors (the “Directors”) of Chinasoft International Limited (“Chinasoft” or the “Company”) hereby announces the audited consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2023, together with the comparative audited consolidated figures for the year ended 31 December 2022 are as follows:

<b>HIGHLIGHTS</b>			
<b>Results for the year ended 31 December 2023</b>			
<b>Income statement highlights</b>	<b>2023</b>	<b>2022</b>	<b>Growth rate</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>	
Revenue	<b>17,116,894</b>	20,005,171	(14.4%)
Service revenue	<b>16,631,560</b>	19,489,625	(14.7%)
Profit for the year	<b>712,667</b>	758,829	(6.1%)
Profit for the year attributable to owners of the Company	<b>713,394</b>	759,441	(6.1%)
Basic earnings per share (cents)	<b>25.88</b>	26.11	(0.9%)

- The Board recommended the payment of a final dividend for the year ended 31 December 2023 of HK\$0.0811 per share.
- In order to ascertain the right to attend the forthcoming annual general meeting, the Register of Member will be closed from Tuesday, 14 May 2024 to Monday, 20 May 2024, both dates inclusive, during which period no share transfer shall be registered.

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

*FOR THE YEAR ENDED 31 DECEMBER 2023*

	<i>NOTES</i>	<b>2023</b> <i>RMB'000</i>	2022 <i>RMB'000</i>
Revenue	3	<b>17,116,894</b>	20,005,171
Cost of sales and services		<b>(13,113,818)</b>	(15,405,001)
Gross profit		<b>4,003,076</b>	4,600,170
Other income		<b>428,905</b>	347,953
Loss from derecognition of financial assets measured at amortised cost		<b>(2,332)</b>	(2,740)
Impairment losses under expected credit loss model, net of reversal		<b>(117,313)</b>	(89,451)
Impairment loss on investment accounted for using the equity method		<b>(22,377)</b>	–
Other gains or losses		<b>83,905</b>	34,447
Selling and distribution costs		<b>(868,347)</b>	(948,868)
Administrative expenses		<b>(1,354,733)</b>	(1,682,638)
Research and development costs		<b>(1,078,296)</b>	(1,238,035)
Other expenses		<b>(105,680)</b>	(55,210)
Finance costs		<b>(202,833)</b>	(113,212)
Share of results of investments accounted for using the equity method		<b>(30,028)</b>	(22,534)
Profit before taxation		<b>733,947</b>	829,882
Income tax expense	4	<b>(21,280)</b>	(71,053)
Profit for the year		<b>712,667</b>	758,829

	<i>NOTE</i>	<b>2023</b> <b>RMB'000</b>	2022 <i>RMB'000</i>
Other comprehensive expense			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		(7,232)	(1,929)
Reclassification of cumulative translation reserve upon disposal of a foreign operation		<u>1,051</u>	<u>–</u>
Other comprehensive expense for the year, net of tax		<u>(6,181)</u>	<u>(1,929)</u>
Total comprehensive income for the year		<u><b>706,486</b></u>	<u>756,900</u>
Profit for the year attributable to:			
Owners of the Company		713,394	759,441
Non-controlling interests		<u>(727)</u>	<u>(612)</u>
		<u><b>712,667</b></u>	<u>758,829</u>
Total comprehensive income attributable to:			
Owners of the Company		707,213	757,512
Non-controlling interests		<u>(727)</u>	<u>(612)</u>
		<u><b>706,486</b></u>	<u>756,900</u>
Earnings per share			
Basic	6	<u><b>RMB0.2588</b></u>	<u>RMB0.2611</u>
Diluted		<u><b>RMB0.2506</b></u>	<u>RMB0.2518</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2023

	<i>NOTES</i>	<b>2023</b> <i>RMB'000</i>	2022 <i>RMB'000</i>
Non-current assets			
Property, plant and equipment		<b>1,150,858</b>	1,119,112
Right-of-use assets		<b>320,273</b>	439,447
Intangible assets		<b>336,136</b>	280,773
Goodwill		<b>843,654</b>	843,654
Investments accounted for using the equity method		<b>428,906</b>	485,163
Financial assets at fair value		<b>282,686</b>	159,560
Derivative financial assets		<b>28,988</b>	–
Other receivables		<b>6,562</b>	21,703
Term deposits		<b>704,000</b>	10,000
Pledged bank deposits		<b>17,970</b>	3,930
Deferred tax assets		<b>2,308</b>	921
		<b>4,122,341</b>	3,364,263
Current assets			
Inventories		<b>96,182</b>	99,358
Trade and other receivables	7	<b>6,091,897</b>	6,156,543
Bills receivable		<b>74,545</b>	54,563
Contract assets		<b>2,091,903</b>	1,998,731
Financial assets at fair value		<b>100,000</b>	90,000
Derivative financial assets		<b>11,325</b>	–
Amounts due from related companies		<b>112,806</b>	102,847
Term deposits		<b>556,641</b>	48,000
Pledged bank deposits		<b>21,920</b>	45,254
Bank balances and cash		<b>3,788,110</b>	5,005,226
		<b>12,945,329</b>	13,600,522
Current liabilities			
Trade and other payables	8	<b>1,662,625</b>	2,043,359
Bills payable		<b>3,364</b>	5,350
Lease liabilities		<b>114,663</b>	180,951
Contract liabilities		<b>254,421</b>	339,220
Amounts due to related companies		<b>29,464</b>	44,081
Dividend payable		<b>81</b>	81
Taxation payable		<b>162,819</b>	154,184
Borrowings		<b>734,773</b>	766,068
Consideration payable		<b>–</b>	19,992
		<b>2,962,210</b>	3,553,286
Net current assets		<b>9,983,119</b>	10,047,236
Total assets less current liabilities		<b>14,105,460</b>	13,411,499

	<b>2023</b>	2022
	<b>RMB'000</b>	<i>RMB'000</i>
Non-current liabilities		
Deferred tax liabilities	<b>10,667</b>	11,715
Lease liabilities	<b>41,021</b>	102,530
Borrowings	<b>2,282,044</b>	1,162,463
Derivative financial liabilities	<b>4,968</b>	–
	<u><b>2,338,700</b></u>	<u>1,276,708</u>
	<u><b>11,766,760</b></u>	<u>12,134,791</u>
Capital and reserves		
Share capital	<b>133,029</b>	136,837
Share premium	<b>5,474,719</b>	6,013,911
Treasury shares	<b>(1,114,363)</b>	(538,555)
Reserves	<b>7,249,076</b>	6,497,572
	<u><b>11,742,461</b></u>	<u>12,109,765</u>
Equity attributable to owners of the Company	<b>11,742,461</b>	12,109,765
Non-controlling interests	<u><b>24,299</b></u>	<u>25,026</u>
	<u><b>11,766,760</b></u>	<u>12,134,791</u>
Total equity	<u><b>11,766,760</b></u>	<u>12,134,791</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

## 1. GENERAL INFORMATION

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 16 February 2000 under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The shares of the Company were listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) with effect from 20 June 2003. On 29 December 2008, the listing of the shares of the Company was transferred to the Main Board of the Stock Exchange. The addresses of the registered office and principal places of business of the Company are disclosed in the “Corporate Information” section to the annual report.

