
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your 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 Kingdee International Software Group Company Limited, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission.



KINGDEE INTERNATIONAL SOFTWARE GROUP COMPANY LIMITED

金蝶國際軟件集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 268)

**GENERAL MANDATES FOR THE ISSUE AND REPURCHASE BY
THE COMPANY OF ITS OWN SECURITIES;
RE-ELECTION OF DIRECTORS;
PAYMENT OF FINAL DIVIDEND OUT OF
SHARE PREMIUM ACCOUNT
AND
NOTICE OF AGM**

A notice convening the AGM to be held at Kingdee Software Park, No. 2 Kejinan 12 Road, South District, High-Tech Industrial Park, Nanshan District, Shenzhen, Guangdong Province, the PRC on Tuesday, 12 May 2020 at 9:30 a.m. is set out in this circular on pages 18 to 22. A form of proxy for use at the AGM is also enclosed with this circular. Whether or not you intend to attend the AGM, you are requested to complete the enclosed form of proxy and return it in accordance with the instructions printed thereon as soon as possible to the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Room 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, and in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. The completion and delivery of the form of proxy will not preclude you from attending and voting at the AGM or any adjournment if you so wish.

PRECAUTIONARY MEASURES FOR THE AGM

Please see page 1 of this circular for measures being taken to try to prevent and control the spread of the Coronavirus at the AGM, including:

- **compulsory temperature checks and health declarations**
- **wearing of surgical face masks**
- **no distribution of corporate gifts and refreshments**

Any person who does not comply with the precautionary measures may be denied entry into the AGM venue. The Company encourages attendees to wear face masks and reminds the Shareholders that they may appoint the chairman of the AGM as their proxy to vote on the relevant resolutions at the AGM as an alternative to attending the AGM in person.

9 April 2020

CONTENTS

	<i>Pages</i>
PRECAUTIONARY MEASURES FOR THE AGM	1
DEFINITIONS	2
LETTER FROM THE BOARD	4
INTRODUCTION	5
GENERAL MANDATES TO ISSUE AND REPURCHASE SECURITIES	5
RE-ELECTION OF DIRECTORS	6
PAYMENT OF FINAL DIVIDEND OUT OF SHARE PREMIUM ACCOUNT ..	8
AGM	10
RECOMMENDATION	10
APPENDIX I – EXPLANATORY STATEMENT	11
APPENDIX II – RE-ELECTION OF DIRECTORS	14
NOTICE OF ANNUAL GENERAL MEETING	18

PRECAUTIONARY MEASURES FOR THE AGM

In view of the ongoing Novel Coronavirus (COVID-19) epidemic and recent requirements for prevention and control of its spread, the Company will implement the following preventive measures at the AGM to protect the Shareholders, staff and other stakeholders from the risk of infection:

- (i) compulsory body temperature checks will be conducted on every Shareholder, proxy and other attendee at the entrance of the AGM venue. Any person with a body temperature of over 37.2 degrees Celsius may be denied entry into the AGM venue or be required to leave the AGM venue;
- (ii) all Shareholders, proxies and other attendees are required to complete and submit at the entrance of the AGM venue a declaration form confirming their names and contact details, and confirming that they have not travelled to, or to their best of knowledge had no physical contact with any person who has recently travelled to, any affected countries or areas at any time in the preceding 14 days. Any person who does not comply with this requirement may be denied entry into the AGM venue or be required to leave the AGM venue;
- (iii) the Company requires attendees to wear surgical face masks inside the AGM venue at all times, and to maintain a safe distance between seats; and
- (iv) no refreshments will be served, and there will be no corporate gifts.

To the extent permitted under law, the Company reserves the right to deny entry into the AGM venue or require any person to leave the AGM venue in order to ensure the safety of the attendees at the AGM.

In the interest of all stakeholders' health and safety, the Company reminds all Shareholders that physical attendance in person at the AGM is not necessary for the purpose of exercising voting rights. As an alternative, by using proxy forms with voting instructions inserted, Shareholders may appoint the chairman of the AGM as their proxy to vote on the relevant resolutions at the AGM instead of attending the AGM in person.

The proxy form is enclosed with this circular for the Shareholders who opt to receive physical circulars. Alternatively, the proxy form can be downloaded from the "Announcement & Circulars" section of the Company's website at <https://ir.kingdee.com/en/Announcements-Circulars>. If you are not a registered Shareholder (i.e. if your Shares are held via banks, brokers, custodians or Hong Kong Securities Clearing Company Limited), you should consult directly with your banks or brokers or custodians (as the case may be) to assist you in the appointment of proxy.

