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VOLUNTARY ANNOUNCEMENT

Chinasoft and ESI Group has signed a Strategic Cooperation Agreement to promote the Democratization of Smart Factory through Virtual Prototyping on Cloud

This announcement is issued by Chinasoft International Limited (the “Company”) as a voluntary announcement to allow the public to understand the latest information on the Company.

The Company is pleased to announce that it has signed a strategic cooperation agreement with ESI Group. In the future, the Company will take full advantage of cloud computing, big data and Internet platform to thoroughly connect ESI Group with China’s vast manufacturing market in the technology in industrial simulation and prototyping. The two sides will combine strengths and complement each other to jointly build a new digitally driven industrial ecosystem and promote intelligent upgrade in more manufacturing companies.

Intelligent manufacturing and industrial Internet have ushered in historical development opportunities with accelerating integration of informatization and industrialization in China at present. Through “JointForce” cloud crowdsourcing platform and “Honeycomb” intelligent manufacturing Internet platform, the Company provides Chinese manufacturing companies with overall transformation and upgrading solutions as well as digital shared economic value-added services. With the establishment of strategic cooperation with ESI Group, the Company will combine “Honeycomb” platform for superior resource integration, and rely on the available cloudization of ESI Group’s software to jointly build an exclusive public cloud application platform; it will output ESI virtual prototyping solution, a core component of the Industry 4.0 revolution, to more Chinese manufacturing companies through cloud, promoting wide benefit of new technology in intelligent manufacturing. The Company will also take

advantage of “JointForce” platform to open the programmatic interfaces of various applications to the external, build a platform ecosystem for simulation applications, further expand the national market, and form a digitally driven new industrial ecology.

In key areas of China, the Company will also cooperate with ESI Group to jointly build institutes of intelligent manufacturing, promote the building of R&D laboratories for Hybrid Twin and virtual manufacturing, etc., and maintain investment in emerging technologies and directions to accelerate implementation of industrial intelligent innovation and cultivation of new generation of intelligent professionals. The two sides will be jointly faced with new applications and expand the layout of digital twin cities.

The strategic cooperation with ESI Group has fully shown the Company’s status as a core supplier of cloud computing, big data, and Internet platform in China, obtaining high recognition of overseas customers. The strategic cooperation with ESI Group is expected to strengthen the resource consolidation capability of the Company’s Internet platform, build a new business model, and form integration and output of core capabilities of intelligent manufacturing to promote the Company’s accelerating transition towards a core platform integration provider in Chinese Industry 4.0.

About ESI Group

ESI Group is a leading innovator in Virtual Prototyping software and services. Specialist in material physics, ESI has developed a unique proficiency in helping industrial manufacturers replace physical prototypes by virtual prototypes, allowing them to virtually manufacture, assemble, test and pre-certify their future products. The creation of a *Hybrid Twin*TM, leveraging simulation, physics and data analytics, enables manufacturers to deliver smarter and connected products, to predict product performance and to anticipate maintenance needs. At present, ESI employs about 1200 high-level specialists worldwide to address the needs of customers in more than 40 countries, and its customer base spans nearly every industry sector. The company’s annual sales in 2017 were €135 million.

By order of the Board
Chinasoft International Limited
Dr. CHEN Yuhong
Chairman and Chief Executive Officer

12 June 2018, Hong Kong

As at the date of this announcement, the Board comprises two executive Directors, namely Dr. Chen Yuhong (Chairman and Chief Executive Officer) and Dr. Tang Zhenming, two non-executive Directors, namely Dr. Zhang Yaqin and Mr. Gao Liangyu, and two independent non-executive Directors, namely Mr. Zeng Zhijie and Dr. Lai Guanrong.

* For identification purposes only