The consolidated financial statements are presented in Renminbi (“RMB”), which is also the functional currency of the Company.

The Company is an investment holding company. The principal activities of the Company and its subsidiaries (the “Group”) are development and provision of information technology (“IT”) solutions services, IT outsourcing services and training services.

## 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

### **New and Amendments to HKFRSs that are mandatorily effective for the current year**

In the current year, the Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2023 for the preparation of the consolidated financial statements:

HKFRS 17 (including the October 2020 and February 2022 Amendments to HKFRS 17)	Insurance Contracts
Amendments to HKAS 8	Definition of Accounting Estimates
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to HKAS 12	International Tax Reform – Pillar Two Model Rules
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies

The application of new and the amendments to HKFRSs in the current year had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

### 3. REVENUE AND SEGMENT INFORMATION

#### Disaggregation of revenue from contracts with customers

	2023 <i>RMB'000</i>	2022 <i>RMB'000</i>
Provision of services	16,631,560	19,489,625
Sales of software and hardware products	<u>485,334</u>	<u>515,546</u>
	<u><b>17,116,894</b></u>	<u><b>20,005,171</b></u>

	2023 <i>RMB'000</i>	2022 <i>RMB'000</i>
Timing of revenue recognition		
Over time	16,631,560	19,489,625
At a point in time	<u>485,334</u>	<u>515,546</u>
	<u><b>17,116,894</b></u>	<u><b>20,005,171</b></u>

### Segment revenue and results

Information reported to the chief executive officer of the Company, being the chief operating decision maker (the “CODM”), for the purposes of resource allocation and assessment of segment performance focuses on the category of customers by the Group’s operating divisions.

The Group’s operating and reportable segments are as follows:

1. Technical professional services group (“TPG”) – development, provision of solutions, IT outsourcing services for banks and other financial institutions, telecommunication carriers and other large-scale multinational companies, including sale of products;
2. Internet IT services group (“IIG”) – development, provision of solutions and IT outsourcing services for government, tobacco industry and other small-scaled companies and training business, including sale of products.

The following is an analysis of the Group’s revenue and results by reportable segments:

	Segment revenue		Segment results	
	2023	2022	2023	2022
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
TPG	<b>15,020,564</b>	17,930,401	<b>798,823</b>	797,998
IIG	<b>2,096,330</b>	2,074,770	<b>147,454</b>	175,316
	<b><u>17,116,894</u></b>	<u>20,005,171</u>	<b><u>946,277</u></b>	<u>973,314</u>

Segment revenue reported above represents revenue generated from external customers.

Inter-segment services are charged at a cost plus margin basis.

### Segment assets and liabilities

The CODM makes decisions according to operating results of each segment. No analysis of segment assets and liabilities is presented as the CODM does not regularly review such information for the purposes of resource allocation and assessment of segment performance. Therefore, only segment revenue and segment results are presented.

## Information about services and products

	2023 <i>RMB'000</i>	2022 <i>RMB'000</i>
TPG		
Provision of services	14,888,325	17,764,725
Sales of software and hardware products	<u>132,239</u>	<u>165,676</u>
	15,020,564	17,930,401
IIG		
Provision of services	1,743,235	1,724,900
Sales of software and hardware products	<u>353,095</u>	<u>349,870</u>
	2,096,330	2,074,770
Segment revenue	<u><u>17,116,894</u></u>	<u><u>20,005,171</u></u>

## 4. INCOME TAX EXPENSE

	2023 <i>RMB'000</i>	2022 <i>RMB'000</i>
Income tax expense:	<u><u>21,280</u></u>	<u><u>71,053</u></u>

The Company is incorporated as an exempted company and as such is not subject to the Cayman Islands taxation.

Under the Law of the PRC on Enterprise Income Tax (“EIT Law”) and Implementation Regulation of the EIT Law, the applicable tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards unless subject to tax exemptions.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

## 5. DIVIDENDS

	2023 <i>RMB'000</i>	2022 <i>RMB'000</i>
Dividends for ordinary shares of the Company recognised as distribution during the year:		
2022 Final – HK\$5.67 cents (2022: 2021 Final of HK\$3.23 cents) per share	<u><u>138,336</u></u>	<u><u>79,555</u></u>

Subsequent to the end of the reporting period, a final dividend in respect of the year ended 31 December 2023 of HK\$8.11 cents (2022: HK\$5.67 cents) per ordinary shares has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming annual general meeting.

## 6. EARNINGS PER SHARE

	2023 <i>RMB'000</i>	2022 <i>RMB'000</i>
<b>Earnings</b>		
Earnings for the purpose of basic and diluted earnings per share (profit for the year attributable to owners of the Company)	<u>713,394</u>	<u>759,441</u>
	2023 '000	2022 '000
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purpose of basic earnings per share	2,756,978	2,908,811
Effect of dilutive potential ordinary shares:		
Share options	–	10,173
Share awards	<u>89,644</u>	<u>96,588</u>
Weighted average number of ordinary shares for the purpose of diluted earnings per share	<u>2,846,622</u>	<u>3,015,572</u>

The number of shares adopted in the calculation of the basic earnings per share has been arrived at after eliminating the shares of the Company held under the Company's share award scheme.

The computation of diluted earnings per share for the year ended 31 December 2023 does not assume the exercise of the Company's options because the exercise price of those options was higher than the average market price for shares for the year.

