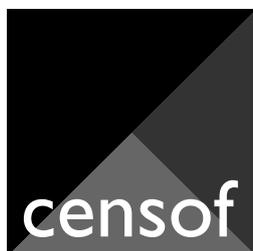


THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action to take, you should consult your stockbroker, solicitor, accountant, bank manager or other professional adviser immediately.

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CENTURY SOFTWARE HOLDINGS BERHAD

(Company No.: 828269-A)

(Incorporated in Malaysia under the Companies Act, 1965)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO THE

**PROPOSED BONUS ISSUE OF 43,025,000 FREE WARRANTS IN CENSOF ("WARRANT(S)")
ON THE BASIS OF ONE (1) WARRANT FOR EVERY EIGHT (8) EXISTING ORDINARY SHARES OF
RM0.10 EACH IN CENSOF ("CENSOF SHARE(S)" OR "SHARE(S)")
HELD ON AN ENTITLEMENT DATE TO BE DETERMINED LATER**

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Adviser

OSK

OSK Investment Bank Berhad (14152-V)

(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Notice of the Extraordinary General Meeting ("EGM") of Century Software Holdings Berhad ("Censof" or the "Company") to be convened at Banyan Room, Ground Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia on Tuesday, 26 June 2012 at 11.30 a.m. or immediately following the conclusion or adjournment of the Fourth (4th) Annual General Meeting of the Company, scheduled to be held at the same venue and on the same date at 11.00 a.m., whichever shall be the later, together with the Form of Proxy are enclosed herein.

A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and to vote on his/her behalf. In such event, the Form of Proxy must be lodged at the Registered Office of the Company at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur, not less than forty-eight (48) hours before the time stipulated for holding the EGM, as indicated below. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the EGM, should you subsequently wish to do so.

Last date and time for lodging the Form of Proxy : Sunday, 24 June 2012 at 11.30 a.m.

Date and time of the EGM : Tuesday, 26 June 2012 at 11.30 a.m.

This Circular is dated 11 June 2012

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Circular:-

"Act"	:	The Companies Act, 1965 as amended from time to time and any re-enactment thereof
"AGM"	:	Annual General Meeting
"Board"	:	The board of Directors of Censof
"BNM"	:	Bank Negara Malaysia
"Bursa Depository"	:	Bursa Malaysia Depository Sdn Bhd
"Bursa Securities"	:	Bursa Malaysia Securities Berhad
"Censof" or the "Company"	:	Century Software Holdings Berhad
"Censof Group" or "Group"	:	Censof and its subsidiaries
"Censof Share(s)" or "Share(s)"	:	Ordinary share(s) of RM0.10 each in Censof
"Circular"	:	This circular to shareholders of Censof dated 11 June 2012
"Deed Poll"	:	The deed poll constituting the Warrants to be executed by Censof
"Director(s)"	:	The director(s) of Censof and shall have the meaning given in Section 4 of the Act
"EGM"	:	Extraordinary General Meeting to be held after the AGM
"Entitlement Date"	:	The date as at the close of business (to be determined and announced later by the Board) on which shareholders of Censof must be registered as a member and whose names appear in the Record of Depositors in order to participate in the Proposed Bonus Issue of Warrants
"EPS"	:	Earnings per share
"FYE"	:	Financial year ended/ ending
"Listing Requirements"	:	Main Market Listing Requirements of Bursa Securities
"LPD"	:	28 May 2012, being the latest practicable date
"Market Day(s)"	:	Any day between Monday to Friday (inclusive), excluding public holidays, and a day on which Bursa Securities is open for trading of securities
"NA"	:	Net assets
"OSK"	:	OSK Investment Bank Berhad

DEFINITIONS (CONT'D.)

"Proposed Bonus Issue of Warrants"	:	Proposed bonus issue of 43,025,000 free warrants on the basis of one (1) Warrant for every eight (8) existing Censof Shares held on the Entitlement Date
"Record of Depositors"	:	A record of depositors established by Bursa Depository under the Rules of Depository
"RM" and "sen"	:	Ringgit Malaysia and sen respectively
"WAMP"	:	Weighted average market price
"Warrant(s)"	:	43,025,000 free warrants in Censof to be issued pursuant to the Proposed Bonus Issue of Warrants

Words incorporating the singular shall, where applicable, include the plural and vice versa. Words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Any reference to persons shall include a corporation, unless otherwise specified.

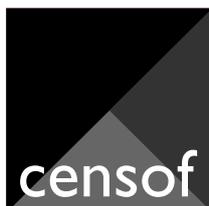
Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this Circular shall be a reference to Malaysian time, unless otherwise specified.

