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INFOSERVE[®]
Infoserve Technology Corp.
英普達資訊科技公司*

(incorporated in the Cayman Islands with limited liability)
(Stock code: 8077)

ANNOUNCEMENT

The Company has received a letter from the Stock Exchange giving notice that the Stock Exchange proposes to exercise its right to cancel the listing of the Company on the expiry of the six months period (the “Six Months Period”), namely 9th March, 2005, if the Company cannot submit a viable resumption proposal at least 10 business days before the expiry of the Six Months Period.

Completion of the Subscription Agreement is still subject to fulfillment of conditions including, among others, obtaining the consent in principle from the Stock Exchange to the resumption of trading in the Shares. The Company is currently negotiating with the Subscriber to extend the long stop date of the Subscription Agreement to a date beyond 30th September, 2004.

At the request of the Company, trading in the Shares on GEM has been suspended since 2:30 p.m. on 4th November, 2003 and will remain suspended until further notice.

Further announcement will be made by the Company as and when appropriate.

The Company announces that it has received a letter (the “Letter”) whereby the Company was informed that the GEM Listing Committee, at its meeting held on 9th September, 2004, endorsed the GEM Listing Division’s proposal to proceed to the cancellation of the Company’s listing pursuant to Rule 9.14 of the GEM Listing Rules.

The Letter serves as a notice pursuant to Rule 9.15 of the GEM Listing Rules and the Company is given notice that the Stock Exchange proposes to exercise its right to cancel the listing of the Company. The Company will have the Six Months Period from the date of the Letter for the submission of a valid resumption proposal and to remedy those matters that gave rise to the Stock Exchange’s proposal to cancel the listing of the Company. If the Company does not submit a valid resumption proposal at least 10 business days before the expiry of the Six Months Period, the GEM Listing Division will seek the approval of GEM Listing Committee to cancel the listing of the Company on the expiry of the Six Months Period, namely 9 March, 2005.

* *for identification purpose only*

The Stock Exchange has indicated in the Letter that a viable resumption proposal in the circumstances of the Company should be able to demonstrate the Company's compliance with the GEM Listing Rules and all applicable laws and regulations. In particular, the resumption proposal, if implemented, will need to demonstrate that the Company has a sufficient level of operations and management expertise on the business pursuits of the Company to warrant the continued listing of the Company's securities on the Stock Exchange.

RESUMPTION PROPOSAL

At the request of the Company, trading in the shares of the Company on the GEM has been suspended since 2:30 pm on 4th November, 2003. The Company has since been working with its advisors to submit a proposal (the "Resumption Proposal") for the purpose of resuming the trading of its shares on the GEM. The Resumption Proposal was first submitted to the Stock Exchange on 19th April, 2004, and was subsequently revised thereafter with the latest revision dated 2nd August, 2004 submitted to the Stock Exchange. The Company was informed by the Stock Exchange, by way of a letter dated 24th August, 2004, that the GEM Listing Division has rejected the Resumption Proposal on the basis that it was not a viable resumption proposal.

The Company subsequently informed the Stock Exchange, by way of its letter dated 2nd September, 2004, that it does not intend to appeal the decision of the GEM Listing Division but will resubmit a revised resumption proposal in due course.

SUBSCRIPTION AGREEMENT

Reference is made to the joint announcements of the Company and the Subscriber dated 1st April, 2004 and 13th May, 2004, and the circular of the Company dated 21st May, 2004 in relation to, amongst other things, (i) the Subscription Agreement; (ii) the Second Subscription Agreement; (iii) the Loan Capitalisation Agreement; (iv) the Whitewash Waiver; (v) the Disposal Agreements; (vi) the letter of advice of the independent financial adviser; and (vii) recommendation of the independent committee of the Board.

The long-stop date of the Subscription Agreement is 30th September, 2004. Completion of the Subscription Agreement is still pending upon fulfillment of conditions including, among others, obtaining the consent in principle from the Stock Exchange to the resumption of trading in the Shares. The Company is currently negotiating with the Subscriber to extend the long stop date of the Subscription Agreement to a date beyond 30th September, 2004.

Trading in the Shares on GEM will remain suspended until further notice. Further announcement will be made by the Company as and when appropriate.

By order of the board
Infoserve Technology Corp.
Yu Shu Kuen
Chairman

Hong Kong, 17th September, 2004

As at the date of this announcement, the Board comprises Mr. Yu Shu Kuen and Mr. Chang Hsia Hui, Michael (“Mr. Chang”) as executive Directors, Mr. Tsai Tun Chi as non-executive Director and Mr. Ip Man Tin, David and Mr. Leung Hong Tai as independent non-executive Directors.

The Directors (save for Mr. Chang who cannot be contacted at his last known correspondence addresses) jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than information relating to the Subscriber) and confirm having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than information relating to the Subscriber) have been arrived at after due and careful consideration and there are no other facts (other than information relating to the Subscriber) not contained in this announcement the omission of which would make any statement in this announcement (other than information relating to the Subscriber) misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM Website at www.hkgem.com for at least seven days from its date of publication.