## 7. TRADE AND OTHER RECEIVABLES

	2023 <i>RMB'000</i>	2022 <i>RMB'000</i>
Trade receivables, net of allowance	5,304,724	5,469,959
Advances to suppliers	555,238	435,490
Deposits, prepayments and other receivables, net of allowance	<u>238,497</u>	<u>272,797</u>
	<u>6,098,459</u>	<u>6,178,246</u>

The credit terms of the Group range from 30 to 180 days. An aged analysis of trade receivables (net of allowance), presented based on the invoice dates for sales of software and hardware products and services for project-based development contracts, and dates of rendering of other types of services at the end of the reporting period is as follows:

	<b>2023</b>	2022
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Within 90 days	<b>4,019,768</b>	4,384,078
Between 91 – 180 days	<b>573,831</b>	542,808
Between 181 – 365 days	<b>425,885</b>	346,246
Between 1 – 2 years	<b>285,240</b>	196,827
	<b><u>5,304,724</u></b>	<u>5,469,959</u>

#### **8. TRADE AND OTHER PAYABLES**

	<b>2023</b>	2022
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Trade payables	<b>641,287</b>	665,267
Payroll payables	<b>892,887</b>	1,132,888
Other tax payables	<b>82,259</b>	150,313
Other payables	<b>46,192</b>	94,891
	<b><u>1,662,625</u></b>	<u>2,043,359</u>

An aged analysis of trade payables, presented based on the invoice dates at the end of the reporting period is as follows:

	<b>2023</b>	2022
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Within 90 days	<b>258,236</b>	273,778
Between 91 – 180 days	<b>26,922</b>	84,672
Between 181 – 365 days	<b>145,905</b>	82,796
Between 1 – 2 years	<b>99,749</b>	177,883
Over 2 years	<b>110,475</b>	46,138
	<b><u>641,287</u></b>	<u>665,267</u>

## MANAGEMENT DISCUSSION AND ANALYSIS

In 2023, the Group experienced steady business development. The Group's revenue, service revenue, profit, profit attributable to owners of the Company, and EPS decreased by 14.4%, 14.7%, 6.1%, 6.1%, and 0.9% YoY respectively.

	<b>2023</b>	2022	% Increase (decrease) over the same period last year
	<b>RMB'000</b>	RMB'000	
Revenue	<b>17,116,894</b>	20,005,171	(14.4%)
Service revenue	<b>16,631,560</b>	19,489,625	(14.7%)
Profit for the year	<b>712,667</b>	758,829	(6.1%)
Profit for the year attributable to owners of the Company	<b>713,394</b>	759,441	(6.1%)
Basic earnings per share ( <i>cents</i> )	<b>25.88</b>	26.11	(0.9%)

## KEY OPERATING DATA

	<b>2023</b>	2022	% Increase (decrease) over the same period last year
	<b>RMB'000</b>	RMB'000	
<b>Revenue</b>	<b>17,116,894</b>	20,005,171	(14.4%)
<b>Service revenue</b>	<b>16,631,560</b>	19,489,625	(14.7%)
Cost of sales and services	<b>(13,113,818)</b>	(15,405,001)	(14.9%)
<b>Gross profit</b>	<b>4,003,076</b>	4,600,170	(13.0%)
Other income	<b>428,905</b>	347,953	23.3%
Loss from derecognition of financial assets measured at amortised cost	<b>(2,332)</b>	(2,740)	(14.9%)
Impairment losses under expected credit loss model, net of reversal	<b>(117,313)</b>	(89,451)	31.1%
Impairment loss on investment accounted for using the equity method	<b>(22,377)</b>	–	N/A
Other gains or losses	<b>83,905</b>	34,447	143.6%
Selling and distribution costs	<b>(868,347)</b>	(948,868)	(8.5%)
Administrative expenses	<b>(1,354,733)</b>	(1,682,638)	(19.5%)
Research and development costs	<b>(1,078,296)</b>	(1,238,035)	(12.9%)
Other expenses	<b>(105,680)</b>	(55,210)	91.4%
Finance costs	<b>(202,833)</b>	(113,212)	79.2%
Share of results of investments accounted for using the equity method	<b>(30,028)</b>	(22,534)	33.3%
<b>Profit before taxation</b>	<b>733,947</b>	829,882	(11.6%)
Income tax expense	<b>(21,280)</b>	(71,053)	(70.1%)
<b>Profit for the year</b>	<b>712,667</b>	758,829	(6.1%)
<b>Profit for the year attributable to owners of the Company</b>	<b>713,394</b>	759,441	(6.1%)
<b>Basic earnings per share (<i>cents</i>)</b>	<b>25.88</b>	26.11	(0.9%)

## GENERAL OVERVIEW

In 2023, amidst the backdrop of a slow global economic recovery and various uncertainties in the external environment, the Group persisted in driving management reforms and development. It diligently advanced strategic decision-making deployments, resulting in the Group's performance maintaining stability and improvement, with a continuous enhancement in operational quality. For five consecutive years, the Group was recognized in Gartner's Global IT Services Market Share TOP100, rising to the 73rd position, demonstrating fully the market positioning and development resilience of China's leading IT services enterprise.

During the reporting period, the Group established the AIGC Research Institute and implemented a development strategy focusing on the application layer of large-scale models. This strategy aimed to strengthen collaborative innovation in the AIGC field with clients, universities, research institutions, computing hardware partners, and ISV partners. The Group deepened its involvement in the AIGC track, with a core focus on empowering data innovation applications through large-scale models, leading to the creation of "Question Series" solutions and large-scale-model all-in-one machine. In the digital government market, the Group intensified the sales of self-developed Agent "Question" series large-scale models both in hardware and software. It established benchmarks in key directions such as new empowerment clouds, government affairs, electricity, transportation, and public utilities, facilitating rapid replication. Simultaneously, the Group launched the JointPilot (Lingxi) Artificial Intelligence Application Platform, offering clients and ISVs an integrated platform for large-scale model application deployment. Centering around the development of the Ascend+Pangu ecosystem, the Group utilized the JointPilot (Lingxi) Artificial Intelligence Application Platform and the "Question Series" large-scale models as service foundations. It aimed to achieve commercial closure based on AIGC submission. The Group upgraded its software factory to a model factory, focusing on rigid value scenes for government and enterprise clients, model suppliers, and computing centers. This involved assisting in establishing enterprise-level model frameworks, conducting model consulting, data construction, model design, computing readiness, model training and fine-tuning, model evaluation, and integrated deployment. Leveraging AI full-stack autonomous capabilities, the Group aimed to help clients overcome the final challenges in large-scale model application deployment.

During the reporting period, the Group, based on the 1+1 strategy (KaihongOS + Super Device Management Platform), exerted full efforts to build an independent and controllable Smart Internet of Things (IoT) foundation and an end-to-edge-cloud-network-integrated solution. This strategy aimed to cater to critical industries such as water conservancy, transportation, urban lifeline, defense, and energy, continuing to expand into the market segments of “national key equipment and urban innovation.” The Group actively aligned with Huawei’s Terminal Business Group (BG) strategic plan, focusing on the development path of HarmonyOS in the northbound ecosystem. It closely followed Huawei’s HarmonyOS ecosystem development plan and has already launched extensive applications in various industries such as hospitality, tourism, education, healthcare, finance, entertainment, home appliances, transportation, and ports. These efforts have facilitated rapid migration and development of HarmonyOS single-framework applications for clients. During the reporting period, breakthrough progress was achieved in smart water conservation and smart transportation solutions based on open-source HarmonyOS technology. The Group signed a comprehensive strategic cooperation agreement with Shenzhen Smart City Technology Development Group Co., Ltd., to support Shenzhen in becoming a trillion-level core industrial value-added digital economic highland driven by information creation and empowered by digital technology.