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CENTURY SOFTWARE HOLDINGS BERHAD

(Company No.: 828269-A)
(Incorporated in Malaysia under the Companies Act, 1965)

Registered Office:

Level 15-2, Bangunan Faber Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur

11 June 2012

Directors:-

Tan Sri Dato' Mohd Ibrahim Bin Mohd Zain (*Independent Non-Executive Chairman*)

Datuk Samsul Bin Husin (*Managing Director*)

Tamil Selvan A/L M. Durairaj (*Executive Director*)

Ameer Bin Shaik Mydin (*Executive Director*)

Ang Hsin Hsien (*Executive Director*)

Abdul Mushir Bin Che Chik (*Non-Independent Non-Executive Director*)

Tuan Haji Ab. Gani Bin Haron (*Independent Non-Executive Director*)

Boey Tak Kong (*Independent Non-Executive Director*)

To: The Shareholders of Century Software Holdings Berhad

Dear Sir/Madam,

PROPOSED BONUS ISSUE OF 43,025,000 FREE WARRANTS IN CENSOFF ON THE BASIS OF ONE (1) WARRANT FOR EVERY EIGHT (8) CENSOFF SHARES HELD ON AN ENTITLEMENT DATE TO BE DETERMINED LATER

1. INTRODUCTION

On 25 April 2012, OSK had, on behalf of the Board, announced that the Company proposes to undertake a bonus issue of 43,025,000 Warrants in Censof on the basis of one (1) Warrant for every eight (8) existing Censof Shares held on the Entitlement Date.

On 6 June 2012, OSK had, on behalf of the Board, announced that Bursa Securities had, vide its letter dated 4 June 2012, resolved to approve-in-principle the admission of the Warrants to the Official List of Bursa Securities as well as for the listing of and quotation for the Warrants and the new Shares arising from the exercise of the Warrants on the Main Market of Bursa Securities pursuant to the Proposed Bonus Issue of Warrants.

The purpose of this Circular is to provide you with the relevant information on the Proposed Bonus Issue of Warrants, together with the Directors' recommendation and to seek your approval for the ordinary resolution relating to the Proposed Bonus Issue of Warrants to be tabled at the forthcoming EGM. The notice of the forthcoming EGM and the Form of Proxy are enclosed together with this Circular.

SHAREHOLDERS OF CENSOFF ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDICES CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTION TO GIVE EFFECT TO THE PROPOSED BONUS ISSUE OF WARRANTS TO BE TABLED AT THE FORTHCOMING EGM.

2. DETAILS OF THE PROPOSED BONUS ISSUE OF WARRANTS

2.1 Basis and number of Warrants to be issued

The Proposed Bonus Issue of Warrants involves the issuance of 43,025,000 Warrants on the basis of one (1) Warrant for every eight (8) Censof Shares held by the shareholders of Censof whose names appear in the Record of Depositors on the Entitlement Date.

Based on the issued and paid-up share capital of Censof as at the LPD of RM34,420,000 comprising 344,200,000 Censof Shares, a total of 43,025,000 Warrants will be issued pursuant to the Proposed Bonus Issue of Warrants.

Any fractional entitlements arising from the Proposed Bonus Issue of Warrants shall be disregarded, and/or dealt with in such manner as the Board shall at their absolute discretion deem fit and expedient in the best interest of the Company. The Proposed Bonus Issue of Warrants will not be implemented in stages over a period of time.

2.2 Basis of determining the issue price and exercise price of the Warrants

The Warrants will be issued at no cost to the shareholders of Censof. The exercise price of the Warrants shall be determined and fixed by the Board at a later date after receipt of all relevant approvals but before the Entitlement Date.

The exercise price of the Warrants shall be determined at a later date by the Board in the following manner:-

- (i) at a premium of between 10% to 15% to the five (5)-day WAMP of Censof Shares immediately preceding the price-fixing date; or
- (ii) the par value of Censof Shares of RM0.10 each,

whichever is higher.

The range of premium above was determined by the Board after taking into consideration, amongst others, the following:-

- (i) the historical price of Censof Shares; and
- (ii) the potential future earnings of Censof Group.

For illustrative purposes only, the indicative exercise price of the Warrants is assumed at RM0.40 per Warrant, which represents a premium of approximately 12.2% to the five (5)-day WAMP of Censof Shares up to and including 28 May 2012, being the LPD, of RM0.3564 per Censof Share.

2.3 Indicative principal terms of the Warrants

- | | | |
|-----------------------|---|--|
| Issue size | : | 43,025,000 Warrants to be issued in conjunction with the Proposed Bonus Issue of Warrants to the entitled shareholders of Censof on the basis of one (1) Warrant for eight (8) Censof Shares held. |
| Form and denomination | : | The Warrants will be issued in registered form and constituted by a Deed Poll to be executed by the Company. |
| Exercise rights | : | Each Warrant entitles the registered holder, at any time during the exercise period, to subscribe for one (1) new Censof Share at the exercise price, subject to adjustments in accordance with the provisions of the Deed Poll. |

