



北京控股有限公司
BEIJING ENTERPRISES HOLDINGS LIMITED

(incorporated in Hong Kong with limited liability)

Stock code: 392



北京發展(香港)有限公司

Beijing Development (Hong Kong) Limited

(incorporated in Hong Kong with limited liability)

Stock code: 154



Xteam Software International Limited

(incorporated in the Cayman Islands with limited liability)

Stock code: 8178

**POSTPONEMENT OF DESPATCH OF
CIRCULAR OF BEIJING ENTERPRISES HOLDINGS LIMITED REGARDING
A CONNECTED TRANSACTION
CIRCULAR OF BEIJING DEVELOPMENT (HONG KONG) LIMITED REGARDING
A VERY SUBSTANTIAL ACQUISITION AND CONNECTED TRANSACTION
CIRCULAR OF XTEAM SOFTWARE INTERNATIONAL LIMITED REGARDING
MAJOR TRANSACTIONS, A MAJOR AND CONNECTED TRANSACTION, WHITEWASH
WAIVER APPLICATION AND CONTINUING CONNECTED TRANSACTIONS**

The respective boards of directors of Beijing Enterprises, Beijing Development and Xteam refer to their joint announcement dated 19 May 2004 in respect of the Snow Fair Acquisition, the Pantosoft Acquisition, the Acquisition, the Whitewash Waiver, the Transactions and the Cap Amounts.

As additional time is required to prepare the circulars to be despatched by Beijing Enterprises, Beijing Development and Xteam, each of the three companies has applied to the Stock Exchange, and in the case of Xteam to the Executive, for an extension of the deadline of despatching the three circulars under the Old Main Board Listing Rules, the Old GEM Listing Rules and, in the case of Xteam, the Takeovers Code to 30 June 2004.

The respective boards of directors of Beijing Enterprises, Beijing Development and Xteam refer to their joint announcement dated 19 May 2004 in respect of the Snow Fair Acquisition, the Pantosoft Acquisition, the Acquisition, the Whitewash Waiver, the Transactions and the Cap Amounts (the "Announcement"). Capitalised terms used in this announcement have the same meanings as defined in the Announcement.

Beijing Enterprises and Beijing Development would like to announce that they have appointed Kingston Corporate Finance Limited ("Kingston") as the independent financial adviser to their respective independent board committees to advise the respective independent shareholders of Beijing Enterprises and Beijing Development in respect of the Sale Transaction.

The Sale Transaction constitutes a connected transaction for Beijing Enterprises under the Old Main Board Listing Rules. According to Rule 14.29 of the Old Main Board Listing Rules, Beijing Enterprises is required to despatch a circular (the "BE Circular") to its shareholders setting out information about the Sale Transaction together with the letter from Kingston on or before 10 June 2004.

The Sale Transaction also constitutes a very substantial acquisition and a connected transaction for Beijing Development. According to Rules 14.08(2) and 14.29 of the Old Main Board Listing Rules, Beijing Development is required to despatch a circular (the "BD Circular") to its shareholders setting out information about the Sale Transaction together with the letter from Kingston on or before 10 June 2004.

The Snow Fair Acquisition and the Pantosoft Acquisition constitute major transactions for Xteam under the Old GEM Listing Rules. The Acquisition constitutes a major and connected transaction for Xteam under the Old GEM Listing Rules and involves the application for the Whitewash Waiver. After completion of the Deed, the Transactions will constitute continuing connected transactions for Xteam under the Existing GEM Listing Rules. According to Rules 19.38 and 20.37 of the Old GEM Listing Rules and Rule 8.2 of the Takeovers Code, Xteam is required to issue a circular to its shareholders (the "Xteam Circular") setting out details of the Snow Fair Acquisition, the Pantosoft Acquisition, the Acquisition, the Whitewash Waiver, the Transactions and the Cap Amounts together with accountants' reports on Snow Fair, Astoria and Wisdom Elite and a letter from Somerley Limited ("Somerley"), the independent financial adviser to the independent board committee of Xteam.

As additional time is required for the preparation of (i) the accountants' report on Snow Fair, Astoria and Wisdom Elite and other financial information on the Beijing Development Group and the Xteam Group to be included in the BD Circular and/or the Xteam Circular; (ii) the letters of advice from Kingston to be included in the BE Circular and the BD Circular; and (iii) the letter of advice from Somerley to be included in the Xteam Circular, each of Beijing Enterprises, Beijing Development and Xteam has applied to the Stock Exchange, and Xteam has applied to the Executive, for

an extension of the deadline for despatching the three circulars under the Old Main Board Listing Rules, the Old GEM Listing Rules and, in the case of Xteam, the Takeovers Code to 30 June 2004.

The board of directors of Beijing Enterprises comprises Mr. Yi Xi Qun, Mr. Zhang Honghai, Mr. Li Fu Cheng, Mr. Guo Ying Ming, Mr. Liu Kai, Mr. Bao Zong Ye, Mr. Zheng Wan He, Mr. Li Man, Mr. Li Zhong Gen and Mr. Guo Pu Jin (who are executive Beijing Enterprises Directors), and Mr. Lau Hon Chuen, Ambrose, Mr. Lee Tung Hai, Leo and Mr. Wang Xian Zhang (who are independent non-executive Beijing Enterprises Directors).

The board of directors of Beijing Development comprises Mr. Zhang Honghai, Mr. Ng Kong Fat, Brian, Mr. E Meng and Mr. Zhao Jifeng (who are executive Beijing Development Directors), and Mr. Cao Guixing and Mr. Feng Ching Yeng, Frank (who are independent non-executive Beijing Development Directors).

The board of directors of Xteam comprises Mr. Ren Yi, Mr. Yang Feng, Mr. Peng Wen Sheng, Mr. Mak To Wai and Mr. Wu Meng Jie (who are executive Xteam Directors), Mr. Ma, and Mr. Liu Jun (who are non-executive Xteam Directors), and Mr. Wang Shi Yu and Mr. Cheng Shu Wing (who are independent non-executive Xteam Directors).

By Order of the Board
**Beijing Enterprises
Holdings Limited**
Zhang Honghai
President

By Order of the Board
**Beijing Development
(Hong Kong) Limited**
Ng Kong Fat, Brian
Managing Director

By Order of the Board
**Xteam Software
International Limited**
Ma Gary Ming Fai
Director

Hong Kong, 8 June 2004

This announcement will remain on the GEM website at <http://www.hkgem.com> at the "Latest company announcements" page for 7 days from the date of its publication.

The Beijing Development Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement relating to Beijing Enterprises and the Beijing Development Group (including the Software Businesses) and confirm, having made all reasonable inquiries that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts concerning Beijing Enterprises and/or the Beijing Development Group (including the Software Businesses) not contained in this announcement, the omission of which would make any statement in this announcement misleading.

The Xteam Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement other than that related to Beijing Enterprises and the Beijing Development Group (including the Software Businesses) and confirm, having made all reasonable inquiries that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts other than any related to Beijing Enterprises and the Beijing Development Group (including the Software Businesses) not contained in this announcement, the omission of which would make any statement in this announcement misleading.

*Please also refer to the published version of this announcement in
The Standard and Hong Kong Economic Times.*