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“AGM”	the annual general meeting of the Company to be held at Kingdee Software Park, No. 2 Kejinan 12 Road, South District, High-Tech Industrial Park, Nanshan District, Shenzhen, Guangdong Province, the PRC on Tuesday, 12 May 2020 at 9:30 a.m.
“AGM Notice”	the notice convening the AGM
“Articles of Association”	the articles of association of the Company
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	Kingdee International Software Group Company Limited, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the main board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Final Dividend”	the proposed final dividend of RMB1.1 cents (equivalent to approximately HKD1.2 cents) per Share as recommended by the Board
“Group”	the Company and its subsidiaries
“HK\$” or “HKD”	Hong Kong dollars, being the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	2 April 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“PRC”	The People’s Republic of China
“Register of Members”	the principal or branch register of members of the Company maintained in the Cayman Islands or Hong Kong, respectively
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of HK\$0.025 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Share Premium Account”	the share premium account of the Company, the amount standing to the credit of which was approximately RMB2,963,096,000 as at 31 December 2019 based on the audited consolidated financial statements of the Group as at that date
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs approved by the Securities and Futures Commission of Hong Kong amended from time to time

LETTER FROM THE BOARD



KINGDEE INTERNATIONAL SOFTWARE GROUP COMPANY LIMITED

金蝶國際軟件集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 268)

Executive Directors:

Mr. Xu Shao Chun

Mr. Lin Bo

Non-executive Directors:

Ms. Dong Ming Zhu

Mr. Zhou Bo Wen

Independent Non-executive Directors:

Mr. Gary Clark Biddle

Mr. Cao Yang Feng

Mr. Liu Chia Yung

Registered Office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Head Office and Principal Place of

Business in the PRC:

Kingdee Software Park

No. 2 Kejinan 12 Road

South District

High-Tech Industrial Park

Nanshan District

Shenzhen, Guangdong Province

PRC

Principal Place of Business

in Hong Kong:

9/F, York House

The Landmark

15 Queen's Road

Central

Hong Kong

9 April 2020

LETTER FROM THE BOARD

To the Shareholders

Dear Sirs or Madams,

**GENERAL MANDATES FOR THE ISSUE AND REPURCHASE BY THE
COMPANY OF ITS OWN SECURITIES;
RE-ELECTION OF DIRECTORS;
PAYMENT OF FINAL DIVIDEND OUT OF
SHARE PREMIUM ACCOUNT**

INTRODUCTION

At the AGM, the Shareholders will be asked to consider and approve: inter alia, (i) the grant of general mandates to the Directors for the issue and repurchase of the securities of the Company up to 20% and 10%, respectively of the total number of Shares in issue as at the date of passing such resolutions, and the extension of the general mandate to the Directors to issue securities to include the total number of Shares repurchased under the repurchase mandate; (ii) the re-election of Directors who are due to retire at the AGM and are eligible and willing to offer themselves to be re-elected (including the re-election of a Director who has served the Company for more than nine years); and (iii) the declaration and payment of the Final Dividend out of the Share Premium Account.

The purpose of this circular is to provide you with details regarding each of the matters referred to above, to set out information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolutions at the AGM.

GENERAL MANDATES TO ISSUE AND REPURCHASE SECURITIES

At the annual general meeting of the Company convened on 15 May 2019, ordinary resolutions were passed for the grant of general mandates authorizing the Directors (i) to allot, issue and deal with the Shares not exceeding 20% of the total number of Shares in issue as at that date (“**Issue Mandate**”), and (ii) to repurchase the Shares on the Stock Exchange (“**Repurchase Mandate**”) not exceeding 10% of the total number of Shares in issue as at that date. The Issue Mandate and the Repurchase Mandate will expire at the conclusion of the AGM.

New general mandates to allot, issue and deal with the securities of the Company up to 20% (“**Proposed Issue Mandate**”) and to repurchase securities up to 10% (“**Proposed Repurchase Mandate**”), respectively of the total number of Shares in issue as at the date of passing Resolutions 5(A) and 5(B) of the AGM Notice will be proposed at the AGM. A resolution authorizing the extension of the Proposed Issue Mandate (“**Proposed Extension Mandate**”) to include the total number of Shares (if any) repurchased under the Proposed Repurchase Mandate (provided that such amount shall not exceed 10% of the total number of Shares in issue as at the date of passing the resolution) will be proposed at the AGM.

LETTER FROM THE BOARD

With regard to the proposed new general mandates, the Directors wish to state that they had no immediate plans to issue or repurchase any securities of the Company pursuant to the relevant mandates as at the Latest Practicable Date.

As at the Latest Practicable Date, the Company had 3,327,368,571 Shares in issue. Subject to the passing of the ordinary resolution approving the Proposed Issue Mandate and on the basis that no further Shares are issued or repurchased prior to the AGM, the exercise of the Proposed Issue Mandate in full would enable the Company to issue a maximum of 665,473,714 Shares. The grant of the Proposed Issue Mandate will provide the Directors with flexibility to issue Shares when it is in the interest of the Company to do so.

Subject to the passing of the ordinary resolution approving the Proposed Repurchase Mandate and on the basis that no further Shares are issued or repurchased prior to the AGM, the exercise of the Proposed Repurchase Mandate in full would enable the Company to repurchase a maximum of 332,736,857 Shares.

Subject to the passing of the relevant ordinary resolutions at the AGM, the Proposed Issue Mandate and the Proposed Repurchase Mandate will continue to be in force until, the earlier of:

- (a) the conclusion of the first annual general meeting of the Company following the passing of the resolution at which time the Proposed Issue Mandate and the Proposed Repurchase Mandate shall lapse unless, by ordinary resolution passed at that meeting, the Proposed Issue Mandate and the Proposed Repurchase Mandate are renewed, either conditionally or subject to conditions; or
- (b) the revocation or variation of the authority given under Resolutions 5(A) and 5(B) as set out in the AGM Notice by an ordinary resolution of the Shareholders in a general meeting of the Company.