Exercise period	:	Exercisable at any time within five (5) years commencing on and including the date of issuance of the Warrants. Warrants not exercised during the exercise period will thereafter lapse and cease to be valid.
Exercise price	:	<p>The exercise price of the Warrants shall be determined at a later date by the Board in the following manner:-</p> <p>(i) at a premium of between 10% to 15% of the five (5)-day WAMP of Censof Shares immediately preceding the price-fixing date; or</p> <p>(ii) the par value of Censof Shares of RM0.10 each,</p> <p>whichever is higher.</p>
Mode of exercise	:	The registered holder of a Warrant is required to lodge a subscription form, as set out in the Deed Poll, with the Company's registrar, duly completed, signed and stamped together with payment of the exercise price by bankers' draft or cashier's order drawn on a bank operating in Malaysia or a money order or postal order issued by a post office in Malaysia.
Mode of transfer	:	The Warrants are transferable by an instrument of transfer in the usual or common form or such other form as the Board, Bursa Securities and/or any other relevant authorities may approve.
Board lot	:	For the purpose of trading on the Bursa Securities, a board lot of Warrants shall comprise 100 Warrants carrying the right to subscribe for 100 new shares at any time during the exercise period, or such denomination as determined by Bursa Securities.
Listing status	:	An application will be made to Bursa Securities for the admission of the Warrants to the Official List on the Main Market of Bursa Securities, and for the listing of and quotation for the Warrants and new shares arising from the exercise of Warrants.
Ranking of new shares	:	The new Censof Shares arising from the exercise of the Warrants will, upon allotment and issuance, rank <i>pari passu</i> in all respects with the then existing Censof Shares, save and except that they shall not be entitled to any dividends, rights, allotment, and/or other forms of distribution that may be declared, made or paid prior to the relevant allotment date of the said new Censof Shares.
Rights in the event of winding up, liquidation, compromise and/or arrangement	:	Where a resolution has been passed for a members' voluntary winding up of the Company, or where there is a compromise or arrangement, whether or not for the purpose of or in connection with a scheme for the reconstruction of the Company or the amalgamation of the Company with one or more companies, then every Warrant holder shall be entitled upon and subject to the provisions of the Deed Poll at any time within six (6) weeks after the passing of such resolution for a members' voluntary winding up of the Company or six (6) weeks after the granting of the court order approving the compromise or arrangement, by the irrevocable surrender of his Warrants to the Company, elect to be treated as if he had immediately prior to the commencement of such winding up, compromise or arrangement exercised the exercise rights represented by its/his Warrants to the extent specified in the relevant subscription forms and be entitled to receive out of the assets of the Company which would be available in liquidation as if it/he had on such date been the holder of the new shares to which it/he would have been entitled to pursuant to such exercise.

Rights of the holder of Warrants	:	The holder of Warrants is not entitled to any voting right or participation in other forms of distribution and/or offer of further securities in the Company until and unless such holders of Warrants are issued with new Shares in Censof arising from the exercise of Warrants
Adjustments in the exercise price and/or number of warrants	:	The exercise price and/or number of unexercised Warrants may be adjusted by the Board, in consultation with its professional advisers, in the event of alteration to the share capital of the Company, capital distribution or issue of shares or any other events in accordance with the provisions of the Deed Poll.
Deed poll	:	The Warrants are constituted by a Deed Poll to be executed by the Company.
Modification	:	Save for manifest error, any modification, amendment, deletion or addition to the deed poll shall require the approval of the warrant holders sanctioned by ordinary resolution and may be effected only by the deed poll, executed by the Company and expressed to be supplemental hereto and subject to the approval of the relevant authorities, if necessary.
Governing Law	:	Laws and regulations of Malaysia.

2.4 Ranking of the Warrants and new Censof Shares arising from the exercise of the Warrants

The holders of the Warrants will not be entitled to any voting right or participation in any form of distribution and/or offer of further securities in Censof until and unless such holders of the Warrants exercise their Warrants into new Censof Shares.

The new Censof Shares arising from the exercise of the Warrants will, upon allotment and issuance, rank *pari passu* in all respects with the then existing Censof Shares, save and except that they shall not be entitled to any dividends, rights, allotment and/or other forms of distribution that may be declared, made or paid prior to the relevant allotment date of the said new Censof Shares arising from the exercise of the Warrants. The new Censof Shares will be subject to all provisions of the Memorandum and Articles of Association of Censof and such amendments thereafter, if any.

2.5 Listing and quotation

Bursa Securities had vide its letter dated 4 June 2012, approved the listing of and quotation for the 43,025,000 Warrants to be issued pursuant to the Proposed Bonus Issue of Warrants on the Main Market of Bursa Securities, subject to the conditions as stated in Section 10 of this Circular.

3. UTILISATION OF PROCEEDS

The Proposed Bonus Issue of Warrants is not expected to raise any immediate funds as the Warrants will be issued at no cost to the entitled shareholders of Censof. The proceeds arising from the exercise of the Warrants, the quantum of which is dependent upon the actual number of Warrants exercised during the tenure of the Warrants, shall be utilised for working capital requirements of the Company as and when the Warrants are exercised. As such, the exact timeframe for utilisation of the proceeds is not determinable at this juncture.

Assuming full exercise of the 43,025,000 Warrants, the maximum proceeds to be raised by the Company is approximately RM21.513 million, based on the indicative exercise price of RM0.50 per Warrant. These proceeds are earmarked to be utilised for working capital purposes which will be used to finance the Group's day-to-day operations. These expenses include, amongst others, payment of staff salaries, travelling expenses, rental, promotional and marketing expenses as well as branding activities to enhance the corporate image. As at the date of this Circular, the Company has yet to determine the specific allocation of the proceeds to each component of working capital mentioned above.

The estimated expenses for the Proposed Bonus Issue of Warrants is approximately RM150,000 (which include, amongst others, professional fees, fees payable to the authorities and printing fees), which will be settled immediately from internally generated funds.