During the reporting period, the Group remained steadfast in its commitment to the “platform + service” model of comprehensive ERP, continually providing high-quality digital transformation consulting services to its clients. Focusing on industries such as petrochemicals, energy and power, aerospace and defense, and equipment manufacturing, the Group adopted a business model driven by industry consulting and implemented comprehensive ERP solutions. It optimized the synergy of “consulting services + implementation services + customized development services,” establishing end-to-end consulting planning and implementation service capabilities. By strengthening its brand influence among central enterprise clients, the Group gained recognition from industry-leading clients. Leveraging AI-driven next-generation consulting services, the Group significantly enhanced the intelligence and efficiency of its consulting services delivery, creating highly competitive AIGC Pilot consulting service pioneer products, a massive knowledge empowerment platform, and operational systems.

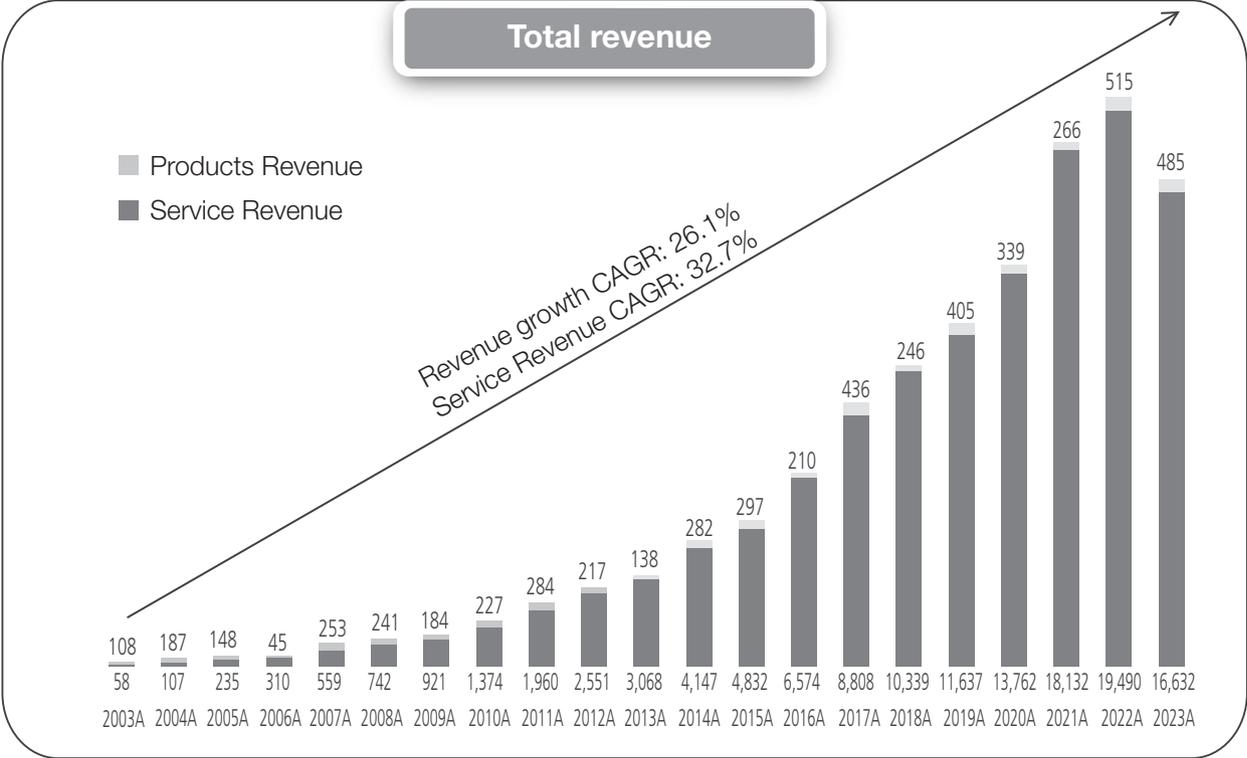
During the reporting period, the Group transitioned from being a general distributor and solution provider for Huawei Cloud to evolving into a comprehensive partner across all fields of Huawei Cloud. As a top-tier cloud transformation service partner, the Group achieved success by obtaining seven primary labels and twelve secondary labels, securing the top position among partners. Additionally, in the specialized areas of cloud migration services and cloud development services, the Group maintained its leading position, continuously leading the market. Furthermore, the Group actively explored new opportunities in cloud empowerment, promoting collaborative solutions. As one of Huawei's first partners in advanced cloud digital transformation consulting and integration, the Group accelerates the development of smart finance, intelligent auditing, smart parks, smart healthcare, smart energy, smart manufacturing, and automotive sectors. This effort aimed to cover a comprehensive product matrix for digital transformation across all scenarios, leveraging the power of the ecosystem to empower various industries comprehensively. This initiative is aligned with the Group's commitment to facilitating enterprise digital transformation and driving China's digital economy to lead globally.

During the reporting period, the Group continued to strengthen its overseas business expansion capabilities, achieving growth in overseas segments with high gross profit margins. Using Hong Kong as a hub for overseas business outreach, the Group experienced rapid growth in its operations there. It reinforced existing overseas service capabilities and upgraded its three major centers of expertise: research and development delivery, pre-sales services, and global operations. Simultaneously, the Group expanded its presence in the Asia-Pacific market, including Singapore, Malaysia, Thailand, Indonesia, and India. Moreover, the Group established local project delivery capabilities in the Middle East, particularly in the United Arab Emirates and Saudi Arabia, from the ground up, completing early-stage project deliveries. The Group conducted in-depth preliminary design work for projects such as the NEOM smart city and NEOM data center, achieving significant breakthroughs in the comprehensive system integration field in the Middle East market.

During the reporting period, the Group made steady progress in its financial services, expanding cooperation with leading clients such as state-owned banks, joint-stock commercial banks, city commercial banks, large insurance companies, and securities firms, while also deepening collaboration in various segments such as futures, wealth management, policy banks, financial infrastructure units, and financial companies. In telecommunications, the Group continued to focus on clients like China Mobile, China Telecom, and China Unicom, solidifying and expanding its business scope with major equipment and electronic device vendors. Simultaneously, it actively pursued breakthroughs in the field of new energy vehicles. In the energy sector, the Group further strengthened cooperation with central enterprises such as CNPC, Sinopec, and Power Construction Corporation of China (PowerChina). It successfully explored outsourcing partnerships with clients like CNOOC, Sinochem, State Grid, National Energy, and China Coal. Notably, the Group ranked first in comprehensive market share in the Kunlun Smart Business of CNPC. In the internet and high-tech sectors, the Group maintained its leading position with major clients such as Tencent, Ant Group, Baidu, and ByteDance, while also expanding its reach with key clients like OPPO and Xiaomi.