An explanatory statement containing the particulars required by the Listing Rules to enable the Shareholders to make an informed decision on whether to vote for or against the resolution to be proposed at the AGM in relation to the Proposed Repurchase Mandate is set out in Appendix I to this circular.

RE-ELECTION OF DIRECTORS

As at the Latest Practicable Date, the Board consisted of seven Directors, namely Mr. Xu Shao Chun, Mr. Lin Bo, Ms. Dong Ming Zhu, Mr. Zhou Bo Wen, Mr. Gary Clark Biddle, Mr. Cao Yang Feng and Mr. Liu Chia Yung.

According to Article 116 of the Articles of Association, at each annual general meeting, one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third, shall retire from office by rotation such that each Director (including those appointed for a specific term) will be subject

LETTER FROM THE BOARD

to retirement by rotation at least once every three years at the annual general meetings. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree between themselves) be determined by lot. A retiring Director shall retain office until the close of the meeting at which he retires, and shall be eligible for re-election thereat.

The nomination committee of the Company (the “**Nomination Committee**”), having reviewed the Board’s composition, and noted that, pursuant to Article 116 of the Articles of Association and the prevailing nomination policy of the Company (the “**Nomination Policy**”), Mr. Lin Bo, Mr. Gary Clark Biddle and Mr. Liu Chia Yung is eligible for re-election, nominated Mr. Lin Bo, Mr. Gary Clark Biddle and Mr. Liu Chia Yung to the Board for it to recommend to Shareholders for re-election at the AGM. Additionally, Mr. Zhou Bo Wen who was appointed as a non-executive Director on 18 March 2020 shall hold office only until the AGM and shall also be eligible for re-election at the AGM. Mr. Liu Chia Yung, who is a member of the Nomination Committee, abstained from voting on the nomination when he was being considered. The nomination was made in accordance with the Nomination Policy and took into account the diversity aspects (including without limitation, gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service), with due regard for the benefits of diversity, as set out under the board diversity policy of the Company (the “**Board Diversity Policy**”).

The Nomination Committee also took into account Mr. Gary Clark Biddle, Mr. Liu Chia Yung and Mr. Zhou Bo Wen’s vast experience in the strategic and business management and their contributions to the Board. Neither Mr. Gary Clark Biddle nor Mr. Liu Chia Yung hold any cross-directorships or have any significant links with other Directors through involvement in other companies or bodies.

Mr. Gary Clark Biddle would have served for more than nine years as at the date of the AGM. Mr. Gary Clark Biddle has confirmed his independence with reference to the factors as set out in Rule 3.13 of the Listing Rules. Notwithstanding his years of service as an independent non-executive Director, (i) the Board has assessed and reviewed his annual confirmation of independence based on the criteria as set out in Rule 3.13 of the Listing Rules and affirmed that Mr. Gary Clark Biddle remains independent; (ii) the Nomination Committee has assessed and is satisfied with the independence of Mr. Gary Clark Biddle; and (iii) the Board is satisfied that through exercising scrutinising and monitoring functions as an independent non-executive Director, Mr. Gary Clark Biddle has continued to provide independent and objective judgement and advice to the Board to safeguard the interests of the Group and the Shareholders. As such, the Board believes that Mr. Gary Clark Biddle has the character, integrity, independence and expertise to continue to fulfill his role as an independent non-executive Director effectively and will continue to bring valuable experience, knowledge and professionalism to the Board and would recommend Mr. Gary Clark Biddle for re-election as an independent non-executive Director at the AGM.

LETTER FROM THE BOARD

The Board accepted the nomination from the Nomination Committee and recommended Mr. Lin Bo, Mr. Gary Clark Biddle, Mr. Liu Chia Yung and Mr. Zhou Bo Wen to stand for re-election by Shareholders at the AGM. The Board considers that the re-election of each of Mr. Lin Bo, Mr. Gary Clark Biddle, Mr. Liu Chia Yung and Mr. Zhou Bo Wen as a Director is in the best interest of the Company and the Shareholders as a whole. Mr. Liu Chia Yung abstained from the discussion and voting at the meeting of the Nomination Committee regarding his nomination for re-election. Each of Mr. Lin Bo, Mr. Gary Clark Biddle, Mr. Liu Chia Yung and Mr. Zhou Bo Wen has indicated his willingness to offer himself for re-election at the AGM and abstained from the discussion and voting at the Board meeting regarding his re-election.

Brief biographical details of the retiring Directors for re-election are set out in Appendix II to this circular.

Further information about the Board's composition and diversity (including Directors' gender, age, length of services and skill matrix), Directors' attendance record at Board/committee meetings, and the number of other public companies directorships held by Directors are disclosed in the Corporate Governance Report of the 2019 Annual Report of the Company.

If a valid notice from a Shareholder to propose a person to stand for election as a Director at the AGM is received after the publication of the AGM Notice in accordance with Article 120 of the Articles of Association, the Company will issue a supplementary circular to inform the Shareholders of the details of the additional candidate proposed.

PAYMENT OF FINAL DIVIDEND OUT OF SHARE PREMIUM ACCOUNT

Reference is made to the announcement of the Company dated 18 March 2020 regarding the annual results of the Group for the year ended 31 December 2019, including the proposed payment of the Final Dividend out of the Share Premium Account.

