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VOLUNTARY ANNOUNCEMENT

Chinasoft Joins Hands with Wuxi Municipal People's Government: To Jointly Create a New Benchmark for Xinchuang Industry and a New Blueprint of Intelligent IoT

Chinasoft International Limited (hereinafter referred to as "Chinasoft" or the "Company") hereby issues this announcement as a voluntary publication for the purpose of updating the public with the latest information of the Company.

The Company is pleased to announce that the Company recently signed a strategic cooperation agreement with the Wuxi Municipal People's Government. In this cooperation, the two parties will give full play to Wuxi's urban influence as the "Capital of the Internet of Things" and "Famous Software City in China", combine the advantages of the Company's deep cultivation of the open source Hongmeng industry and the full-stack technology capabilities of domestic alternatives, and jointly focus on software, Internet of Things, etc. In areas such as Xinchuang, they will build an independent innovation ecological chain with leading core technologies and strong industrial competitiveness, accelerate the development of Wuxi's digital economy, and promote Wuxi to become a demonstration zone for Xinchuang industry with leading competitive advantages.

In this strategic cooperation, the two parties will adhere to the principle of "complementary advantages, mutual benefit and win-win, and ecological co-construction", pool their respective advantages, and form a strong alliance. The two parties will build Chinasoft-Wuxi Intelligent Networking Base, set up Honglian (Wuxi) joint venture, carry intelligent network innovation laboratory, build a KaihongOS innovation technology center, digital software factory and other businesses, play the leading role of leading enterprises, cultivate and attract intelligent Networking enterprises settled in Wuxi, promoting the establishment of a smart networking ecosystem with leading technology and independent innovation. The two parties will focus on Honglian Lianving as an innovative carrier for the integrated development of scenarios and industries, and jointly sort out the innovative application needs and scenarios of smart networking around smart connected cities, smart parks, smart education, smart transportation, smart health care, and smart manufacturing. Together, they will break through a number of key technologies of intelligent networking based on domestic operating systems, and create a batch of innovative solutions and scenario demonstrations for intelligent networking that can be applied, promoted, and replicated.

The Company will capture the development trend of national Xinchuang, focus on cultivating the independent innovation ecological chain around KaihongOS, realize the efficient deployment of regional technology, data, talents and other resource elements with the ecological service platform, and incubate with the smart network innovation laboratory that is domestic, independent, and controllable. For the application of innovative technologies, the KaihongOS Innovation Technology Center is used to create an industry hub for local advantageous industries, to reduce the application cost of the Internet of Things with unified standards, and to reduce the development cost of software and hardware of the Internet of Things with the software factory.

At the same time, based on the integration trend of the national digital economy and the real economy, the Company will carry out digital transformation consulting services around leading enterprises and state-owned enterprises in Wuxi's integrated circuit, military industry, automobile production, equipment manufacturing and other industries. It will provide support for the localization of systems such as business management, application software, etc., assist in the construction of digital (smart) localization of enterprises, create a batch of solutions for the digital transformation of state-owned assets and enterprises based on the KaihongOS localized operating system, and promote the optimization of resource allocation and adjustment of traditional industries in Wuxi Industrial structure, helping enterprises in comprehensive digital and intelligent transformation.

The Company's signing with Wuxi this time is another strategic achievement of the company in the field of open source Hongmeng and intelligent IoT following the creation of the "Open Harmony City" with Shenzhen and Tianjin. It fully demonstrates that OpenHarmony is the core to cultivate safe and controllable digitalization. The development model of the industrial chain has been recognized by many governments. Looking forward to the future, the Company will rely on the technical advantages of KaihongOS's independent innovation of intelligent connected perception, full-stack domestic alternative solutions and capabilities, deeply cultivate the big scene of the digital economy, build a solid foundation for digital security, and build a new pattern of safe, controllable and intelligent IoT.

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

1 December 2022, Hong Kong

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

* For identification purposes only