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SJTU SUNWAY SOFTWARE INDUSTRY LIMITED

交大銘泰軟件實業有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8148)

**DISCLOSEABLE TRANSACTION
IN RELATION TO
THE ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF
BEAUHORSE PROFESSIONAL TRANSLATION LIMITED
AND
ISSUE OF CONSIDERATION SHARES**

Financial Adviser



招商證券(香港)有限公司

CHINA MERCHANTS SECURITIES (HK) CO., LTD.

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CHARACTERISTICS OF GEM OF STOCK EXCHANGE

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM-listed issuers.

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DEFINITIONS

In this circular, unless the context otherwise requires, the following words and expressions have the following meaning:

“ACP”	the average closing price per share of SJTU Shares for the 60 trading days on which SJTU Shares are traded on the Stock Exchange immediately prior to the Completion Date (exclusive of the Completion Date)
“Acquisition”	the acquisition of the entire issued share capital of Beauhorse by the Company from the Vendors pursuant to the Deed
“Adjusted Amount”	an amount equivalent to (Guaranteed Profit – Net Profit) x 4.2222 (subject to a maximum of HK\$2,311,080) to be deducted from the Consideration
“Associates”	has the meaning ascribed thereto under the GEM Listing Rules
“Beauhorse”	Beauhorse Professional Translation Limited, a limited company incorporated in Hong Kong on 18 April 1990
“Board”	the board of Directors of the Company
“business day”	a day (other than Saturday) on which banks in Hong Kong are generally open for business
“CCASS”	the Central Clearing and Settlement System established and operated by the Hong Kong Securities Clearing Company Limited
“Company”	SJTU Sunway Software Industry Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM
“Completion”	completion of the Deed
“Completion Date”	third business day after the Acquisition becoming unconditional on or before 22 October 2004 or such other date as the parties may agree in writing
“Conditions Precedent”	the conditions precedent which Completion is subject to, as mentioned in the Section “Conditions Precedent” above
“connected person(s)”	the meaning ascribed to it under the GEM Listing Rules

DEFINITIONS

“Consideration”	the consideration of HK\$5,911,080 payable by the Company to the Vendors for the Acquisition under the Deed
“Consideration Shares”	SJTU Shares of a value of HK\$2,311,080 to be issued and allotted to Mr. Ng at ACP to satisfy part of the consideration pursuant to the Deed, credited as fully paid
“Deed”	the Deed relating to the Sale and Purchase of Shares in Beauhorse Professional Translation Limited dated 23 August 2004 entered into between the Company, the Vendors and the Guarantors
“Directors”	the directors of the Company
“EIL”	Exclusive Investments Limited, a limited company incorporated in the British Virgin Islands on 20 July 1990
“GEM”	the Growth Enterprise Market operated by the Stock Exchange
“GEM Listing Committee”	has the meaning ascribed thereto under the GEM Listing Rules
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Guaranteed Profit”	the Net Profit being HK\$1,400,000.00
“Guarantors”	Mr. Ng Kai Ching, Arthur and Mr. Chan Ting Kwan, Tyrone
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	a third party who is independent of the Company and its subsidiaries and the connected person(s) of the Company and its subsidiaries
“Latest Practicable Date”	13 September 2004, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining and collation of relevant information contained in this circular
“Mr. Chan”	Mr. Chan Ting Kwan, Tyrone

DEFINITIONS

“Mr. Ng”	Mr. Ng Kai Ching, Arthur
“Net Profit”	the audited net profit of Beauhorse before tax, bank loan or overdraft interest, distribution of any dividend and extraordinary items for the period from 1 July 2004 to 30 June 2005
“PRC”	the People’s Republic of China but for the purposes of this circular excluding Hong Kong, Macau and Taiwan
“Sale Shares”	10,000 shares of HK\$1.00 each representing the entire issued share capital of Beauhorse
“SJTU Share(s)”	Ordinary share(s) of HK\$0.01 each in the capital of the Company which are listed on the Stock Exchange
“SLD”	Salt & Light Development Inc., a limited company incorporated in the British Virgin Islands on 14 May 1992
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendors”	Salt & Light Development Inc. and Exclusive Investments Limited
“2005 Accounts”	audited consolidated accounts (including a balance sheet and a profit and loss account) of Beauhorse for the financial year ending 30 June 2005
“Reviewed 2005 Accounts”	the report of the review of 2005 Accounts and statement of adjustment by an accounting firm being independent of both the Company and the Vendors as nominated by the President of the Hong Kong Society of Accountants upon the request of the board of directors of Beauhorse