In 2024, the Group will continue with unwavering confidence, aligning closely with Huawei to lead the industrial transformation with innovative solutions tailored to key sectors in China. The Group will fully empower the development of new quality productivity, leveraging core technologies to build, cultivate, and consolidate full-stack service capabilities around core business sectors. It will delve deeper into industries to reach broader digital transformation markets, advancing steadily towards the goal of becoming a global leading technology-based IT service enterprise with unique offerings.

Since the Group’s listing on the Growth Enterprise Market in 2003, the compound annual growth rate (CAGR) of revenue reached 26.1%, while the CAGR of service revenue reached 32.7%. Please refer to the following graph for details:



## **CUSTOMERS**

The Group's customers span across the globe, encompassing regions beyond Greater China, including Asia-Pacific, North America, Europe, Latin America, and others. In the Chinese market, particularly in mainstream industries such as finance, energy, government, telecommunications, transportation, high technology, and internet, the Group holds significant market share. In 2023, the service revenue from the top five customers accounted for 61.7% of the Group's total service revenue, while the service revenue from the top ten customers accounted for 70.4% of the Group's total service revenue.

In 2023, the Group had 2,191 active clients. Among them, there were 182 large clients with service revenue exceeding RMB 6 million.

## **MARKET**

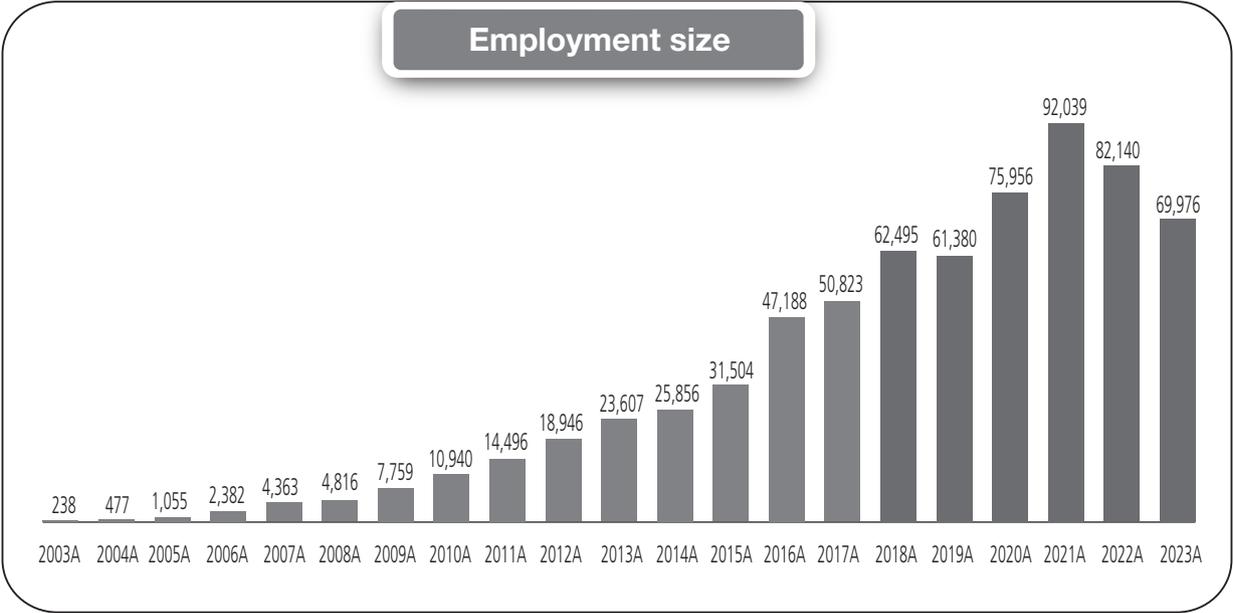
During the reporting period, the Group's business primarily focused on the Greater China region, where substantial market potential continuously presented growth opportunities. The vast market potential within the Greater China region has been a key driver of growth for the Group. The Group has maintained long-term partnerships with global Fortune 500 companies such as Huawei, HSBC, Honor, Ping An, Bank of Communications, China Construction Bank, AIA Insurance, Postal Savings Bank of China, Tencent, Alibaba, Baidu, Microsoft, China Mobile, China Telecom, CNPC, Sinochem, State Grid, and BYD, among others. These partnerships include numerous customers with high growth potential, specialized expertise, and innovative capabilities. The Group's business operations extend across major cities in China, with a focus on the Greater Bay Area. Leveraging its base in Hong Kong, the Group continuously exports leading services and solutions overseas, establishing integrated local sales and service teams, as well as investment and financing capabilities. This strategy has resulted in new revenue and profit growth opportunities overseas, with expansions into markets such as Singapore, Malaysia, Thailand, the United Arab Emirates, Saudi Arabia, and Chile. Moreover, the Group has followed leading Chinese state-owned enterprises and financial institutions into overseas markets, participating in planning and implementation efforts, and continuously advancing the construction of overseas capability systems.

## **HUMAN RESOURCES**

As of the end of 2023, the total number of employees in the Group reached 69,976 (end of 2022: 82,140 employees), representing a decrease of 14.8% from the previous year. Throughout the reporting period, the average total number of employees for the year was 76,058, which marked a decline of 12.7% compared to the average of 87,090 employees for the same period last year. The decrease in the year-end headcount was primarily influenced by fluctuations in core client businesses and the strategic transformation of the Group. Additionally, the Group proactively released some low-margin and low-value personnel of businesses as part of its strategic transformation, while optimizing management efficiency.

As of the end of 2023, the number of technical personnel in the Group reached 67,058, accounting for 95.8% of the total number of employees. Among them, project managers, consultants, and senior engineers totaled 23,562, comprising 35.1% of the total technical personnel in the Group.

Since its listing on the Growth Enterprise Market in 2003, the Group's total personnel has changed as follows:



## OPERATING RESULTS

The following is the Group's consolidated comprehensive income statement for 2022 and 2023:

	2023 RMB'000	% of revenue	% of service revenue	2022 RMB'000	% of revenue	% of service revenue
<b>Revenue</b>	<b>17,116,894</b>	<b>N/A</b>	<b>N/A</b>	20,005,171	N/A	N/A
Service revenue	<b>16,631,560</b>	<b>N/A</b>	<b>N/A</b>	19,489,625	N/A	N/A
Cost of sales and services	<u>(13,113,818)</u>	<u>(76.6%)</u>	<u>(78.8%)</u>	<u>(15,405,001)</u>	<u>(77.0%)</u>	<u>(79.0%)</u>
<b>Gross Profit</b>	<b>4,003,076</b>	<b>23.4%</b>	<b>24.1%</b>	4,600,170	23.0%	23.6%
Other income	<b>428,905</b>	<b>2.5%</b>	<b>2.6%</b>	347,953	1.7%	1.8%
Loss from derecognition of financial assets measured at amortised cost	(2,332)	(0.0%)	(0.0%)	(2,740)	(0.0%)	(0.0%)
Impairment losses under expected credit loss model, net of reversal	(117,313)	(0.7%)	(0.7%)	(89,451)	(0.4%)	(0.5%)
Impairment loss on investment accounted for using the equity method	(22,377)	(0.1%)	(0.1%)	-	0.0%	0.0%
Other gains or losses	<b>83,905</b>	<b>0.5%</b>	<b>0.5%</b>	34,447	0.2%	0.2%
Selling and distribution costs	(868,347)	(5.1%)	(5.2%)	(948,868)	(4.7%)	(4.9%)
Administrative expenses	(1,354,733)	(7.9%)	(8.1%)	(1,682,638)	(8.4%)	(8.6%)
Research and development costs	(1,078,296)	(6.3%)	(6.5%)	(1,238,035)	(6.2%)	(6.4%)
Other expenses	(105,680)	(0.6%)	(0.6%)	(55,210)	(0.3%)	(0.3%)
Finance costs	(202,833)	(1.2%)	(1.2%)	(113,212)	(0.6%)	(0.6%)
Share of results of investments accounted for using the equity method	<u>(30,028)</u>	<u>(0.2%)</u>	<u>(0.2%)</u>	<u>(22,534)</u>	<u>(0.1%)</u>	<u>(0.1%)</u>
<b>Profit before taxation</b>	<b>733,947</b>	<b>4.3%</b>	<b>4.4%</b>	829,882	4.1%	4.3%
Income tax expense	<u>(21,280)</u>	<u>(0.1%)</u>	<u>(0.1%)</u>	<u>(71,053)</u>	<u>(0.4%)</u>	<u>(0.4%)</u>
<b>Profit for the year</b>	<b>712,667</b>	<b>4.2%</b>	<b>4.3%</b>	758,829	3.8%	3.9%
<b>Profit for the year attributable to the     Owners of the Company</b>	<u><b>713,394</b></u>	<u><b>4.2%</b></u>	<u><b>4.3%</b></u>	<u><b>759,441</b></u>	<u><b>3.8%</b></u>	<u><b>3.9%</b></u>

## REVENUE

In 2023, the Group achieved revenue of RMB 17,116.894 million (2022: RMB 20,005.171 million), representing a YoY decrease of 14.4%. The service revenue amounted to RMB 16,631.560 million (2022: RMB 19,489.625 million), showing a YoY decrease of 14.7%. The decline in revenue was mainly due to the reduction in demand from core customers during the reporting period, as well as the Group's strategic transformation focus on expanding high-value projects and reducing low-value projects.

TPG and IIG's revenue and proportion of total revenue in 2023 are as follow:

	<b>2023</b> <i>RMB'000</i>	<b>Weight</b>	2022 <i>RMB'000</i>	Weight	Growth <i>rate</i>
TPG	<b>15,020,564</b>	<b>87.8%</b>	17,930,401	89.6%	(16.2%)
IIG	<b>2,096,330</b>	<b>12.2%</b>	2,074,770	10.4%	1.0%
Total	<b>17,116,894</b>	<b>100%</b>	20,005,171	100%	(14.4%)

## COST OF SALES AND SERVICES

In 2023, the Group's cost of sales and services amounted to RMB 13,113.818 million (2022: RMB 15,405.001 million), marking a YoY decrease of 14.9%. The proportion of cost of sales and services to revenue for 2023 was 76.6% (2022: 77.0%), reflecting a YoY decrease of 0.4%.

## GROSS PROFIT

In 2023, the Group achieved a gross profit of RMB 4,003.076 million (2022: RMB 4,600.170 million), representing a YoY decrease of 13.0%. The Group's gross profit margin for 2023 was 23.4% (2022: 23.0%), representing a YoY increase of 0.4%. The proportion of gross profit to service revenue for the Group in 2023 was 24.1% (2022: 23.6%), representing a YoY increase of 0.5%. The increase in gross profit margin was mainly due to the Group's strategic transformation and the exploration of high-value projects during the reporting period, as well as the successful integration of finance and quality reforms at the traditional business level, leading to an enhancement in operational quality.

The Group will continue to improve its gross profit margin through the following measures in the future:

- (1) Continue to increase the proportion of high-margin service businesses, solidifying the “1+3” strategic layout, delving into industries, and providing better China solutions for domestic and overseas clients.
- (2) By transforming into software and hardware products, sell proprietary technologies (such as KaihongOS, JointPilot, large-scale model Agent, etc.), and upgrade the business model.
- (3) By integrating finance and quality, continuously reduce the standard cost rate, optimize the management fee-to-effectiveness ratio, and enhance resource utilization.

### **OTHER INCOME**

In 2023, the Group’s other income amounted to RMB 428.905 million (2022: RMB 347.953 million), representing a YoY increase of 23.3%. This increase was primarily attributed to higher interest income compared to the same period last year.

### **OTHER GAINS OR LOSSES**

In 2023, the Group’s other gains amounted to RMB 83.905 million (2022: RMB 34.447 million), representing a YoY increase of 143.6%. This increase was mainly due to the Group’s disposal of its part of intelligent park business.

### **OPERATING EXPENSES**

In 2023, the Group’s selling and distribution costs amounted to RMB 868.347 million (2022: RMB 948.868 million), representing a YoY decrease of 8.5%. The proportion of selling and distribution costs to revenue for 2023 was 5.1% (2022: 4.7%), representing a YoY increase of 0.4%.

In 2023, the Group’s administrative expenses amounted to RMB 1,354.733 million (2022: RMB 1,682.638 million), representing a YoY decrease of 19.5%. The proportion of administrative expenses to revenue for 2023 was 7.9%, representing a decrease of 0.5% (2022: 8.4%). During the reporting period, the Group achieved effective enhancement in functional and business department management efficiency by strengthening budget management.

In 2023, the Group's R&D costs amounted to RMB 1,078.296 million (2022: RMB 1,238.035 million), representing a YoY decrease of 12.9%. The proportion of R&D costs to revenue for 2023 was 6.3%, representing a slight increase of 0.1% (2022: 6.2%).

## **FINANCE COSTS AND INCOME TAX**

In 2023, the Group's finance costs amounted to RMB 202.833 million (2022: RMB 113.212 million), representing a YoY increase of 79.2%. The proportion of finance costs to revenue for 2023 was 1.2%, rising by 0.6% compared to 0.6% in 2022. The increase in finance costs was mainly due to the rise in interest on overseas syndicated loans during the reporting period. Taking into account interest income as a hedge against interest expenses, net interest expenses accounted for a 0.2% increase compared to the same period last year.