The Board recommends the declaration and payment of the Final Dividend (i.e. RMB1.1 cents (equivalent to approximately HKD1.2 cents) per Share out of the Share Premium Account for the year ended 31 December 2019.

As at the Latest Practicable Date, the Company had 3,327,368,571 Shares in issue. Based on that, the Final Dividend, if declared and paid, will amount to approximately RMB37,000,000 (equivalent to approximately HK\$41,304,000).

Subject to the fulfillment of the conditions set out below, the Final Dividend is intended to be paid out of the Share Premium Account. As at 31 December 2019, based on the audited consolidated financial statements of the Group, the amount standing to the credit of the Share Premium Account were approximately RMB2,963,096,000. Following the payment of the Final Dividend, there will be a remaining balance of approximately RMB2,926,096,000 standing to the credit of the Share Premium Account.

LETTER FROM THE BOARD

Conditions

The payment of the Final Dividend out of the Share Premium Account is conditional upon the satisfaction of the following conditions: (a) subject to the approval of the Shareholders at the AGM approving the declaration and payment of the Final Dividend out of the Share Premium Account by way of passing of the relevant special resolution pursuant to Article 63(b) of the Articles of Association; and (b) the Directors being satisfied that there are no reasonable grounds for believing that the Company is, immediately following the date on which the Final Dividend is paid, unable to pay its debts as they fall due in the ordinary course of business.

Subject to the fulfillment of the above conditions, it is expected that the Final Dividend will be paid in cash on or about 1 June 2020 to those Shareholders whose names appear on the Register of Members at close of business on 15 May 2020, being the record date for the determination of entitlements to the Final Dividend.

The conditions set out above cannot be waived. If the conditions set out above are not satisfied, the Final Dividend will not be paid.

Reasons and effect

As the business and operations of the Group have generated positive earnings and cash flow, the Board considers it appropriate to distribute the Final Dividend in recognition of the Shareholders' support.

The Company is a holding company and a significant part of the Group's business is carried out through the operating subsidiaries of the Company at which level earnings are retained. As such, the Company may not have sufficient retained earnings to pay the Final Dividend at the holding company level. Having taken into account a number of factors including cash flow and financial condition of the Company, the Board considers it appropriate and proposes that the Final Dividend be paid out of the Share Premium Account in accordance with Articles 63(b) and 146 of the Articles of Association. The Board considers such arrangement to be in the interests of the Company and the Shareholders as a whole.

The Board believes that the payment of the Final Dividend will not have any material adverse effect on the financial position of the Group and does not involve any reduction in the authorised or issued share capital of the Company or reduction in the nominal value of the Shares or result in any change in the trading arrangements in respect of the Shares.

For the purpose to determine the list of Shareholders who are entitled to receive the Final Dividend for the year ended 31 December 2019, the Register of Members will be closed from Monday, 18 May 2020 to Wednesday, 20 May 2020 (both days inclusive), during which period no transfer of Shares will be registered. To qualify for the Final Dividends (if approved), all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computer share Hong Kong Investor Services Limited at Room 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 15 May 2020.

LETTER FROM THE BOARD

AGM

The AGM will be held at Kingdee Software Park, No. 2 Kejinan 12 Road, South District, Hi-Tech Industrial Park, Nanshan District, Shenzhen, Guangdong Province, the PRC, on Tuesday, 12 May 2020 at 9:30 a.m. The AGM Notice is set out on pages 18 to 22 of this circular.

For the purpose to determine the list of Shareholders who are entitled to attend and vote at the AGM, the Register of Members will be closed from Thursday, 7 May 2020 to Tuesday, 12 May 2020 (both days inclusive), during which period no transfer of Shares will be registered. All transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Room 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Wednesday, 6 May 2020.

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you intend to attend and vote at the AGM in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Room 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, and in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting at the AGM or any adjourned meeting thereof should you so wish.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at the AGM must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter (as defined in the Note to Rule 13.39(4) of the Listing Rules) to be voted on by a show of hands.

RECOMMENDATION

The Directors believe that the grant of the Proposed Issue Mandate, the Proposed Repurchase Mandate, the Proposed Extension Mandate, the re-election of Directors and the declaration and payment of the Final Dividend out of the Share Premium Account are each in the best interests of the Company and the Shareholders as a whole, and accordingly, recommend all Shareholders to vote in favor of these resolutions to be proposed at the AGM.

Yours faithfully,
On behalf of the Board
Xu Shao Chun
Chairman

This Appendix contains information required under Rule 10.06(1)(b) of the Listing Rules to be included in an explanatory statement to enable the Shareholders to make an informed view on whether to vote for or against the resolution to be proposed at the AGM in connection with the Proposed Repurchase Mandate.

1. LISTING RULES RELATING TO THE REPURCHASE OF SHARES

The Listing Rules provide that all repurchases of shares by a company with its primary listing on the Stock Exchange must be approved in advance by way of an ordinary resolution, either of a specific approval of a particular transaction or of a general mandate to the directors of the company to make such repurchases.

