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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)**

**RESIGNATION OF NON-EXECUTIVE DIRECTORS,  
CHANGE OF THE CHAIRMAN OF THE BOARD,  
RE-ELECTION OF INDEPENDENT NON-EXECUTIVE DIRECTOR,  
AND APPOINTMENT OF NEW EXECUTIVE DIRECTOR  
AND NON-EXECUTIVE DIRECTORS**

The Board announces that at the annual general meeting of the Company held on 18 May 2011:

- (i) Mr. Cui Hui retired as a non-executive Director and ceased to be the chairman of the Board;
- (ii) Mr. Fang Jun retired as a non-executive Director;
- (iii) Mr. Liu Zheng retired as a non-executive Director;
- (iv) Mr. Xu Zeshan was re-elected as an independent non-executive Director;
- (v) Mr. Jiang Xiaohai was appointed as an executive Director;
- (vi) Ms. Shen Lipu was appointed as a non-executive Director; and
- (vii) Dr. Song Jun was appointed as a non-executive Director.

Following Mr. Cui's retirement, Dr. Chen Yuhong has been re-designated as the chairman of the Board with effect from 18 May 2011.

## **RESIGNATION OF NON-EXECUTIVE DIRECTORS**

Due to his other business commitments which require more of his dedications, Mr. Cui Hui retired as a non-executive director of the Company (the “**Director**”) at the annual general meeting of the Company held on 18 May 2011 (the “**AGM**”) and did not offer himself for re-election. Accordingly, Mr. Cui ceased to be a non-executive Director and the chairman of the board of Directors (the “**Board**”) with effect from 18 May 2011.

Due to their other business commitments which require more of their dedications, each of Mr. Fang Jun and Mr. Liu Zheng also retired from their directorship with the Company at the AGM and did not offer themselves for re-election. Accordingly, they ceased to be non-executive Directors with effect from 18 May 2011.

Each of Mr. Cui, Mr. Fang and Mr. Liu has confirmed that he has no disagreement with the Board and there is no matter in relation to his retirement that needs to be brought to the attention of the shareholders of the Company (the “**Shareholders**”).

## **CHANGE OF THE CHAIRMAN OF THE BOARD**

Following Mr. Cui Hui’s retirement, the Board has appointed Dr. Chen Yuhong as the chairman of the Board with effect from 18 May 2011.

Dr. Chen Yuhong (陳宇紅), aged 48, is the managing director and the chief executive officer of the Company and is responsible for the overall business development of the Company and its subsidiaries (the “**Group**”). He has over 20 years of practicing experience in software information industry. Dr. Chen obtained a doctorate degree in optics from 北京理工大學 (Beijing Polytechnic University), Beijing, the PRC in 1991. Prior to joining the Group on 25 April 2000, Dr. Chen worked at China National Computer Software & Technology Service Corporation (“**CS&S**”) from October 1996 to April 2000 and was appointed subsequently as vice president in June 1999 and as senior vice president of 中軟網絡技術股份有限公司 (Chinasoft Network Technology Company Limited) (subsequently renamed as 中國軟件與技術服務股份有限公司 (China National Software & Service Company Limited) (“**CNSS**”) in December 2003. He has also been appointed as a director of 北京中軟資源信息科技服務有限公司 (Chinasoft Resources Information Technology Services Limited) and a director of 中軟賽博資源軟件技術(天津)有限公司 (CS&S Cyber Resources Software Technology (Tianjin) Co., Ltd.), an associate company of CS&S from 1999 to March 2002. From June 1991 to October 1996, he was the deputy general manager of China Great Wall Computer Software Co., Ltd. In the last three years, Dr. Chen did not hold any other directorships in public companies listed on any securities market in Hong Kong or overseas.

Dr. Chen entered into a service agreement with the Company commencing from 20 Jun 2003 for a term of 2 years which continues thereafter until terminated by either party by giving to the other not less than 3 months' prior written notice. Dr. Chen is entitled to a monthly salary which is reviewed annually by the Board with reference to market standards and his performance. He is also entitled to receive a management bonus, which is determined with reference to the consolidated net profits of the Group after taxation and minority interests but before extraordinary items. For the year ended 31 December 2010, Dr. Chen received approximately RMB1,721,000 as director's emoluments. Dr. Chen is subject to retirement by rotation and re-election in accordance with the Articles of Association.

As at the date of this announcement, Dr. Chen is beneficially interested in 73,220,136 ordinary shares and 38,300,000 series A preferred shares of the Company. Dr. Chen is also interested in 3,800,000 share options of the Company within the meaning of Part XV of the Securities and Future Ordinance (Chapter 571 of the laws of Hong Kong) (“SFO”) Save as disclosed above, Dr. Chen does not have any other relationship with any directors, senior management, substantial or controlling Shareholder.