LETTER FROM THE BOARD



SJTU SUNWAY SOFTWARE INDUSTRY LIMITED

交大銘泰軟件實業有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8148)

Executive Directors:

Sze Wai, Marco (*Chairman*)

He En Pei

Chu Chi Shing

Chiu Chi Shun, Clarence

Shang Guan Bu Yan

Chen Si Gen

Wang Hui Bo

He Zhan Tao

Chen Cheng Ping

Principal Office:

Units 2003 and 2005, 20th Floor

Great Eagle Centre

No. 23 Harbour Road

Wanchai

Hong Kong

Registered Office:

Century Yard, Cricket Square

Hutchins Drive, P. O. Box 2681GT

George Town, Grand Cayman

British West Indies

Independent non-executive directors:

Song Jing Sheng

Wang Tian Ye

15 September 2004

To the Shareholders

Dear Sir or Madam,

**DISCLOSEABLE TRANSACTION
IN RELATION TO
THE ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF
BEAUHORSE PROFESSIONAL TRANSLATION LIMITED
AND
ISSUE OF CONSIDERATION SHARES**

INTRODUCTION

On 23 August 2004, the Company entered into a Deed pursuant to which, inter alia, the Company agreed to acquire, and the Vendors agreed to sell to the Company, the entire issued share capital of Beauhorse for a consideration of HK\$5,911,080 subject to adjustment.

The Acquisition constitutes a discloseable transaction for the Company under the GEM Listing Rules. The purpose of this circular is to give you further information regarding the Acquisition.

* for identification only

LETTER FROM THE BOARD

THE DEED DATED 23 AUGUST 2004

1. Parties to the Deed

Purchaser: The Company

Vendors: SLD and EIL, each of them an Independent Third Party

Guarantors: Mr. Ng and Mr. Chan, each of them a shareholder of each of the Vendors and an Independent Third Party

2. Assets to be Acquired

The entire issued share capital of Beauhorse will be acquired. The audited total asset and net asset value of Beauhorse as at 30 June 2003 are HK\$2,999,841.00 and HK\$715,310.00 respectively. The unaudited total asset and net asset value of Beauhorse as at 30 June 2004 are HK\$3,681,336.55 and HK\$1,941,849.51 respectively.

3. Consideration

The aggregate consideration is HK\$5,911,080 which will be satisfied

- (a) as to HK\$3,100,000 payable in cash to Mr. Ng on behalf of the Vendors on (a) the earlier of (i) the 3rd business day after the establishment of a company in the PRC to employ those employees currently employed by Beauhorse in Shenzhen or (ii) 30th September 2004 or (b) the Completion Date, whichever is the later;
- (b) as to HK\$500,000 payable in cash to Beauhorse to satisfy certain debts owed by the Vendors to Beauhorse on the Completion Date; and
- (c) as to HK\$2,311,080 by the issue and allotment of the Consideration Shares at ACP subject to a cap of not more than 5% of the enlarged issued capital of the Company to Mr. Ng on behalf of the Vendors on the Completion Date.

The Consideration Shares represent approximately 39% of the aggregate Consideration of the Acquisition, payable by way of issue and allotment of a number of Consideration Shares to be determined according to the following formula:

$$\frac{\text{HK\$2,311,080}}{\text{ACP}}$$

Based on HK\$0.475 being the latest closing price per share of SJTU Shares as at the Latest Practicable Date, the Company will issue and allot 4,865,432 Consideration Shares representing approximately 2.4% of the existing issued share capital and 2.4% of the entire issued share capital of the Company as enlarged by such issue to Mr. Ng credited as fully paid.

LETTER FROM THE BOARD

Based on HK\$0.488083 being the average closing price per share of SJTU Shares for the 60 trading days on which SJTU Shares are traded on the Stock Exchange immediately prior to the Latest Practicable Date, the Company will issue and allot 4,735,015 Consideration Shares representing approximately 2.4% of the existing issued share capital and 2.3% of the entire issued share capital of the Company as enlarged by such issue to Mr. Ng credited as fully paid.

The issue and allotment of Consideration Shares will not result in a change of control of the Company.

The Consideration was arrived at after arm's length negotiations by reference to the Guaranteed Profit. The Consideration represents a price to earning ratio of approximately 4.2222 times to the Guaranteed Profit. The Consideration was based on various factors including: (i) Beauhorse is currently profit-making; (ii) the Guaranteed Profit guaranteed by the Vendors and the Guarantors; (iii) the future growth prospect of the business of Beauhorse; and (iv) the synergies between the business of the Company and Beauhorse. The Directors (including the independent non-executive Directors) consider the terms of the Deed and the Acquisition including the Consideration are fair and reasonable to and, are on normal commercial terms and in the interest of, the Company and the Shareholders as a whole.