In 2023, the Group's loss from derecognition of financial assets measured at amortised cost amounted to RMB 2.332 million (2022: RMB 2.740 million), representing a YoY decrease of 14.9%.

In 2023, the Group's income tax expense amounted to RMB 21.280 million (2022: RMB 71.053 million), marking a YoY decrease of 70.1%. The effective income tax rate for 2023 was 2.9%, showing a decrease of 5.7% compared to 8.6% in 2022. This decrease was primarily due to increased tax refunds resulting from the settlement and payment of income taxes and the implementation of new policies regarding the additional deduction for research and development expenses.

## **OTHER NON-CASH EXPENSES**

In 2023, the Group's other expenses amounted to RMB 105.680 million (2022: RMB 55.210 million), representing a YoY increase of 91.4%. The proportion of other expenses to revenue for 2023 was 0.6%, rising by 0.3% compared to 0.3% in 2022. This was mainly due to an increase in donation expenses during the reporting period.

In 2023, the Group's impairment loss on investment accounted for using the equity method amounted to RMB 22.377 million (2022: Nil), primarily stemming from impairment of investments in the education sector.

In 2023, the Group's impairment loss under expected credit loss model, net of reversal, amounted to RMB 117.313 million (2022: RMB 89.451 million), representing a YoY increase of 31.1%.

## **WORKING CAPITAL, FINANCIAL AND CAPITAL RESOURCE**

In 2023, the Group's total available cash balance (comprising bank balances and cash, term deposits, and pledged bank deposits) amounted to RMB 5,088.641 million (2022: RMB 5,112.410 million).

In 2023, the Group's net current assets amounted to RMB 9,983.119 million (2022: RMB 10,047.236 million). The current ratio in 2023, calculated as the ratio of current assets to current liabilities, was 4.4, representing an increase of 0.6 compared to 3.8 in 2022.

In 2023, the Group's borrowings amounted to RMB 3,016.817 million (2022: RMB 1,928.531 million). The net borrowing ratio is calculated by dividing the borrowing amount (borrowings and convertible notes minus available cash balances, including bank balances and cash, term deposits, and pledged bank deposits) by the total equity. The Group's available cash balance exceeded the sum of borrowings and convertible notes in both 2023 and 2022, resulting in a negative net borrowing ratio.

## **PROFIT FOR THE YEAR AND EARNINGS PER SHARE (EPS)**

In 2023, the Group achieved a profit of RMB 712.667 million (2022: RMB 758.829 million), representing a YoY decrease of 6.1%. The profit in 2023 accounted for 4.2% of revenue (2022: 3.8%), showing a YoY increase of 0.4%. Additionally, the profit in 2023 accounted for 4.3% of service revenue (2022: 3.9%), indicating a YoY increase of 0.4%.

In 2023, the Group's profit attributable to the owners of the Company amounted to RMB 713.394 million (2022: RMB 759.441 million), representing a YoY decrease of 6.1%.

Based on profit attributable to the owners of the Company, the Group's basic EPS for 2023 amounted to RMB 25.88 cents (2022: RMB 26.11 cents), representing a YoY decrease of 0.9%.

## SEGMENT REVENUE AND RESULTS

In 2023, the segment's growth of revenue and results are as follow:

	Revenue			Result		
	2023 RMB'000	2022 RMB'000	Growth Rate	2023 RMB'000	2022 RMB'000	Growth Rate
TPG	<b>15,020,564</b>	17,930,401	(16.2%)	<b>798,823</b>	797,998	0.1%
IIG	<b>2,096,330</b>	2,074,770	1.0%	<b>147,454</b>	175,316	(15.9%)
Total	<b>17,116,894</b>	20,005,171	(14.4%)	<b>946,277</b>	973,314	(2.8%)

In terms of segment revenue, revenue from the TPG decreased by 16.2% YoY. This decline was primarily attributed to the reduction in demand from core customers in industries such as telecommunications, finance, and internet, as well as the impact of the Group's strategic shift towards expanding higher-margin businesses. Additionally, revenue from the IIG increased by 1.0% YoY, remaining largely consistent with the previous year.

In terms of segment results, TPG saw a 0.1% YoY growth. Despite a decline in operating profit due to a decrease in scale, but its profitability improved during the reporting period. At the same time, due to an increase in interest income, the segments result remained basically unchanged YoY. On the other hand, IIG saw a 15.9% YoY decrease, mainly attributable to reduced investment income during the reporting period.

The Group believes that by creating a new growth curve through the development of 1+3 (Cloud Intelligence, HarmonyOS, Comprehensive ERP, AIGC) new businesses, and actively participating in the construction of critical information infrastructure industries within China, it will continuously activate new development momentum. As a result, the business structure of the Group will continue to improve, and profit margins will gradually increase.

## FUND RAISING ACTIVITIES

During the current and last year, no fund raising activities had been conducted by the Group. The details of the fund raising activity which had been conducted by the Group with unused proceeds is summarised as below:

On 4 October 2021, the Company entered into the placing agreement with the placing agent, UBS AG Hong Kong Branch, to procure not less than six places on a best efforts basis to purchase up to an aggregate of 162,000,000 placing shares at the placing price of HK\$12.26 per placing share.

The placing shares were allotted on 12 October 2021 under the general mandate granted to the Directors at the annual general meeting of the Company held on 18 May 2021. The net proceeds from the placing is approximately HK\$1,970 million (after deduction of commission and other expenses of the placing). The intended use and actual use of the proceeds are as follow:

<b>Net proceeds allocation</b>	<b>Intended use of the proceeds</b>	<b>Actual use of the proceeds</b>	<b>The amount of the remaining net proceeds as at 31 December 2023</b>	<b>Expected time of utilisation (Note)</b>
Approximately HK\$788 million	For the research and development of full-stack cloud smart products and solutions, as well as investments and mergers and acquisitions related to the Company's main business	Approximately HK\$657 million were used for the research and development of full-stack cloud smart products and solutions, as well as investments and mergers and acquisitions related to the Company's main business	Approximately HK\$131 million to be for the intended use	Before 31 December 2024
Approximately HK\$788 million	For developing hardware and software products and solutions for HarmonyOS and OpenHarmony, the research and development of full-stack technologies required for atomic services, making investments and mergers and acquisitions around the HarmonyOS and OpenHarmony industrial ecology	Approximately HK\$231 million were used for developing hardware and software products and solutions for HarmonyOS and OpenHarmony, the research and development of full-stack technologies required for atomic services, making investments and mergers and acquisitions around the HarmonyOS and OpenHarmony industrial ecology	Approximately HK\$557 million to be for the intended use	Before 31 December 2024
Approximately HK\$394 million	For general working capital of the Company	Approximately HK\$394 million were used for general working capital of the Company	–	–

*Note:* The expected time frame for fully applying the unutilised proceeds is based on the best estimation of the future market conditions and strategic development made by the Group, which may be subject to changes and adjustments based on the future development of market conditions.