Dr. Chen has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in relation to his re-designation, and there are no information that should be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

## **RE-ELECTION OF AN INDEPENDENT NON-EXECUTIVE DIRECTOR**

Mr. Xu Zeshan, an independent non-executive Director who retired and offered himself for re-election at the AGM, was re-elected as an independent non-executive Director at the AGM. The following are particulars of Mr. Xu:

Mr. Xu Zeshan (徐澤善), aged 63, was first appointed as an independent non-executive Director on 8 May 2008. Mr. Xu has served as members of each of the audit committee and the remuneration committee of the Company. Mr. Xu is a senior engineer and has many years of experience in administration and corporate management. From May 1995 to March 1998, he was the deputy mayor of Zibo in Shandong Province. From March 1998 to December 2002, he was the head of the 49th Research Institute of the Ministry of Information Industry (which was renamed as China Electronics Technology Group Corporation the 49th Research Institute in March 2002). Since January 2003 to present, Mr. Xu acted as the deputy manager of China Electronics Technology Group Corporation Industrial Park, the chairman of the board of Yangtse River Data Company Limited (長江數據股份有限公司), the chairman of the board of China Information & Electronics Development Inc. Ltd. (Wuhan) and the managing director of China Electricity Investment Development Company Limited. He specialises in the research and technological management of sensors and the related systems and was awarded the ministry level Technology Improvement second-ranked prize. In the last three years, Mr. Xu did not hold any other directorships in public companies listed on any securities market in Hong Kong or overseas.

Mr. Xu has been re-elected as an independent non-executive Director for a term of two years commencing from 18 May 2011. He will not enter into any service agreement with the Company and he will receive no fix remuneration for holding the office of an independent non-executive Director. Mr. Xu may, however, be paid a discretionary director's fee in a sum to be determined by the remuneration committee of the Company with reference to his performance by the end of each financial year. Mr. Xu is subject to retirement by rotation and re-election in accordance with the Articles of Association of the Company (the "**Articles of Association**"). Mr. Xu will also continue to be a member of each of the audit committee and the remuneration committee of the Company.

Mr. Xu does not have any interest in the shares of the Company within the meaning of Part XV of the SFO, nor does he have any relationship with any Directors, senior management of the Company or substantial or controlling Shareholders. Mr. Xu confirmed that there are no other matters that need to be brought to the attention of the Shareholders and there are no information that should be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

#### **APPOINTMENT OF AN EXECUTIVE DIRECTOR**

Mr. Jiang Xiaohai was appointed as an executive Director at the AGM.

Mr. Jiang Xiaohai (蔣曉海), aged 42, graduated with a bachelor's degree in computer software from Xiangtan University, Hunan Province, the PRC in 1991. Mr. Jiang founded MMIM Technologies, Inc., which became a wholly-owned subsidiary of the Company since December 2010, in October 2004. Prior to MMIM Technologies, Inc. becoming a wholly-owned subsidiary of the Company, Mr. Jiang acted as its chairman and chief technology officer and his duties include research and development, operation support, frontier technology research and strategic management. He currently serves as the president of MMIM Technologies Inc. and is responsible for its daily management. Mr. Jiang possesses more than 15 years' working experience in the information technology and telecommunication industry. From 2003 to 2004, he acted as the general manager of the value-added business department of UP Tech Co. Ltd. where he was responsible for the design of all value-added service platforms, development and business promotion. From 1994 to 2002, he worked for UTStarcom (China) Inc., where he was wholly responsible for the research and development of digital service platforms and participated in and guided the design, development, implementation and after-sale services of many of China's first data service platforms on telecommunications, such as Intelligent Network, mobile SMS center, PHS data service platform, SMS Gateway, WAP Gateway and Call Center. In the last three years, Mr. Jiang did not hold any directorships in public companies listed on any securities market in Hong Kong or overseas.

Mr. Jiang will not enter into any service agreement with the Company. There is no fixed term for Mr. Jiang's office and he will receive no fix remuneration for holding the office of an executive Director. Mr. Jiang may, however, be paid a discretionary director's fee in a sum to be determined by the remuneration committee of the Company with reference to his performance by the end of each financial year. Mr. Jiang is subject to retirement by rotation and re-election in accordance with the Articles of Association.