4. RATIONALE FOR THE PROPOSED BONUS ISSUE OF WARRANTS

After due consideration of the various options available, the Board is of the view that the Proposed Bonus Issue of Warrants is currently the most appropriate avenue for rewarding the existing shareholders of the Company while potentially enhancing the Company's capital base as the Proposed Bonus Issue of Warrants will:-

- (i) allow existing shareholders of the Company to further participate in the future growth of the Company and any potential capital appreciation arising thereof as and when the Warrants are exercised;
- (ii) aim to reward the existing shareholders of the Company for their support by enabling them to participate in a derivative of the Company without incurring any cost; and
- (iii) help to strengthen the capital base and market capitalisation of the Company as and when the Warrants are exercised during the tenure of the Warrants, and potentially provide additional working capital Censof Group as and when the Warrants are exercised.

5. INDUSTRY OUTLOOK AND FUTURE PROSPECTS

5.1 Overview and outlook of the software solutions industry in Malaysia

Malaysia's strong economic fundamentals coupled with the Government's effective demand management policies enabled the economy to rebound strongly from the 2008/2009 global financial crisis. With the economy back on its growth trajectory, the 2012 Budget will focus on strategies and programmes to enhance the nation's potential growth as well as improve the well-being of the rakyat.

Keeping abreast with developments in technology, the use of information and communication technology (ICT) and other new forms of media have been enhanced to deliver public services and gauge policy effectiveness through feedback mechanisms. Measures to enhance revenue collections include widening the coverage and increasing frequency of tax audit, investigation and enforcement, improving tax administration and compliance through greater use of ICT as well as regular reviews of rules and regulations to cut red tape.

The Malaysian economy continued to expand despite the more challenging external environment. Real Gross Domestic Product registered a growth of 4.4% during the first half of 2011. (The actual real GDP growth rate for 2011 is 5.1%*.) Meanwhile, private investment is envisaged to strengthen further boosted by business opportunities from the implementation of the Economic Transformation Programme initiatives and continuous investment in the technology-related, services and resource-based industries.

On the demand side, growth in private consumption is expected to be broad-based with a strong expansion of 7.1% in 2012. The new growth sectors such as services, ICT, plantation as well as resource-based industries will be the main catalyst in driving private investment.

(Source: Economic Report 2011/2012, Ministry of Finance Malaysia)

(Source: Economic and Financial Developments in Malaysia in the Fourth Quarter of 2011, Bank Negara Malaysia)*

Malaysia's information, communications technology and telecommunications sector is expected to spend RM31.5 billion in 2012. This will be a 6.1% expansion over 2011, riding on the region's recovery from natural disasters and high usage of personal devices such as laptops and smart phones.

In a statement, Cisco managing director for Malaysia, Yuri Wahab, said amid the looming global uncertainties, ICT sector in Malaysia and the Asia Pacific region is expected to stay upbeat, with the latter's enterprise ICT spending to grow 8%, exceeding US\$367 billion (RM1.2 trillion), next year. Yuri Wahab said the focus in the 12 months would be on personal devices, cloud computing and network security. As a result, 2012 will be a year where decision-makers need to balance innovation with business reality. He added that by 2013, there will be 566 million knowledge workers around the world, of which half will be from Asia Pacific, which will push businesses to start implementing solutions.

In a Cisco survey entitled "Connected World Technology Report 2011" which analyses behaviour and expectations of the world's next generation of 3,000 workers, one out of three believed the Internet is as important as air, water, food and shelter. Yuri Wahab said the consumerisation of ICT had resulted in a record number of personal devices at the workplace. Three out of four employees own multiple ICT devices and more than half of employees surveyed wanted access information over corporate network using their home computers and personal mobile devices. Due to this, businesses need to manage these devices on the corporate network, providing secure access and remote control in the case of a device loss.

(Source: <http://www.nitc.my/newsmaster.cfm?&menuid=36&action=view&retrieveid=89>)

5.2 Prospects of Censof Group

Censof Group is principally involved in the design, development, implementation and marketing of Financial Management Software Solution(s) ("FMMS") and related services. In line with the Group's plans to continuously expand the business, the Group had further diversified into the Payment Aggregation Solutions ("PAS") segment which provides services for financial applications, electronic payments and collections solutions, as well as the Wealth Management Solutions ("WMS") segment which provides services for portfolio management, fund accounting, unit registry, selling agent and online transactions.

The FMSS business is expected to have vast opportunities in the medium to long term period as the public sector continues to implement initiatives in upgrading security and information connectivity infrastructure in order to strengthen its efficiency and effectiveness in the public delivery systems. The on-going Outcome Based Budgeting implementation exercise by the Ministry of Finance will progressively integrate with other Government agencies and local authorities in monitoring and managing its planning effectiveness.

Furthermore, the PAS division will see an enhancement in its long term income stream due to the adoption of e-bayaran payment gateway by the various regulatory authorities such as Pusat Zakat Negeri Sembilan and Perbadanan Kemajuan Negeri Selangor. The market is expected to be vibrant with exciting opportunities due to the high growth rate of internet banking in Malaysia, supported by BNM's continuous efforts to improve the payment system infrastructure within the financial community.

