
IMPORTANT

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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant, or other professional adviser.

If you have sold or transferred all your shares in Superdata Software Holdings Limited (the “Company”), you should at once hand this circular to the purchaser or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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



SUPERDATA SOFTWARE HOLDINGS LIMITED **(速達軟件控股有限公司) ***

(Incorporated in the Cayman Islands with limited liability)

GENERAL MANDATES TO ISSUE NEW SHARES AND REPURCHASE SHARES

The notice convening the annual general meeting of the Company to be held at Small Connaught Room, 1/F, Mandarin Oriental Hong Kong, 5 Connaught Road Central, Hong Kong on Friday, 16 April 2004 at 11:00 a.m. (the “Annual General Meeting”) is set out on pages 63 to 66 of the annual report of the Company for the financial year ended 31 December 2003 (the “2003 Annual Report”).

A form of proxy for the Annual General Meeting is enclosed with the 2003 Annual Report. Whether or not you intend to be present at the Annual General Meeting, you are requested to complete the form of proxy and return it to the share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong in accordance with the instructions printed thereon by not less than 48 hours before the time fixed for the Annual General Meeting or any adjourned meeting thereof. Completion and return of a form of proxy will not preclude you from attending and voting at the Annual General Meeting in person should you so wish.

This circular will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from the date of its publications.

* For identification purposes only

22 March 2004

LETTER FROM THE CHAIRMAN



SUPERDATA SOFTWARE HOLDINGS LIMITED **(速達軟件控股有限公司)***

(Incorporated in the Cayman Islands with limited liability)

Executive Directors:

Mr. Cen Anbin (*Chairman*)

Mr. Zou Qixiong

Mr. Lin Gang

Non-Executive Directors:

Mr. Zhou Quan

Mr. Lin Dongliang

Mr. Jiao Shuge

Mr. Wang Lin

Independent Non-Executive Directors:

Dr. Lo Wing Yan, William, *JP*

Mr. Sun Tak Dee, Teddy

Registered Office:

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Hutchins Drive

P.O. Box 2681 GT

George Town

Grand Cayman

Cayman Islands

British West Indies

Principal Place of Business:

Room 2004

20th Floor

Gloucester Tower

The Landmark

Central

Hong Kong

22 March 2004

To shareholders of the Company

Dear Sir or Madam,

GENERAL MANDATES TO ISSUE NEW SHARES AND REPURCHASE SHARES

INTRODUCTION

The purpose of this circular is to provide you with the information with regard to the proposed resolutions at the annual general meeting (the “Annual General Meeting”) of Superdata Software Holdings Limited (the “Company”) to be held at the Small Connaught Room, 1/F, Mandarin Oriental Hong Kong, 5 Connaught Road Central, Hong Kong on Friday, 16 April 2004 at 11:00 a.m. relating to the granting to the directors of the Company (the “Directors”) the general mandates to allot, issue and deal with new shares of HK\$0.01 each (the “Shares”) in the capital of the Company and to repurchase Shares.

* For identification purposes only

LETTER FROM THE CHAIRMAN

BACKGROUND

On 19 May 2003 resolutions were passed by the then shareholders of the Company granting general unconditional mandates to the Directors to exercise the powers of the Company to:

- (a) allot, issue and otherwise deal with unissued Shares not exceeding 20% of the aggregate nominal value of the share capital of the Company in issue immediately after the completion of the placing and the capitalisation issue (“Share Offer”) referred to in the prospectus of the Company dated 28 May 2003;
- (b) repurchase Shares not exceeding 10% of the aggregate nominal value of the Shares in issue after the completion of the Share Offer; and
- (c) add to the general mandate for issuing Shares set out in paragraph (a) above the number of Shares repurchased by the Company pursuant to the repurchase mandate set out in paragraph (b) above.

The above general mandates will expire at the conclusion of the Annual General Meeting and the purpose of this circular is to request your support to renew the general mandates referred to below.