2. SHARE CAPITAL

As at the Latest Practicable Date, the total number of Shares in issue was 3,327,368,571. Subject to the passing of the ordinary resolution approving the Proposed Repurchase Mandate and on the basis that no further Shares are issued or repurchased prior to the AGM, the exercise of the Proposed Issue Mandate in full would enable the Company to repurchase a maximum of 332,736,857 Shares, representing 10% of total number of Shares in issue as at the date of passing the resolution, during the period from the date of the passing of the resolution to the earlier of the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required to be held by law or the date upon which such authority is revoked or varied by a resolution of the Shareholders in general meeting (“**Proposed Repurchase Period**”).

3. REASONS FOR THE REPURCHASE

The Directors believe that the Proposed Repurchase Mandate is in the best interests of the Company and the Shareholders. An exercise of the Proposed Repurchase Mandate (if approved in the AGM) may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and/or earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders.

4. SOURCE OF FUNDS

Repurchases of Shares made pursuant to the Proposed Repurchase Mandate must be made out of funds which are legally available for such purpose in accordance with the memorandum and Articles of Association of the Company, the Listing Rules and the applicable laws of the Cayman Islands.

There could be an adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts for the financial year ended 31 December 2019) in the event that the Proposed Repurchase Mandate was to be exercised in full at any time during the Proposed Repurchase Period. However, the Directors do not propose to exercise the Proposed Repurchase Mandate to such an extent as would, in

the circumstances, have a material adverse effect on the working capital or the gearing position of the Company. The Directors would only exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company and the Shareholders as a whole.

5. SHARE PRICES

The following table shows the highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the previous 12 calendar months prior to the Latest Practicable Date:

	Price per Share	
	Highest HK\$	Lowest HK\$
April 2019	10.40	8.70
May 2019	9.80	7.73
June 2019	9.28	7.92
July 2019	8.99	6.66
August 2019	7.96	6.72
September 2019	8.73	7.05
October 2019	8.95	7.82
November 2019	8.92	7.68
December 2019	8.39	7.64
January 2020	10.04	7.67
February 2020	11.24	8.21
March 2020	10.80	8.11
April 2020 (up to the Latest Practicable Date)	10.72	10.18

6. UNDERTAKING

The Directors have undertaken to the Stock Exchange to exercise the Proposed Repurchase Mandate in accordance with the Listing Rules, the memorandum and Articles of Association of the Company and the applicable laws of the Cayman Islands.

7. DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates, has any present intention to sell any Shares to the Company or its subsidiaries in the event that the Proposed Repurchase Mandate is approved by the Shareholders.

No core connected person of the Company has notified the Company that he has a present intention to sell any Shares to the Company, or has undertaken not to do so in the event that the Company is authorized to make repurchases of the Shares.

8. TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING

If as a result of a repurchase of Shares pursuant to the Proposed Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert, depending on the level of increase of the Shareholders' interest, 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, Mr. Xu Shao Chun and parties acting in concert with him were interested in an aggregate of 736,653,658 Shares, representing approximately 22.14% of the total number of Shares in issue and 24.60% of the total number of Shares in issue if the Proposed Repurchase Mandate is exercised in full. To the best of the knowledge and belief of the Directors, an exercise of the Proposed Repurchase Mandate in full will not result in Mr. Xu Shao Chun and parties acting in concert with him becoming obliged to make a mandatory general offer under Rule 26 of the Takeovers Code. The Directors also have no present intention to exercise the Proposed Repurchase Mandate to such an extent that would result in the amount of Shares held by the public being reduced to less than 25% of the total number of Shares in issue.

9. SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of Shares had been made by the Company on the Stock Exchange or otherwise during the six months immediately preceding the Latest Practicable Date.

BIOGRAPHICAL DETAILS OF DIRECTORS FOR RE-ELECTION

The brief biographical details of the Directors eligible for re-election at the AGM are set out below in alphabetical order.

Mr. Gary Clark Biddle (白國禮), aged 68, is an independent non-executive Director. Mr. Biddle is the Professor of Financial Accounting at the University of Melbourne, and a visiting professor at each of the Columbia University Business School, The University of Hong Kong and the London Business School. Mr. Biddle earned his MBA and PhD degrees at University of Chicago. He has served as a professor at each of the University of Chicago and the University of Washington, the dean of the Faculty of Business and Economics at The University of Hong Kong, a chair professor at each of the Accounting Department of The University of Hong Kong and PCCW, and an associate dean of the School of Business and Management of The Hong Kong University of Science and Technology, where he was also a member of the Council, Court, Senate and held the title of Synergis-Geoffrey Yeh Chair Professor. He has served or is serving as visiting professor at globally leading business schools, including the Columbia Business School of the Columbia University in the United States of America, the London Business School in the United Kingdom, the International Institute for Management Development in Switzerland, the China Europe International Business School in China and the Moscow School of Management SKOLKOVO in Russia. Mr. Biddle is a member of each of the American Accounting Association, American Institute of Certified Public Accountants, Hong Kong Business and Professionals Federation, Hong Kong Institute of Certified Public Accountants and Hong Kong Institute of Directors, and he is the former president and co-founding council member of the Hong Kong Academic Accounting Association. He is a leading expert in financial accounting, financial markets, valuation, value creation, corporate management and performance metrics, including economic value appreciation rate. Mr. Biddle is also an independent non-executive director of Shui On Land Limited (stock code HK-272), a company listed on the main board of the Stock Exchange.

