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ANNOUNCEMENT

AUDITED ANNUAL RESULT 2006

The Board would like to draw our shareholders and potential investors attention to the reason why there was a great deviation of Unaudited Profit attributable to Shareholders of Rmb39,974,000 for the nine months ended September 30, 2006 and the Audited Loss attributable to Shareholders of Rmb66,593,000 for the year ended December 31, 2006 were due to two exceptional items which include an amount of Rmb110,558,000 of the effect of adoption of HKAS39 in relation to redeemable convertible preferred shares and another amount of Rmb10,764,000 of the Issuing expenses for redeemable convertible preferred shares. If the two exceptional items were added back to the Audited Loss attributable to Shareholders as per Result announcement and Annual Report, the adjusted annual result would be Rmb54,729,000 in profit rather than a loss.

Shareholders of the Company and investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

The board of Directors (the “Board”) of Chinasoft International Limited (the “Company”) and together with its subsidiaries, (the “Group”) wishes to inform the shareholders of the Company and investors that the Group’s audited results for the year ended 31 December 2006 of having a loss of Rmb66,593,000 are adversely affected by two exceptional items which include an amount of Rmb110,558,000 of the effect of adoption of HKAS39 in relation to redeemable convertible preferred shares and another amount of Rmb10,764,000 of the Issuing expenses for redeemable convertible preferred shares. If the

two exceptional items totaling Rmb121,322,000 were added back to the Audited Loss attributable to Shareholders of Rmb66,593,000 as per Result announcement and Annual Report, the adjusted annual result would be Rmb54,729,000 in profit rather than a loss.

Comparing the adjusted annual result for the year ended 31 December 2006 of Rmb54,729,000 (audited loss add back exceptional items) to annual result for the year ended 31 December 2005 of Rmb39,656,000, a growth of 38% rather than a severe loss was achieved.

Shareholders of the Company and investors should exercise caution when dealing in the shares of the Company.

By order of the Board,
Dr. Chen Yuhong
Managing Director

Hong Kong, 2 April 2007

As at the date hereof, the Board comprises three executive directors, namely, Dr. Chen Yuhong, Mr. Wang Hui, Dr. Tang Zhenming, five non-executive directors, namely, Madam Tang Min (Chairman), Dr. Cui Hui, Mr. Duncan Chiu, Mr. Timothy Chen Yung Cheng, Mr. Liu Zheng and three independent non-executive directors, namely, Mr. He Ning, Mr. Zeng Zhijie and Dr. Leung Wing Yin Patrick.

This announcement will remain on the “Latest Company Announcements” page on the GEM website for at least 7 days from the date of its posting.

* *For identification purposes only*