As at the date of this announcement, Mr. Jiang is interested in 6,872,447 ordinary shares in the Company by way of corporate interest within the meaning of Part XV of the SFO. He does not have any relationship with any Directors, senior management of the Company or substantial or controlling Shareholders. Mr. Jiang confirmed that there are no other matters that need to be brought to the attention of the Shareholders and there are no information that should be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

#### **APPOINTMENT OF NON-EXECUTIVE DIRECTORS**

Ms. Shen Lipu and Mr. Song Jung were appointed as non-executive Directors at the AGM. The following are particulars of Ms. Shen and Mr. Song:

##### **Ms. Shen Lipu**

Ms. Shen Lipu (沈麗普), aged 37, is an economist. She obtained a bachelor's degree from Hangzhou Dianzi University, Zhejiang Province, the PRC and a master's degree from Central University of Finance and Economics, Beijing, the PRC. She worked in the international cooperation department, and the corporate & asset management department of CNSS, a substantial shareholder of the Company. She held the positions of deputy general manager and general manager of the corporate & asset management department of CNSS since 2004, and from 2010, she has been serving as the general manager of the investment department. In the last three years, Ms. Shen did not hold any other directorships in public companies listed on any securities market in Hong Kong or overseas.

Ms. Shen has been appointed as a non-executive Director for a term of two years commencing from 18 May 2011. She will not enter into any service agreement with the Company and she will receive no fix remuneration for holding the office of a non-executive Director. Ms. Shen may, however, be paid a discretionary director's fee in a sum to be determined by the remuneration committee of the Company with reference to her performance by the end of each financial year. Ms. Shen is subject to retirement by rotation and re-election in accordance with the Articles of Association.

Ms. Shen does not have any interest in the shares of the Company within the meaning of Part XV of the SFO, nor does she have any relationship with any Directors, senior management of the Company or substantial or controlling Shareholders. Ms. Shen confirmed that there are no other matters that need to be brought to the attention of the Shareholders and there are no information that should be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

### **Dr. Song Jun**

Dr. Song Jun (宋軍), aged 50, obtained a doctorate degree from Tsinghua University, Beijing, the PRC in 1990. He is a professor and also currently the vice president and secretariat of Tsinghua University Education Foundation. He had held the positions of chairman and president of Tsinghua Holdings Co., Ltd. and director or chairman of over ten affiliates of Tsinghua Holdings Co., Ltd. He has extensive experience in management and operation. Dr. Song is currently an independent non-executive director of China Glass Holdings Limited, a company listed on The Stock Exchange of Hong Kong Limited (stock code: 3300), an independent director of China Fiberglass Company Ltd., a company listed on the Shanghai Stock Exchange (stock code: 600176); and an independent director of Gemdale Corporation, a company listed on the Shanghai Stock Exchange (stock code: 600383). Save as disclosed, in the last three years, Dr. Song did not hold any other directorships in public companies listed on any securities market in Hong Kong or overseas.

Dr. Song has been appointed as a non-executive Director for a term of two years commencing from 18 May 2011. He will not enter into any service agreement with the Company and he will receive no fix remuneration for holding the office of a non-executive Director. Dr. Song may, however, be paid a discretionary director's fee in a sum to be determined by the remuneration committee of the Company with reference to his performance by the end of each financial year. Dr. Song is subject to retirement by rotation and re-election in accordance with the Articles of Association.

Dr. Song does not have any interest in the shares of the Company within the meaning of Part XV of the SFO, nor does he have any relationship with any Directors, senior management of the Company or substantial or controlling Shareholders. Dr. Song confirmed that there are no other matters that need to be brought to the attention of the Shareholders and there are no information that should be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

## **GENERAL**

The Board would like to take this opportunity to express its appreciation for the efforts of Mr. Cui, Mr. Fang and Mr. Liu and their valuable contributions to the Group during their tenure of office with the Company, and to also extend its warmest welcome to Mr. Jiang Xiaohai, Ms. Shen Lipu and Mr. Song Jun for joining the Board.

By order of the Board  
**Chinasoft International Limited**  
**Dr. CHEN Yuhong**  
*Chairman and Managing Director*

18 May 2011, Hong Kong

As at the date of this announcement, the Directors are as follows:

*Executive Directors:*

Dr. CHEN Yuhong (*Chairman and Managing Director*), Dr. TANG Zhenming, Mr. WANG Hui, Mr. JIANG Xiaohai

*Non-executive Directors:*

Dr. ZHANG Yaqin, Ms. SHEN Lipu and Dr. SONG Jun

*Independent Non-executive Directors:*

Mr. XU Zeshan, Mr. ZENG Zhijie, Dr. LEUNG Wing Yin

\* *For identification purposes only*