The Consideration will be paid out of the internal resources of the Company.

The Consideration Shares will be issued under the general mandate granted to the Board in the annual general meeting of the Company held on 5 May 2004. The Consideration Shares, when issued and allotted, will rank *pari passu* in all respects with all SJTU Shares in issue including the right to any dividends or distributions made, declared or paid on or after the date of such issue and allotment.

LOCK-UP

The Guarantors and the Vendors agree that they shall not sell, contract to sell, deal in, grant options in respect of, charge, mortgage or otherwise dispose of or encumber, directly or indirectly, their interest in any of the Consideration Shares, at all times until the occurrence of the following events, whichever is applicable:–

- (a) the expiry of 7 days after the issue of the 2005 Accounts and statement of adjustment in the absence of any disputes on the 2005 Accounts showing that the Net Profits exceeds the Guaranteed Profit; or
- (b) the issue of the Reviewed 2005 Accounts showing that the Net Profit exceeds the Guaranteed Profit; or
- (c) full payment of the Adjusted Amount by the Vendors to the Company.

LETTER FROM THE BOARD

CONDITIONS PRECEDENT AND COMPLETION

Completion of the Acquisition is conditional upon, inter alia, the GEM Listing Committee of the Stock Exchange granting listing of and permission to deal in the Consideration Shares on or before 22 October 2004 or such other date as the parties may agree in writing.

Completion will take place on the third business day after the Acquisition becoming unconditional on or before 22 October 2004 or such other later date as may be agreed between the parties in writing.

At Completion, Mr. Ng will enter into a service agreement with the Company to serve as a vice-president of the Company and a director and general manager of Beauhorse for a term of 3 years.

PROFIT GUARANTEE BY THE VENDORS

The Vendors jointly and severally and the Guarantors severally guaranteed to the Company that the Guaranteed Profit would not be less than HK\$1.4 million. The Consideration will be adjusted upon the occurrence of any of the following events, whichever is applicable:–

- (1) If the Net Profit falls short of the Guaranteed Profit, the Consideration will be adjusted and the Vendors undertake to pay the Company the Adjusted Amount by:–
 - (a) selling and transferring to such investors, directly or through placing agent designated by the Company as the Company may direct, such amount of Consideration Shares at the price(s) bona fide offered by such investors or ACP, whichever is the higher, as is sufficient as much as possible to repay the Adjusted Amount to the Company out of the sale proceeds subject to a maximum value of HK\$2,311,080; and
 - (b) if (a) is not sufficient, paying up to HK\$600,000 in cash to the Company.
- (2) If the Net Profit exceeds the Guaranteed Profit, the Consideration will be adjusted by adding an amount calculated by multiplying such excess by 4.2222 (subject to a maximum amount of HK\$2,311,080) and such amount shall be paid to the Vendors in cash.

As the Company may direct the Vendors to sell the Consideration Shares to investors or placing agent designated by the Company, the Company will take appropriate steps to ensure that the Consideration Shares will be sold to Independent Third Parties or otherwise will ensure compliance with the GEM Listing Rules and the Codes of Takeovers and Mergers and Share Repurchases in such sale of the Consideration Shares and notify the Stock Exchange prior to such sale.

LETTER FROM THE BOARD

The Company will make an announcement in the event that the Net Profit is materially less than the Guaranteed Profit.

GUARANTEE BY THE GUARANTORS

The Guarantors unconditionally and irrevocably guaranteed to the Company the due and punctual performance and observance by the Vendors of all its obligations, commitments, undertakings, warranties, indemnities and covenants under or pursuant to the Deed and agree to indemnify the Company against all losses, damages, costs and expenses (including legal costs and expenses) which the Company may suffer through or arising from any breach by the Vendors of such obligations, commitments, warranties, undertakings, indemnities or covenants.

INFORMATION ON THE COMPANY

The Company is principally engaged in the provision of information localization services and translation services.

INFORMATION ON THE VENDORS

SLD is an investment holding company and owned as to 85% and 15% by Mr. Ng and Mr. Chan respectively. EIL is also an investment holding company and owned as to 85% and 15% by Mr. Ng and Mr. Chan respectively. The sole business of SLD and EIL is the holding of 90% and 10% shares respectively in Beauhorse. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Vendors and their ultimate beneficial owners is an Independent Third Party.