On 14 July 2011, the Company entered into a conditional Sale and Purchase Agreement for the acquisition of a 60% equity interest in PT Praisindo Teknologi for a total cash consideration of RM4,051,628. The said acquisition was completed on 17 November 2011. The acquisition was carried out with the objective of cross selling the WMS business between Malaysia and Indonesia, with the prospects of going global in the future. This newly acquired subsidiary is a wealth management solutions provider in Indonesia with established insurance and financial customers. Its software solution covers the entire back-end system such as portfolio management/fund accounting and front-end system solution such as unit registry, selling agent and online transactions.

Based on the above, the Board expects the Group's performance to strengthen further in the coming years.

(Source: The management of Censof)

6. EFFECTS OF THE PROPOSED BONUS ISSUE OF WARRANTS

6.1 Issued and paid-up share capital

The proforma effects of the Proposed Bonus Issue of Warrants on the issued and paid-up share capital of Censof are set out below:-

	RM	No. of shares	Par value (RM)
Existing issued and paid-up share capital as at the LPD	34,420,000	344,200,000	0.10
<i>To be issued pursuant to the full exercise of Warrants</i>	4,302,500	43,025,000	0.10
Enlarged issued and paid-up share capital after exercise of Warrants	38,722,500	387,225,000	0.10

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6.2 NA per Share and gearing

Based on the audited consolidated statements of financial position of Censof Group as at 31 December 2011, the proforma effects of the Proposed Bonus Issue of Warrants on the NA per Share and gearing of Censof Group are set out below:-

	Audited as at 31 December 2011 RM	Pro forma I After the Proposed Bonus Issue of Warrants RM	Pro forma II After I and full exercise of Warrants RM
Share capital	34,420,000	34,420,000	38,722,500
Retained profits	31,885,299	31,735,299 [*]	31,735,299
Share premium	1,446,885	1,446,885	14,354,385 [^]
Merger deficit	(12,299,998)	(12,299,998)	(12,299,998)
NA/ Shareholders' funds	55,452,186	55,302,186	72,512,186
No. of ordinary shares in issue	344,200,000	344,200,000	387,225,000
NA per ordinary share (RM)	0.16	0.16	0.19
Borrowings (RM)	1,124,060	1,124,060	1,124,060
Gearing (times)	0.02	0.02	0.02

Notes:-

^{*} After deducting estimated expenses amounting to RM150,000

[^] Assuming the Warrants are exercised at RM0.40 per Warrant

6.3 EPS

The Proposed Bonus Issue of Warrants is not expected to have any effect on the earnings of Censof Group for the FYE 31 December 2012. However, as and when the Warrants are exercised into new Censof Shares, it will result in a dilution in the EPS of Censof Group due to the increase in the number of Censof Shares issued. Assuming full exercise of Warrants and based on the audited profit after tax for the FYE 31 December 2011 amounting to RM8,998,410, the EPS of Censof will decrease from 3.26 sen to 2.82 sen.

6.4 Substantial shareholder's shareholdings

The Proposed Bonus Issue of Warrants will not have any effect on the shareholdings of the substantial shareholders of Censof. Any potential effect on the substantial shareholdings in Censof will depend on the number of new Censof Shares to be issued arising from the exercise of the Warrants.

6.5 Convertible securities

As at the date of this Circular, Censof does not have any existing convertible securities.

7. HISTORICAL SHARE PRICES

The monthly highest and lowest prices of Censof Shares as traded on Bursa Securities for the past twelve (12) months from June 2011 to May 2012 are as follows:-

	High RM	Low RM
2011		
June	0.785	0.640
July	0.720	0.620
August	0.715	0.470
September	0.515	0.300
October	0.495	0.300
November	0.505	0.425
December	0.450	0.385
2012		
January	0.540	0.410
February	0.560	0.455
March	0.490	0.400
April	0.495	0.415
May	0.435	0.340
Last transacted market price on 24 April 2012 (being the date prior to the announcement of the Proposed Bonus Issue of Warrants)		0.430
Last transacted market price on 5 June 2012, being the last practicable date prior to the printing of this Circular <i>(Source: Bloomberg)</i>		0.360

8. PROPOSALS ANNOUNCED BUT PENDING COMPLETION

Save for the Proposed Bonus Issue of Warrants, the Board is not aware of any other corporate exercise that has been announced but not yet completed as at the date of this Circular.

9. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED

None of the Directors, major shareholders and/or persons connected to them have any interest, either direct or indirect, in the Proposed Bonus Issue of Warrants apart from their respective entitlements under the Proposed Bonus Issue of Warrants, the rights of which are also available to all other existing shareholders of the Company as at the Entitlement Date.

10. APPROVALS REQUIRED/ OBTAINED

The Proposed Bonus Issue of Warrants is conditional upon approvals being obtained from the following:-

- (i) Bursa Securities, for which the approval-in-principle for the admission of the Warrants to the Official List of Bursa Securities, as well as for the listing of and quotation for the Warrants and the new Censof Shares arising from the exercise of the Warrants on the Main Market of Bursa Securities, was obtained vide its letter dated 4 June 2012, subject to the following conditions:-

Conditions	Status of compliance
(i) Censof and OSK must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed Bonus Issue of Warrants	To be complied.
(ii) Censof and OSK to inform Bursa Securities upon the completion of the Proposed Bonus Issue of Warrants	To be complied.
(iii) Censof to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Bonus Issue of Warrants is completed; and	To be complied.
(iv) Payment of additional listing fees. Censof is required to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the exercise of Warrants, as at the end of each quarter together with a detailed computation of listing fees payable.	To be complied.
(ii) Controller of Foreign Exchange (via BNM), for the allotment and issuance of Warrants to non-resident shareholders of Censof, if any, which was submitted on 7 June 2012 and pending approval as at the date of this Circular; and	
(iii) the shareholders of Censof for the Proposed Bonus Issue of Warrants at an EGM to be convened.	