Save as disclosed above, as at the Latest Practicable Date, (i) Mr. Biddle did not hold any other positions in the Group, nor had he held any other directorship in any other listed public companies in Hong Kong or overseas in the last three years immediately preceding the Latest Practicable Date; and (ii) Mr. Biddle did not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company.

Pursuant to the terms of a letter of appointment entered into between the Company and Mr. Biddle, Mr. Biddle serves as an independent non-executive Director for two years with effect from 10 May 2018 subject to retirement by rotation and re-election at the annual general meeting of the Company pursuant to the Articles of Association. Mr. Biddle's remuneration is fixed from time to time in accordance with the Articles of Association by the Shareholders at the Company's general meetings and his current remuneration is HKD280,000 per year, subject to annual review by the Board on recommendations of the remuneration committee of the Company (the "**Remuneration Committee**"), by reference to market rates, the positions he holds in the Board committees and his duties and responsibilities within the Group and his experience. Mr. Biddle is not entitled to any bonus in respect of his role as a Director.

Mr. Biddle has confirmed his independence pursuant to Rule 3.13 of the Listing Rules. Considering that Mr. Biddle possesses extensive knowledge and skills in his area, the Board believes that his re-election as an independent non-executive Director can bring contribution to the Board and its diversity.

As at the Latest Practicable Date, Mr. Biddle was interested in 1,183,000 Shares, representing approximately 0.04% of the total number of Shares in issue.

Save as disclosed above, as at the Latest Practicable Date, there were no other matters that need to be brought to the attention of the Shareholders in connection with the re-election of Mr. Biddle as a Director nor is there any information required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

Mr. Lin Bo (林波), aged 47, is an executive Director. Mr. Lin obtained a bachelor's degree of Computer Science from University of Xiamen. He is currently the Chief Financial Officer of the Company. After joining the Company in 1997, Mr. Lin has served as the General Manager of the Company in Fujian Province Region, the General Manager of Operation Management Department and the Director of Strategic Development Department of the Group. Mr. Lin has extensive experience in strategic planning, marketing management and financial management.

Save as disclosed above, as at the Latest Practicable Date, (i) Mr. Lin did not hold any other positions in the Group, nor had he held any other directorship in any other listed public companies in Hong Kong or overseas in the last three years immediately preceding the Latest Practicable Date; and (ii) Mr. Lin did not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company.

Pursuant to the terms of a letter of appointment entered into between the Company and Mr. Lin, Mr. Lin serves as an executive Director for two years with effect from 10 May 2018 subject to retirement by rotation and re-election at the annual general meeting of the Company pursuant to the Articles of Association. Mr. Lin's remuneration is fixed from time to time in accordance with the Articles of Association by the Shareholders at the Company's general meetings and his current remuneration is RMB150,000 per year, subject to annual review by the Board on recommendations of the Remuneration Committee, by reference to market rates, the positions he holds in the Board committees and his duties and responsibilities within the Group and his experience. Mr. Lin is not entitled to any bonus in respect of his role as a Director.

As at the Latest Practicable Date, Mr. Lin was interested in 3,436,428 Shares, representing approximately 0.1% of the total number of Shares in issue.

Save as disclosed above, as at the Latest Practicable Date, there were no other matters that need to be brought to the attention of the Shareholders in connection with the re-election of Mr. Lin as a Director nor is there any information required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

Mr. Liu Chia Yung (劉家雍), aged 61, is an independent non-executive Director. Mr. Liu obtained a Master Degree of Business Administration from University of Missouri in the United States. Mr. Liu joined Trend Micro in 2002, and served as the president of the Asia Pacific region and then the general manager of global services business group, being responsible for the overall business operation in Asia Pacific region, R&D and Trend Micro's global enterprises cyber security outsourcing service planning. Mr. Liu joined Green and Associates in 2007 and has served as the general manager, focusing on strategic human resources consulting since then. Mr. Liu has rich experience in Hi-Tech marketing, business strategy planning and global corporation management. Mr. Liu used to act as adjunct professors at Soochow University in Taiwan and Peter F. Drucker Academy in Beijing.

Save as disclosed above, as at the Latest Practicable Date, (i) Mr. Liu did not hold any other positions in the Group, nor had he held any other directorship in any other listed public companies in Hong Kong or overseas in the last three years immediately preceding the Latest Practicable Date; and (ii) Mr. Liu did not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company.

Mr. Liu has entered into an appointment letter with the Company in relation to his appointment as an independent non-executive Director for a period of two years with effect from 10 May 2018, subject to retirement by rotation and re-election at the annual general meeting of the Company pursuant to the Articles of Association. Mr. Liu is entitled to an annual Director's remuneration of HKD200,000, subject to annual review by the Board on recommendations of the Remuneration Committee, by reference to market rates, the positions she holds in the Board committees and her duties and responsibilities within the Group and her experience. Save as disclosed above, Mr. Liu is not entitled to any other emoluments from the Company.

Mr. Liu has confirmed his independence pursuant to Rule 3.13 of the Listing Rules. Considering that Mr. Liu possesses extensive knowledge and skills in his area, the Board believes that his re-election as an independent non-executive Director can bring contribution to the Board and its diversity.