INFORMATION ON BEAUHORSE

Beauhorse was established by EIL and commenced business in the 2nd half of year 1990. On 23 February 1998, SLD acquired 90% shareholding of Beauhorse.

Beauhorse is principally engaged in rendering professional translation services of various documents including but not limited to financial and legal documents such as prospectuses, annual reports and contract etc to corporate clients and listed companies in Hong Kong and the PRC.

Beauhorse recorded audited net profits before and after tax of HK\$462,624.00 and HK\$303,898.00 respectively for the financial year ended 30 June 2002 and HK\$162,873.00 and HK\$158,035.00 respectively for the financial year ended 30 June 2003. The unaudited net profit of Beauhorse before tax for the financial year ended 30 June 2004 is HK\$1,280,853.93.

Upon Completion, Beauhorse will become a wholly owned subsidiary of the Company.

LETTER FROM THE BOARD

REASONS FOR THE ACQUISITION

The Directors consider that the Acquisition enables the Company to expand its business to those relating to the provision of translation services by using the knowhow of and the existing client base of Beauhorse. Accordingly, the Directors believe that the terms of the Deed are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Directors, however, does not expect that the Acquisition will have any immediate impact either on the earnings or the assets and liabilities of the Company upon Completion.

GENERAL

The Directors consider that the Deed was entered into on normal commercial terms in the ordinary and usual course of business of the Company and that the terms of the Deed are fair and reasonable in the interests of the Company so far as the shareholders of the Company are concerned.

The Consideration Shares will be allotted and issued pursuant to the general mandate granted to the Directors by the shareholders of the Company at the annual general meeting of the Company held on 5 May 2004.

The Company will make an application to the Listing Committee of GEM for the listing of, and permission to deal in the Consideration Shares to be issued pursuant to the Deed.

Your attention is also drawn to the additional information set out in the appendix to this circular.

By Order of the Board
SJTU Sunway Software Industry Limited
Sze Wai, Marco
Chairman

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:

- (a) the information contained in this circular is accurate and complete in all material respects and not misleading;
- (b) there are no other matters the omission of which would make any statement in this circular misleading; and
- (c) 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.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at the Latest Practicable Date, none of the Directors and chief executives of the Company had any interest or short position in any shares or underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which are required:–

- (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of SFO (including interests or short positions which he is taken or deemed to have under such provisions of SFO); or
- (b) pursuant to section 352 of SFO, to be entered in the register referred to therein; or
- (c) pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transaction by Directors to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as is known to any Director or chief executive of the Company, the persons/entities (not being a Director or chief executive of the Company) who have interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO are as follows:

Name	Nature of Interest	Number of SJTU Shares (Note 1)	Approximate Percentage of Shareholding
Futart Industry Company Limited ("Futart")	Beneficial owner	64,355,828 (L)	32.18%
Start Technology Company Limited ("Start Technology")	Interest of a controlled corporation (Note 2)	64,355,828 (L)	32.18%
Simplex Technology Investment (HongKong) Co. Limited ("Simplex")	Beneficial owner	22,528,484 (L)	11.26%
Shanghai Jiaoda Industrial Investment Management (Group) Limited ("Jiaoda Industrial Group")	Interest of a controlled corporation (Note 3)	22,528,484 (L)	11.26%
Shanghai Jiao Tong University	Interest of a controlled corporation (Note 3)	22,528,484 (L)	11.26%
Hongkong Sunway Technology Development Limited ("HK Sunway")	Beneficial owner	20,157,157 (L)	10.08%
Diginet Investment Limited ("Diginet")	Beneficial owner	14,653,812 (L)	7.33%
Optipure Industries Limited ("Optipure")	Interest of a controlled corporation (Note 4)	14,653,812 (L)	7.33%
Mr. Ko Wing Leung, Stephen ("Mr. Ko")	Interest of a controlled corporation (Note 4)	14,653,812 (L)	7.33%

Notes:

1. The Letter "L" denotes the entity's interests in the SJTU Shares.

2. The interests in the SJTU Shares were through Futart, the entire issued share capital of which was beneficially owned by Start Technology, a company whose shares are listed on the Main Board of the Stock Exchange. The issued shares capital of Start Technology was owned as to approximately 25.05% by Leading Value Industrial Limited which was in turn owned as to 50% by Mr. Sze Wai, Marco, an executive Director and 50% by Mr. Li Kwong Keung.
3. The interests in SJTU Shares were held through Simplex, the entire issued share capital of which was beneficially owned by Jiaoda Industrial Group. The registered capital of Jiaoda Industrial Group was owned as to 96.735% by Shanghai Jiaoda Enterprise Management Centre, an entity wholly owned by Shanghai Jiao Tong University.
4. The interests in SJTU Shares were held through Diginet, the entire issued share capital of which was beneficially owned by Optipure, which was in turn beneficially owned by Mr. Ko.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors knows of any persons/entities (not being a Director or chief executive of the Company) who had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was interested in 10% or more of the equity interests of the subsidiaries of the Company.