## **CORPORATE GOVERNANCE PRACTICES**

The board of directors of the Company believes that corporate governance is essential to the success of the Company and has adopted various measures to ensure that a high standard of corporate governance is maintained. The code provisions in the Corporate Governance Code (the “CG Code”) as set out in Appendix C1 to the Listing Rules have served as guideposts for the Company to follow in its implementation of corporate governance measures.

In the opinion of the Board, the Group has complied with the CG Code from 1 January 2023 to 31 December 2023, except for the following deviations as explained:

- (i) Under Code provision C.1.6, independent non-executive directors and other non-executive directors, as equal board members, should give the Board and any committees on which they serve the benefit of their skills, expertise and varied backgrounds and qualifications through regular attendance and active participation. They should also attend general meetings to gain and develop a balanced understanding of the views of shareholders. Due to other business commitment, two independent non-executive Directors and two non-executive Directors were unable to attend the annual general meeting of the Company held on 22 May 2023 in Hong Kong (the “2022 AGM”).
- (ii) Under Code provision C.2.1, The roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing. Dr. Chen Yuhong currently assumes the roles of both the Chairman and the Chief Executive Officer of the Company. The Board believes that by holding both roles, Dr. Chen will be able to provide the Group with strong and consistent leadership, and it allows for more effective and efficient business planning and decisions as well as execution of long-term business strategies of the Group. As such, the structure is beneficial to the business prospects of the Group.

The Board will continue to enhance its corporate governance practices appropriate to the conduct and growth of its business and to review such practices from time to time to ensure that they comply with statutory and professional standards and align with the latest developments.

## DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules on terms no less exacting than the required standard set out in the Model Code as its code of conduct regarding securities transactions by Directors. In response to a specific enquiry by the Company, all Directors confirmed that they have complied with the required standard set out in the Model Code regarding securities transactions by Directors throughout the year ended 31 December 2023.

## COMPETING INTERESTS

As at 31 December 2023, none of the Directors of the Company and their respective associates (as defined under the Listing Rules) had any interest in a business apart from the Group's business which competed or might compete with the business of the Group.

## PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year ended 31 December 2023, the Company repurchased 84,402,000 of its shares on the Stock Exchange and these shares were subsequently cancelled by the Company before 31 December 2023. The total amount paid for the repurchases of HK\$436,812,660 was paid wholly out of the Company's existing available cash reserves. Details of those transactions are as follows:

Month	Number of shares repurchased	Highest HK\$	Lowest HK\$	Total price paid
May 2023	36,102,000	4.99	4.63	174,156,380
June 2023	16,300,000	5.11	4.76	79,549,620
September 2023	32,000,000	6.00	5.44	183,106,660
	<u>84,402,000</u>			<u>436,812,660</u>

## SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained a sufficient public float throughout the year ended 31 December 2023.

## **AUDIT COMMITTEE**

The Company established an audit committee (the “Audit Committee”) on 2 June 2003 and amended its written terms of reference on 28 March 2012, 31 December 2015 and 9 January 2019 to comply with the requirements in the CG Code. The terms of reference of the Audit Committee, a copy of which is posted on the website of the Company and the Stock Exchange, are in line with the provisions of the CG Code. The Audit Committee is mainly responsible for reviewing and supervising the Group’s financial reporting and internal control system. The Audit Committee met at least on a semi-yearly basis during the year ended 31 December 2023.

Except for the period from the retirement of Mr. Zeng Zhijie at the 2022 annual general meeting held on 22 May 2023 to the appointment of Mr. Yeung Tak Bun J.P. as an independent non-executive director and a member of the Audit Committee on 22 August 2023, the Audit Committee normally comprised three independent non-executive Directors during the year 2023, namely Professor Mo Lai Lan as the Chairman of the Audit Committee and Mr. Zeng Zhijie (retired on 22 May 2023), Mr. Lai Guanrong and Mr. Yeung Tak Bun J.P. (appointed on 22 August 2023) as the members of the Audit Committee.

The Group’s unaudited interim results and audited annual results during the year ended 31 December 2023 have been reviewed by the Audit Committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosure has been made.

## **FINAL DIVIDEND**

The Directors have recommended the payment of a final dividend of HK\$0.0811 per ordinary share from share premium account of the Company in respect of the year ended 31 December 2023. The proposed dividend payments from share premium account of the Company are subject to approval by the shareholders of the Company at the annual general meeting to be held on Monday, 20 May 2024 at 2:00 p.m.. Upon shareholders’ approval at the upcoming annual general meeting, the proposed final dividend will be paid on Monday, 24 June 2024 to shareholders whose names shall appear on the register of members of the Company on Friday, 7 June 2024.

## **CLOSURE OF REGISTER OF MEMBERS**

- (a) For the purpose of determining the qualification as shareholders of the Company to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 14 May 2024 to Monday, 20 May 2024, both days inclusive. In order to qualify as shareholders of the Company to attend and vote at the AGM, unregistered holders of shares of the Company are required to lodge all transfer documents accompanied by the relevant share certificates 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 Monday, 13 May 2024.

- (b) For the purpose of determining the entitlement to the proposed final dividend (subject to the approval of the shareholders at the AGM), the register of members of the Company will be closed from Tuesday, 4 June 2024 to Friday, 7 June 2024, both days inclusive. In order to qualify for the entitlement to the proposed final dividend, unregistered holders of shares of the Company are required to lodge all transfer documents accompanied by the relevant share certificates 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 Monday, 3 June 2024.

### **ANNUAL GENERAL MEETING**

The Annual General Meeting of the Company is proposed to hold on Monday, 20 May 2024 at 2:00 p.m.. Notice of the Annual General Meeting will be published and despatched to the shareholders in due course.

### **PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT**

This announcement has been prepared in English and Chinese respectively. In case of discrepancy, the Chinese version shall prevail, except for the financial statements prepared in accordance with International Financial Reporting Standards, where the English version shall prevail. This announcement is published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.chinasofti.com](http://www.chinasofti.com)). The annual report for the year containing all the information required by Appendix 16 to the Listing Rules will be despatched to the Shareholders and published on the websites of the Stock Exchange and the Company in due course.

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

Hong Kong, 28 March 2024

*As at the date of this announcement, the Board comprises three executive Directors, namely Dr. Chen Yuhong (Chairman and Chief Executive Officer), Dr. He Ning (Vice Chairman) and Dr. Tang Zhenming, two non-executive Director, namely Dr. Zhang Yaqin and Mr. Gao Liangyu, and three independent non-executive Directors, namely Dr. Lai Guanrong, Professor Mo Lai Lan and Mr. Yeung Tak Bun J.P..*

\* *For identification purposes only*