The Proposed Bonus Issue of Warrants is not conditional upon any other corporate proposals of the Company.

11. ESTIMATED TIMEFRAME FOR COMPLETION AND TENTATIVE TIMETABLE FOR IMPLEMENTATION

Barring any unforeseen circumstances and subject to all required approvals being obtained, the Board expects the Proposed Bonus Issue of Warrants to be completed by the third (3rd) quarter of calendar year 2012. The tentative timetable in relation to the Proposed Bonus Issue of Warrants is set out below:-

Month	Events
26 June 2012	Convening of EGM to obtain the approval of shareholders of Censof
End June 2012	Announcement of the Entitlement Date
Mid July 2012	<ul style="list-style-type: none"> • Entitlement Date • Listing of the Warrants

12. DIRECTORS' RECOMMENDATION

The Board, having considered the current financial position of Censof, is of the opinion that the Proposed Bonus Issue of Warrants is in the best interest of the Company after taking into consideration the rationale for the Proposed Bonus Issue of Warrants and effects of the Proposed Bonus Issue of Warrants as set out in Sections 4 and 6 of this Circular, respectively.

Accordingly, the Board recommends that you vote in favour of the ordinary resolution pertaining to the Proposed Bonus Issue of Warrants to be tabled at the forthcoming EGM of the Company.

13. EXTRAORDINARY GENERAL MEETING

The EGM, the notice of which is enclosed in this Circular, will be held at Banyan Room, Ground Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia on Tuesday, 26 June 2012 at 11.30 a.m., or immediately following the conclusion or adjournment of the Fourth (4th) AGM of the Company scheduled to be held at the same venue and on the same date at 11.00 a.m., whichever shall be the later, for the purpose of considering and if thought fit, passing the resolution to give effect to the Proposed Bonus Issue of Warrants.

If you are unable to attend and vote in person at the EGM, you are requested to complete and return the enclosed Form of Proxy in accordance with the instruction therein as soon as possible so as to arrive at the Registered Office of the Company not less than forty-eight (48) hours before that time set for the EGM or any adjournment thereof. The lodging of the Form of Proxy does not preclude you from attending the EGM and voting in person at the EGM should you subsequently wish to do so.

14. FURTHER INFORMATION

Shareholders are advised to refer to Appendix I for further information.

Yours faithfully,
For and on behalf of the Board of
CENTURY SOFTWARE HOLDINGS BERHAD

DATUK SAMSUL BIN HUSIN
Group Managing Director

FURTHER INFORMATION

1. RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Board, and the Directors collectively and individually accept full responsibility for the accuracy of the information contained herein and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts, the omission of which would make any statement herein false or misleading.

2. CONSENT AND CONFLICT OF INTEREST

OSK, being the Adviser for the Proposed Bonus Issue of Warrants, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name and all references thereto in the form and context in which they appear in this Circular.

OSK has given its written confirmation that as at the date of this Circular, there is no situation of conflict of interests that exists or is likely to exist in relation to its role as the Adviser to Censof for the Proposed Bonus Issue of Warrants.

3. MATERIAL CONTRACTS

Save as disclosed below, the Directors of Censof confirm that there are no material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by Censof within the past two (2) years preceding the date of this Circular:-

- (a) A Share Sale and Purchase Agreement dated 29 June 2010 between Censof and Censof Sdn Bhd, Ramlee bin Mohd. Shariff, Malaysia Venture Capital Management Berhad, Expedient Equity Ventures Sdn Bhd, Hafiz Mursjidi Bin Suhaimi, YM Raja Mohd Nazri Bin Raja Abd Malek, Khalek Bin Awang, Rosdin Bin Hanafiah, Mohd Akob bin Ahmad (the "CSM Vendors") wherein Censof agreed to acquire and the CSM Vendors agree to sell 1,000,000 shares in Century Software (Malaysia) Sdn Bhd ("CSM") for a total purchase consideration of RM13,299,998 which was satisfied entirely by the issuance of 132,999,980 Censof Shares to the respective CSM Vendors in proportion to their shareholdings in CSM;
- (b) A Share Sale and Purchase Agreement dated 29 June 2010 between Censof and T-Melmax Global Sdn Bhd ("T-Global") wherein Censof agreed to acquire and T-Global agreed to sell 5,146,759 ordinary shares of RM1.00 each in T-Melmax Sdn Bhd ("TMX") for a total purchase consideration of RM1.61 million which was satisfied entirely by the issuance of 16,100,000 Censof Shares. T-Global has vide its letter of renunciation dated 29 June 2010 renounced all its rights, title and benefits to the 16,100,000 Censof Shares to T-Global's shareholders in proportion to their shareholdings in T-Global;
- (c) Underwriting Agreement dated 29 December 2010 between Censof and Kenanga Investment Bank Berhad ("Kenanga"), for the underwriting of 5,800,000 Censof Shares made available for application by the public and by the Group's eligible employees, directors and business associates pursuant to the public issue in conjunction with the listing of Censof on the Main Market of Bursa Securities for an underwriting commission of two point five percent (2.5%) of the initial public offering ("IPO") price for the above public issue shares;
- (d) Placement Agreement dated 29 December 2010 between Censof and Kenanga for the placement of 8,550,000 Censof Shares issued pursuant to the public issue in conjunction with the listing of Censof on the Main Market of Bursa Securities for a placement fee of two percent (2.0%) of the IPO price for the public issue shares; and