As at the Latest Practicable Date, Mr. Liu was interested in 200,000 Shares, representing approximately 0.01% of the total number of Shares in issue.

Save as disclosed above, as at the Latest Practicable Date, there were no other matters that need to be brought to the attention of the Shareholders in connection with the re-election of Mr. Liu as a Director nor is there any information required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

Mr. Zhou Bo Wen (周伯文), aged 44, is a non-executive Director (appointed on 18 March 2020). Mr. Zhou received a Ph.D. in Electrical & Computer Engineering from the University of Colorado at Boulder, the United States of America and a bachelor's degree from the University of Science & Technology of China. Mr. Zhou serves as the president of JD Cloud and AI, a group which integrates the charter and responsibilities of three major former business departments under JD.com, Cloud, AI and IoT. Mr. Zhou is a fellow of the Institute of Electrical and Electronic Engineers (abbreviated as IEEE) and an expert member of the National New Generation Artificial Intelligence Development Research Center. Mr. Zhou formerly was also a director of the AI Foundations Lab at International Business Machines Corporation (“IBM”) Research in New York and the chief scientist of the IBM Watson Group. Mr. Zhou has decades of experience in natural language technology, machine learning and artificial intelligence.

Save as disclosed above, as at the Latest Practicable Date, (i) Mr. Zhou did not hold any other positions in the Group, nor had he held any other directorship in any other listed public companies in Hong Kong or overseas in the last three years immediately preceding the Latest Practicable Date; (ii) Mr. Zhou did not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company; and (iii) Mr. Zhou did not have any interests in any securities of the Company.

Pursuant to the terms of a letter of appointment entered into between the Company and Mr. Zhou, Mr. Zhou serves as a non-executive Director for two years with effect from 18 March 2020, shall hold office only until the AGM and shall also be eligible for re-election at the AGM. Mr. Zhou's remuneration is fixed from time to time in accordance with the Articles of Association by the Shareholders at the Company's general meetings and his current remuneration is HKD200,000 per year, subject to annual review by the Board on recommendations of the Remuneration Committee, by reference to market rates, the positions he holds in the Board committees and his duties and responsibilities within the Group and his experience. Mr. Zhou is not entitled to any bonus in respect of his role as a Director.

Save as disclosed above, as at the Latest Practicable Date, there were no other matters that need to be brought to the attention of the Shareholders in connection with the re-election of Mr. Zhou as a Director nor is there any information required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



KINGDEE INTERNATIONAL SOFTWARE GROUP COMPANY LIMITED

金蝶國際軟件集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 268)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (the “**Meeting**”) of Kingdee International Software Group Company Limited (the “**Company**”) will be held at Kingdee Software Park, No. 2 Kejinan 12 Road, South District, High-Tech Industrial Park, Nanshan District, Shenzhen, Guangdong Province, The People’s Republic of China (the “**P.R.C.**”) on Tuesday, 12 May 2020 at 9:30 a.m. for the following purposes:

ORDINARY RESOLUTIONS

1. To receive and adopt the audited consolidated accounts, the report of the directors of the Company (the “**Directors**”) and the report of the auditors of the Company for the year ended 31 December 2019;
2. (A) To re-elect Mr. Lin Bo as an executive Director;

(B) To re-elect Mr. Zhou Bo Wen as a non-executive Director;

(C) To re-elect Mr. Gary Clark Biddle, who has served the Company for more than nine years, as an independent non-executive Director;

(D) To re-elect Mr. Liu Chia Yung as an independent non-executive Director;
3. To authorize the board of Directors (the “**Board**”) to fix the remuneration of the Directors;
4. To consider and approve the re-appointment of PricewaterhouseCoopers, the retiring auditors of the Company, as the auditors of the Company and to authorize the Board to fix their remuneration; and

NOTICE OF ANNUAL GENERAL MEETING

5. To consider and, if thought fit, to pass, with or without amendments, the following resolution No. 5 as ordinary resolutions of the Company:

(A) **“THAT**

- (i) subject to sub-paragraph (iii) of this resolution, pursuant to The Rules Governing the Listing of Securities (the **“Listing Rules”**) on The Stock Exchange of Hong Kong Limited (the **“Stock Exchange”**), the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue, grant, distribute and otherwise deal with additional shares of the Company (the **“Shares”**) and to make, issue or grant offers, agreements, options (including bonds, warrants and securities or debentures convertible into Shares) and rights of exchange or conversion which might require the exercise of such powers either during or after the Relevant Period, be and is hereby generally and unconditionally approved;
- (ii) the approval in sub-paragraph (i) of this resolution shall authorize the Directors during the Relevant Period to make, issue or grant offers, agreements, options (including bonds, warrants and debentures convertible into Shares) and rights of exchange or conversion which would or might require the exercise of such powers after the end of the Relevant Period;
- (iii) the total number of Shares allotted, issued, granted, distributed or otherwise dealt with or agreed conditionally or unconditionally to be allotted, issued, granted, distributed or otherwise dealt with (whether pursuant to an option, a conversion or otherwise) by the Directors pursuant to the approval in sub-paragraph (i) of this resolution, otherwise than pursuant to (a) a Rights Issue (as defined below); (b) the exercise of warrants to subscribe for Shares or any securities which are convertible into Shares or the exercise of options granted under any share option schemes adopted by the Company; or (c) an issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company, shall not exceed 20% of the total number of Shares in issue as at the date of the passing of this resolution and this approval shall be limited accordingly; and

(iv) for the purpose of this resolution:

“Relevant Period” means the period from the date of the passing of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and

NOTICE OF ANNUAL GENERAL MEETING

- (c) the date on which the authority sets out in this resolution is revoked or varied by an ordinary resolution in general meeting of the Company.

