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CHINASOFT BECOMES HUAWEI CLOUD'S HIGHEST-LEVEL CLOUD PARTNER AND WILL HAND IN HAND LEAD THE DEVELOPMENT OF PUBLIC CLOUD INDUSTRY

Chinasoft International Limited ("Chinasoft" or "the Company") is pleased to announce that it recently signed a strategic cooperation agreement for public cloud with Huawei Technologies Co. Ltd. ("Huawei"). Chinasoft will become the highest-level cloud partner with Huawei cloud and will enter full cooperation in software development cloud, cloud solutions, cloud services, and other related fields. Together, the two will build a public cloud ecosystem, hand in hand lead the development of the public cloud industry, and realize the benefits of the digital transformation.

This cloud partnership signifies that Chinasoft shares the same strategy in the new cloud computing layout, has complementing capabilities, and can achieve market coordination. It helps the Company to achieve a higher status in the Huawei ecosystem. In the future, the Company will have a comprehensive and in-depth relationship with Huawei, focusing in public cloud and surrounding the idea of digital transformation, to continue to enlarge its cloud business.

In the Software Development Cloud Market, Chinasoft will have a comprehensive partnership with Huawei in market expansion, operational promotion, and ecosystem construction. As a comprehensive strategic partner of Huawei software development cloud, the Company will provide strong support in its clouds optimization and expansion. The two parties will create value for the customers and share the profit. Jointforce, Chinasoft's cloud based crowdsourcing platform, will be closely bundled with the software development cloud's functions and services, and together build a brand-new customized software development ecosystem.

In the Cloud Solutions Market, as the leader in the domestic manufacture IT market, Chinasoft recently launched its smart manufacturing cloud platform solution ("Smart Manufacturing Cloud"). Smart Manufacturing Cloud is the basis of cloud-based smart manufacturing service platform. It helps manufacturers achieve resource diagnosis, precision targeting, balance management, and process management. It is an integrative service platform that promotes resource and industry integration in order to help manufacturers improve their profitability.

Smart Manufacturing Cloud is built on the Huawei public cloud, and is a SaaS product for government and other public users. It will charge base on usages. In the future Chinasoft and Huawei will promote smart manufacturing cloud in key provinces and to enterprises, oversee the execution of the smart manufacturing cloud in different cities, build industry benchmark enterprises, and help the domestic manufactures upgrade and transform. Furthermore, the Company will continue to create solutions built on Huawei public cloud in government, energy, financial, transportation, education, e-commerce, etc. and help millions of users migrate to cloud.

In the Cloud Service Market, Chinasoft and Huawei will jointly construct a comprehensive cloud service system to support the cloud transformation of large number of enterprise users. Furthermore, the Company will fully introduce Catapult Systems, LLC. ("Catapult"), its American subsidiary, to the Chinese market and leverage Catapult's mature technological servicing capabilities to establish Huawei public cloud service centers nationwide. These centers will provide public cloud application consulting and planning, cloud POC certification, cloud migration, cloud management services, and other public cloud services and help Chinasoft grow in the cloud service market.

This powerful partnership between Chinasoft and Huawei will impact the construction of the enterprise level public cloud ecosystem directly. The public cloud business will become a core strategy in the Company's future growth. Chinasoft will fully take advantage of the opportunities arisen from this cooperative cloud partnership with Huawei and fully upgrade its business model and optimize revenue structure. Lastly, the Company will realize its own cloud service digital transformation and become a comprehensive and innovative global IT enterprise.

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

Hong Kong, 17 July 2017

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. Samuel Thomas Goodner, and three independent non-executive Directors, namely Mr. Zeng Zhijie, Dr. Leung Wing Yin and Dr. Lai Guanrong.

^{*} For identification purposes only