- (e) A sale and purchase of shares agreement where the Company is the purchaser for 60% of the issued and paid-up share capital of PT Praisindo Teknologi from PT Mahaka Media, Tbk, the seller for a total consideration of Rp11,450,000,000 (Eleven Billion Four Hundred and Fifty Million Rupiah). Subsequently, upon the completion of the due diligence exercise and the Vendor's compliance with all the conditions precedent, the Vendor had agreed to a reduction of USD200,000 in the sale consideration to USD1.25 million. The acquisition was completed on 17 November 2011.

4. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As at the LPD, the Directors of Censof confirm that Censof Group is not engaged in any material litigation, claim or arbitration either as plaintiff or defendant and the Directors of Censof do not have any knowledge of proceedings pending or threatened against Censof Group, or any fact likely to give rise to any proceeding which might materially and adversely affect the financial position or business of Censof Group.

5. MATERIAL COMMITMENTS

As at the LPD, the Board is not aware of any material commitments incurred or known to be incurred by the Company that has not been provided for which, upon becoming enforceable, may have a material impact on the financial results/ position of the Group.

6. CONTINGENT LIABILITIES

Save as disclosed below, as at the LPD, the Board is not aware of any contingent liabilities incurred or known to be incurred by the Company which, upon becoming enforceable, may have a material impact on the financial results/ position of the Group:

- (a) Corporate guarantee

	RM
Corporate guarantee given to a licensed bank for credit facilities granted to a subsidiary	<u>7,000,000</u>

- (b) Liquidated Ascertained Damages ("LAD")

There is a potential contingent liability arising from LAD claims by a customer, in relation to a project contract undertaken by a subsidiary.

However, the Directors are confident that the potential LAD claim is unlikely to be crystallised as they are confident that the project will be completed on time and the amount payable on this LAD claims, if any, will be waived or will be very minimal.

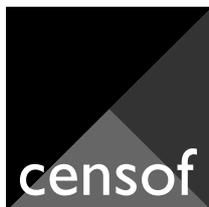
7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur during normal business hours from the date of this Circular up to the time fixed for the holding of the EGM:-

- (a) Memorandum and Articles of Association of Censof;
- (b) audited consolidated financial statements of Censof Group for the FYE 31 December 2010 and FYE 31 December 2011, together with the latest unaudited consolidated quarterly results of Censof Group for the financial period ended 31 March 2012;

- (c) the letter of consent referred to in Section 2 above;
- (d) the material contracts referred to in Section 3 above; and
- (e) The draft Deed Poll for the Warrants.

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CENTURY SOFTWARE HOLDINGS BERHAD

(Company No.: 828269-A)
(Incorporated in Malaysia under the Companies Act, 1965)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of Century Software Holdings Berhad ("Censof" or the "Company") will be held at Banyan Room, Ground Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia on Tuesday, 26 June 2012 at 11.30 a.m., or immediately following the conclusion or adjournment of the Fourth (4th) Annual General Meeting of the Company scheduled to be held at the same venue and on the same date at 11.00 a.m., whichever shall be the later, for the purpose of considering and if thought fit, passing with or without modifications the following resolution:-

ORDINARY RESOLUTION 1

PROPOSED BONUS ISSUE OF 43,025,000 FREE WARRANTS IN CENSOF ("WARRANT(S)") ON THE BASIS OF ONE (1) WARRANT FOR EVERY EIGHT (8) EXISTING ORDINARY SHARES OF RM0.10 EACH IN CENSOF ("CENSOF SHARE(S)" OR "SHARE(S)") HELD ON AN ENTITLEMENT DATE TO BE DETERMINED LATER ("PROPOSED BONUS ISSUE OF WARRANTS")

"THAT, subject to the approvals of all relevant authorities, the Board of Directors of Censof ("Board") be and is hereby authorised to issue 43,025,000 Warrants in Censof to the shareholders of the Company whose names appear on the Record of Depositors of the Company as at the close of business on an entitlement date to be determined later ("Entitlement Date") by the Board, on the basis of one (1) free Warrant for every eight (8) existing Censof Shares;

THAT, the Board be and is hereby authorised to issue such Warrants as may be required or permitted to be issued as a consequence of the adjustments under the provisions in the deed poll to be executed, constituting the Warrants ("Deed Poll");

THAT, the Board be and is hereby authorised to issue and allot such appropriate number of new Censof Shares arising from the exercise of the Warrants by the holders of the Warrants of their rights in accordance with the provisions of the Deed Poll, including such appropriate number of new Censof Shares arising from the exercise of subscription rights represented by the Warrants;