“Rights Issue” means the allotment, issue, or grant of Shares pursuant to an offer of Shares open for a period fixed by the Directors to holders of Shares on the register of members on a fixed record date in proportion to their then holdings of such Shares as at that date (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to overseas shareholders or fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory applicable to the Company).”

(B) **“THAT**

- (i) subject to sub-paragraph (ii) below, the exercise by the Directors during the Relevant Period (as defined below) of all powers of the Company to repurchase Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed and recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose, subject to and in accordance with all applicable laws and the requirements of the Listing Rules or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (ii) the total number of Shares which the Company is authorized to repurchase pursuant to the approval in sub-paragraph (i) above shall not exceed 10% of the total number of Shares in issue as at the date of the passing of this resolution, and this approval shall be limited accordingly; and
- (iii) for the purpose of this resolution:

“Relevant Period” means the period from the date of passing of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (c) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution in general meeting of the Company.”

NOTICE OF ANNUAL GENERAL MEETING

- (C) “**THAT** conditional upon ordinary resolutions No. 5(A) and 5(B) above being passed, the total number of Shares which are repurchased by the Company under the authority granted to the Directors pursuant to ordinary resolution No. 5(B) above shall be added to the total number of Shares that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to ordinary resolution No. 5(A) above.”

SPECIAL RESOLUTION

6. To consider and, if thought fit, to pass, with or without amendments, the following resolution No. 6 as special resolution of the Company

“THAT

- (i) the proposed declaration and payment of a final dividend of RMB1.1 cents (equivalent to approximately HKD1.2 cents) per Share out of the share premium account of the Company for the year ended 31 December 2019 (the “**Final Dividend**”) to the shareholders of the Company whose names appear on the register of members of the Company on the record date fixed by the Board for determining the entitlements to the Final Dividend be and is hereby approved; and
- (ii) any Director be and is hereby authorized to take such action, do such things and execute such further documents as the Director may at his/her absolute discretion consider necessary or desirable for the purpose of or in connection with the implementation of the said payment of the Final Dividend.”

By order of the Board
**KINGDEE INTERNATIONAL SOFTWARE
GROUP COMPANY LIMITED**
Xu Shao Chu
Chairman

Shenzhen, the P.R.C., 9 April 2020

Registered Office:

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

Principal Place of Business in the P.R.C.:

Kingdee Software Park
No. 2 Kejinan 12 Road
South District
High-Tech Industrial Park
Nanshan District
Shenzhen, Guangdong Province
The P.R.C.

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (i) A Shareholder entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote on his/her/its behalf. A proxy need not be a Shareholder.
- (ii) In order to be valid, the proxy form together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy of such power or authority), must be delivered to the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the Meeting or any adjournment thereof. If the proxy form so delivered is returned without an indication on how to vote, the proxy will have full discretion on whether or not he/she votes and if so how.
- (iii) Delivery of an instrument appointing a proxy should not preclude a Shareholder from attending and voting in person at the Meeting and in such event, the instrument appointing a proxy shall be deemed to be revoked.
- (iv) For the purpose to determine the list of Shareholders who are entitled to attend and vote at the Meeting, the register of members of the Company will be closed from Thursday, 7 May 2020 to Tuesday, 12 May 2020 (both days inclusive), during which period no transfer of Shares will be registered. All transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Room 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Wednesday, 6 May 2020.
- (v) For the purpose to determine the list of Shareholders who are entitled to receive the Final Dividend, the register of members of the Company will be closed from Monday, 18 May 2020 to Wednesday, 20 May 2020 (both days inclusive), during which period no transfer of Shares will be registered. To qualify for the above-mentioned dividends (if approved), all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Room 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 15 May 2020.
- (vi) If a typhoon signal No. 8 or above is hoisted or a Black rainstorm warning signal is in force at or at any time on the date of the Meeting, the Meeting will be adjourned. An announcement will be posted on the websites of the Company and the Stock Exchange to notify the Shareholders of the date, time and place of the adjourned meeting. The Meeting will be held as scheduled when a Red rainstorm warning signal is in force. Shareholders should decide on their own whether they would attend the Meeting under bad weather conditions bearing in mind their own situations.
- (vii) If a Shareholders have any particular access request or special needs for participating in the Meeting, please contact the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited (telephone: +852 2862 8637) on or before 30 April 2020.

As at the date of this notice, the Board comprises Mr. Xu Shao Chun (Chairman of the Board and Chief Executive Officer) and Mr. Lin Bo (Chief Financial Officer) as executive Directors; Ms. Dong Ming Zhu and Mr. Zhou Bo Wen as non-executive Directors; and Mr. Gary Clark Biddle, Mr. Cao Yang Feng and Mr. Liu Chia Yung as independent non-executive Directors.