LITIGATION

As at the Latest Practicable Date, none of the members of the Company and Beauhorse is engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened by or against any member of the Company.

SERVICE CONTRACTS

As at the Latest Practicable Date, each of the executive Directors has entered into a service contract with the Company for an initial term of three years commencing from 1 November 2003, and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other at the end of the initial term or anytime thereafter.

Save as disclosed above, none of the Directors has entered into any service agreements with the Company or any of its subsidiaries (excluding contracts expiring or determinable by the employer within one year without payment of compensation other than statutory compensation).

COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors or the management shareholders of the Company or their respective Associates has any interests in a business which competes or may compete with the business of the Company.

SPONSOR'S INTEREST

Pursuant to the agreement dated 31 December 2003 entered into between the Company and Core Pacific – Yamaichi Capital Limited (“CPY Capital”), CPY Capital acts as the Company’s on-going sponsor for a period commencing from 9 January 2004 to 31 December 2006 and CPY Capital will receive fees for acting as the Company’s continuing sponsor.

As at the Latest Practicable Date, and as notified and updated by CPY Capital pursuant to Rule 6.35 of the GEM Listing Rules, none of CPY Capital, its directors, employees or associates, has any interest in the share capital of the Company or any of its subsidiaries, or any right to subscribe for or to nominate persons to subscribe for the share capital of the Company or its subsidiaries.

General

- (a) The registered office of the Company is at Century Yard, Cricket Square, Hutchins Drive, P. O. Box 2681GT, George Town, Grand Cayman, British West Indies.
- (b) The head office and principal place of business of the Company in Hong Kong is at Units 2003 and 2005, 20th Floor, Great Eagle Centre, No. 23 Harbour Road, Wanchai, Hong Kong.
- (c) The branch share registrar and transfer office of the Company in Hong Kong is Tengis Limited at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong.
- (d) The Company Secretary and Qualified Accountant of the Company is Ms. Wong Tik. Ms. Wong is an associate member of Hong Kong Society of Accountants.
- (e) The Compliance Officer of the Company is Mr. Chu Chi Shing. Mr. Chu holds a Bachelor’s Degree in Computer Science.
- (f) The Company has established an audit committee on 25 November 2003 with written terms of reference in compliance with Rules 5.23, 5.24 and 5.25 of the GEM Listing Rules. The primary duties of the audit committee are to review the annual reports and accounts, interim reports and quarterly reports of the Company, and to provide relevant recommendations and advice to the Board and supervise the financial reporting process and internal control systems of the Company. The audit committee has two members comprising Mr. Wang Tian Ye and Mr. Song Jing Sheng, the independent non-executive Directors and Mr. Wang is the chairman of the audit committee.

Mr. Wang is an independent non-executive Director of the Company. Mr. Wang graduated from the Macquaire University, Australia with a Master's Degree in Applied Finance. He is also a senior Associate of Australian Institute of Banking and Finance. Mr. Wang had served the Bank of China, Beijing Branch, for more than ten years and was once the deputy general manager of the Sydney Branch. He has extensive experience in the banking industry and investment in the PRC and Australia. Mr. Wang is also an independent non-executive director of Everest International Investments Limited. Save as disclosed above, Mr. Wang is not a director of any other companies listed on the Stock Exchange or in any other jurisdiction.

Mr. Song is an independent non-executive Director of the Company. Mr. Song graduated from the postgraduate school of Chinese Academy of Social Sciences (中國社會科學院) majoring in Finance in July 1998. Mr. Song has extensive experience in the banking and finance industry in the PRC. Mr. Song is not a director of any other Companies listed on the Stock Exchange or in any other jurisdiction.

- (g) The authorized share capital of the Company is HK\$40,000,000 divided into 4,000,000,000 SJTU Shares of HK\$0.01 each. As at the Latest Practicable Date, the issued share capital of the Company is HK\$2,000,000 divided into 200,000,000 SJTU Shares of HK\$0.01 each.
- (h) Dealings in SJTU Shares may be settled through the CCASS and investors should seek the advice of their stockbroker or other professional adviser for details of those settlement arrangements and how such arrangements will affect their rights and interests.
- (i) The English text of this circular shall prevail over the Chinese text.