THAT, the Board be and is hereby authorised to disregard, and/or deal with any fractional entitlements of the Warrants that may arise from the Proposed Bonus Issue of Warrants, in such manner as the Board deems fit and expedient in the best interest of the Company;

THAT, the new Censof Shares to be issued pursuant to the exercise of the Warrants shall upon allotment and issuance, rank *pari passu* in all aspects with the then existing Censof Shares, save and except that they shall not be entitled to any dividends, rights, allotment and/ or other forms of distribution that may be declared, made or paid where the Entitlement Date precedes the date of allotment and issuance of the new Shares arising from the exercise of the Warrants;

THAT, the Board be and is hereby authorised to enter into and execute the Deed Poll with full powers to assent to any conditions, variations, modifications and/ or amendments in any manner as may be required by the relevant authorities or deemed necessary by the Board, and with full powers to implement and give effect to the terms and conditions of the Deed Poll;

AND THAT, the Board be and is hereby authorised to take all such necessary steps to give effect to the Proposed Bonus Issue of Warrants with full powers to assent to any conditions, variations, modifications and/ or amendments in any manner as may be required by the relevant authorities or deemed necessary by the Board, and to take all steps and to do all such acts and matters as they may consider necessary or expedient to implement, finalise and give full effect to the Proposed Bonus Issue of Warrants."

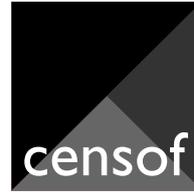
By Order of the Board

Lim Seck Wah (MAICSA 0799845)
M. Chandrasegaran A/L S. Murugasu (MAICSA 0781031)
Company Secretaries

11 June 2012

Notes:-

1. *For the purpose of determining a member who shall be entitled to attend, speak and vote at the EGM, the Company shall be requesting the Record of Depositors as at 20 June 2012. Only a depositor whose name appears on the Record of Depositors as at 20 June 2012 shall be entitled to attend, speak and vote at the said meeting or appoint proxies to attend, speak and vote on his/her behalf.*
2. *A member entitled to attend and vote at the Meeting is entitled to appoint not more than two (2) proxies to attend, speak and vote in his/her stead. If a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy. A proxy may but need not be a member of the Company. The provisions of Section 149(1)(a) & (b) of the Act shall not apply.*
3. *Where a member is an authorised nominee as defined under the Central Depositories Act, 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each Securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.*
4. *Where a member is an exempt authorised nominee, it may appoint multiple proxies for each omnibus account it holds.*
5. *The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or, if the appointer is a corporation, either under the Corporation's Common Seal or under the hand of an officer or attorney so authorised.*
6. *The Proxy Form must be deposited at the Registered Office of the Company at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur not less than forty-eight (48) hours before the time set for holding the meeting or any adjournment thereof.*



No. of ordinary shares held

FORM OF PROXY
(please refer to the notes below)

I/We _____

NRIC/ Passport No./ Company No. _____

of _____

Being a member of CENTURY SOFTWARE HOLDINGS BERHAD (828269-A) hereby appoint:

1. Name of Proxy: _____ NRIC No.: _____

Address: _____

_____ No. of Shares Represented: _____

2. Name of Proxy: _____ NRIC No.: _____

Address: _____

_____ No. of Shares Represented: _____

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Extraordinary General Meeting of the Company to be held at Banyan Room, Ground Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia, on Tuesday, 26 June 2012 at 11.30 a.m., or immediately following the conclusion or adjournment of the Fourth (4th) Annual General Meeting of the Company scheduled to be held at the same venue and on the same date at 11.00 a.m., whichever shall be the later. My/our proxy is to vote as indicated below:

No	Resolution	For	Against
1	Ordinary Resolution – Proposed Bonus Issue of Warrants		

Please indicate with "X" on how you wish to cast your vote. In the absence of specific instruction, your proxy will vote or abstain as he/she thinks fit. The first named proxy shall be entitled to vote on a show of hands on my/our behalf.

Dated this _____ day of _____ 2012

Signature(s) of Member(s)

Affix Company's Seal (if applicable)

Notes:-

- For the purpose of determining a member who shall be entitled to attend, speak and vote at the EGM, the Company shall be requesting the Record of Depositors as at 20 June 2012. Only a depositor whose name appears on the Record of Depositors as at 20 June 2012 shall be entitled to attend, speak and vote the said meeting or appoint proxies to attend, speak and vote on his/her behalf.
- A member entitled to attend and vote at the Meeting is entitled to appoint not more than two (2) proxies to attend, speak and vote in his/her stead. If a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy. A proxy may but need not be a member of the Company. The provisions of Section 149(1)(a) & (b) of the Act shall not apply.
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- Where a member is an exempt authorised nominee, it may appoint multiple proxies for each omnibus account it holds.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or, if the appointer is a corporation, either under the Corporation's Common Seal or under the hand of an officer or attorney so authorised.
- The Proxy Form must be deposited at the Registered Office of the Company at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur not less than forty-eight (48) hours before the time set for holding the meeting or any adjournment thereof.



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AFFIX
STAMP

THE REGISTRAR
CENTURY SOFTWARE HOLDINGS BERHAD (828269-A)
Level 15-2, Bangunan Faber Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur

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