NEW ISSUE MANDATE AND THE EXTENSION THEREOF

At the Annual General Meeting to be held on Friday, 16 April 2004, an ordinary resolution (which is set out as Resolution No. 5(1) in the notice (the “Notice”) convening the Annual General Meeting) will be proposed which, if passed, will give the Directors a general mandate to allot, issue and otherwise deal with new Shares not exceeding 20% of the share capital of the Company in issue on the date of the passing of that resolution (the “New Issue Mandate”). In addition, conditional upon the proposed resolutions in relation to the New Issue Mandate and the Repurchase Mandate (as defined below) being passed at the Annual General Meeting, another ordinary resolution (which is set out as Resolution No. 5(3) in the Notice) will be proposed at the Annual General Meeting which, if passed, to extend the New Issue Mandate (the “Extension of the New Issue Mandate”) by the addition thereto of an amount representing the aggregate nominal amount of Shares which are repurchased by the Company pursuant to the Repurchase Mandate, provided that the amount of Shares so repurchased by the Company shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company on the date of passing the resolution. The New Issue Mandate and the Extension of the New Issue Mandate will provide flexibility for issuing new Shares when it is in the interests of the Company.

LETTER FROM THE CHAIRMAN

REPURCHASE MANDATE AND EXPLANATORY STATEMENT

At the Annual General Meeting, an ordinary resolution as set out as Resolution No. 5(2) in the Notice will also be proposed to grant the Directors a general mandate to repurchase Shares (the “Repurchase Mandate”) on the GEM of the Stock Exchange up to a limit of 10% in aggregate of the Company’s issued share capital at the date of passing the resolution.

An explanatory statement containing all relevant information relating to the Repurchase Mandate is set out in the Appendix to this circular. The information in the explanatory statement is to provide you with the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the Resolution No. 5(2) set out in the Notice to grant to the Directors the Repurchase Mandate at the Annual General Meeting.

GENERAL INFORMATION

The notice convening the Annual General Meeting is set out in the annual report of the Company for the year ended 31 December 2003 (the “2003 Annual Report”).

A form of proxy for the Annual General Meeting is enclosed with the 2003 Annual Report. Whether or not you intend to be present at the Annual General Meeting, you are requested to complete the form of proxy and return it to the Company’s share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong in accordance with the instructions printed thereon by not less than 48 hours before the time fixed for the Annual General Meeting or any adjournment thereof. Completion and return of a form of proxy will not preclude you from attending and voting at the Annual General Meeting in person should you so wish.

RECOMMENDATION

The Directors believe that the New Issue Mandate, the Repurchase Mandate and the Extension of the New Issue Mandate are in the best interests of the Company and its shareholders as a whole. An exercise of the New Issue Mandate (and the Extension of the New Issue Mandate, if applicable) will enable the Company to take advantage of market conditions to raise additional capital for the Company. In addition, based on the reasons for repurchases as set out in the paragraph headed “Reasons for repurchases” in the Appendix to this circular, the Directors believe that the proposal to grant them the Repurchase Mandate is in the interests of the Company and its shareholders. Accordingly, the Directors recommend you to vote in favour of the resolutions approving the New Issue Mandate, the Repurchase Mandate and the Extension of the New Issue Mandate.

Yours faithfully

Cen Anbin

Chairman

This is an explanatory statement given to all shareholders of the Company pursuant to Rule 13.08 of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) relating to the Resolution No. 5(2) set out in the Notice to be proposed at the Annual General Meeting authorising the Repurchase Mandate.

The explanatory statement contains all the information required pursuant to Rule 13.08 of the GEM Listing Rules.

1. SHARE CAPITAL

As at 19 March 2004, being the latest practicable date prior to the printing of this circular (the “Latest Practicable Date”) for ascertaining certain information herein), the issued capital of the Company comprised 400,000,000 Shares.

If the Resolution No. 5(2) set out in the Notice authorising the Directors to repurchase the Shares is passed at the forthcoming Annual General Meeting, and assuming that no new Shares are issued or repurchased prior to the date of passing the said resolution, based on the 400,000,000 Shares in issue as at the Latest Practicable Date, up to 40,000,000 Shares, representing 10% of the existing issued share capital of the Company, may be repurchased by the Company during the period from the date of passing the resolution and ending on the earliest of (i) the date of the next annual general meeting of the Company, (ii) the date by which the next annual general meeting of the Company is required to be held by the articles of association of the Company or applicable laws of the Cayman Islands and (iii) the date upon which the resolution is revoked or varied by shareholders of the Company in general meeting.

2. REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and its shareholders for the Directors to have a general authority from the Company’s shareholders to enable the Company to repurchase Shares in the market at any appropriate time. Such repurchase may, depending on market conditions and funding arrangements at that time, lead to 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 will benefit the Company and its shareholders.

3. FUNDING OF REPURCHASES

Repurchases must be funded out of funds legally available for the purpose in accordance with the memorandum and articles of association of the Company, the GEM Listing Rules and the applicable laws of the Cayman Islands. The Company may not repurchase its Shares on GEM for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time. The Directors propose that any repurchases of Shares under the Repurchase Mandate will be financed from the Company's internal resources.

4. GENERAL

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the financial statements contained in the 2003 Annual Report) in the event that the proposed repurchase of Shares was to be carried out in full at any time during the proposed period mentioned in the above paragraph headed "Share capital". However, the Directors expect to exercise such mandate if and to such extent only as they are satisfied that the exercise thereof will not have such a material adverse impact.

5. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange, prior to the Latest Practicable Date were as follows:

| | Traded prices | |
|---|-----------------|----------------|
| | Highest HK\$ | Lowest HK\$ |
| 2003 | | |
| June (from 6 June 2003 (<i>Note</i>)) | 0.32 | 0.30 |
| July | 0.46 | 0.29 |
| August | 0.51 | 0.35 |
| September | 0.51 | 0.38 |
| October | 0.46 | 0.40 |
| November | 0.48 | 0.44 |
| December | 0.49 | 0.46 |
| 2004 | | |
| January | 0.53 | 0.48 |
| February | 0.53 | 0.49 |
| March (up to the Latest Practicable Date) | 0.52 | 0.50 |

Note: The Company commenced the trading of the Shares on the Stock Exchange on 6 June 2003.

6. CODE ON TAKEOVERS AND MERGERS

If as a result of a repurchase of the Shares, a shareholder's proportionate interests in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of Rule 32 of the Hong Kong Code on Takeovers and Mergers (the "Takeovers Code"). Accordingly, a shareholder or group of shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code. As at the Latest Practicable Date, IDG Technology Venture Investment, Inc ("IDGVC") and Intel Pacific, Inc ("Intel"), which beneficially held 85,988,578 Shares (representing approximately 21.50% of the existing issued share capital of the Company) and 74,376,257 Shares (representing approximately 18.59% of the existing issued share capital of the Company) respectively were the only substantial shareholders (as defined in the GEM Listing Rules) holding more than 10% of the issued share capital of the Company. Should the power to repurchase Shares pursuant to the Repurchase Mandate be exercised in full and assuming there is no change in the respective present shareholdings of IDGVC and Intel in the Company, IDGVC and Intel would then be beneficially interested in 23.89% and 20.66% of the issued share capital of the Company respectively. Such increase will not give rise to an obligation to make a mandatory offer under Rule 26 of the Code.

Assuming that there is no issue of Share or repurchase of Shares in the Company between the Latest Practicable Date and the date of a repurchase, an exercise of the Repurchase Mandate whether in whole or in part will not result in less than the relevant prescribed minimum percentage of the Shares of the Company being held by the public as required by the Stock Exchange. The Directors have no intention to exercise the Repurchase Mandate to an extent as may result in a public shareholding of less than such prescribed minimum percentage.

7. CONNECTED PERSONS

No connected person (as defined in the GEM Listing Rules) has notified the Company that it has a present intention to sell any of the Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is exercised.

8. UNDERTAKING OF THE DIRECTORS

None of the Directors or, to the best of their knowledge, having made all reasonable enquiries, their associates (as defined in the GEM Listing Rules) have any present intention to sell any of the Shares to the Company or its subsidiaries if the Repurchase Mandate is exercised.

The Directors have undertaken to the Stock Exchange that they will exercise the Repurchase Mandate should it be granted in the Annual General Meeting, in accordance with the GEM Listing Rules and the applicable laws of the Cayman Islands, the jurisdiction in which the Company is incorporated.

9. REPURCHASE MADE BY THE COMPANY

The Company has made no repurchases of its own Shares (whether on the GEM or otherwise) in the previous six months.