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中软国际

CHINASOFT INTERNATIONAL LIMITED

中軟國際有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8216)

FURTHER DELAY IN DESPATCH OF CIRCULAR

The Company has applied to the Stock Exchange for a further extension of time for the despatch of the Circular from 31 March 2007 to 30 June 2007 as the waiver from strict compliance with Rule 7.05 of the GEM Listing Rules under which the Circular shall include an accountants' report comprises the financial information of the HGR Group for the period from 28 June 2005 (the date of incorporation of HGR) to 31 December 2006 was not being granted by the Stock Exchange.

Reference is made to the announcement made by the Company dated 5 January 2007 (the “**Announcement**”) in relation to a major transaction and another two announcements made by the Company dated 26 January 2007 and 2 March 2007 (the “**Announcement 1**”) in relation to the delay in despatch of the Circular. Unless otherwise specified, terms used herein shall have the same meanings as defined in the Announcement.

Since the Acquisition constitutes a major transaction under the GEM Listing Rules, pursuant to Rule 19.38 of the GEM Listing Rules, a circular in relation to the Acquisition (the “**Circular**”) shall be despatched to the Shareholders within 21 days after publication of the Announcement, i.e. on or before 29 January 2007. An extension of time and a further extension of time for the despatch of the Circular on or before 2 March 2007 and 31 March 2007 respectively have been applied and granted by the Stock Exchange.

As stated in the Announcement 1, the Company has applied to the Stock Exchange for, among other things, waiver from strict compliance with Rule 7.05 of the GEM Listing Rules (the “**Waiver**”) under which the Circular shall include an accountants' report comprises the financial information of the HGR Group for the period from 28 June 2005 (the date of incorporation of HGR) to 31 December 2006, as it is

unlikely the financial information of the HGR Group for the year ended 31 December 2006 will be ready for inclusion in the Circular for despatch by 31 March 2007. It is also mentioned that should the Waiver was not being granted by the Stock Exchange, the time for the despatch of the Circular will be further extended to 30 June 2007. The Stock Exchange has issued a letter dated 16 March 2007 which stated that the Waiver was not being granted to the Company (the “**Ruling**”).

Based on the Ruling, the Company will prepare the Circular which shall include an accountants’ report comprises the financial information of the HGR Group for the period from 28 June 2005 (the date of incorporation of HGR) to 31 December 2006. However, as the subsidiaries of HGR are located in Hong Kong, the PRC, Japan and the US, more time is required to gather information in finalizing the contents of the Circular, in particular, accountants’ report comprises the financial information of the HGR Group for the period from 28 June 2005 (the date of incorporation of HGR) to 31 December 2006, an application has therefore been made to the Stock Exchange for its consent to a further extension of time for the despatch of the Circular from 31 March 2007 to 30 June 2007.

By order of the Board
Chinasoft International Limited
Dr. CHEN Yuhong
Managing Director

Hong Kong, 29 March 2007

As at the date of this announcement, the Board comprises:

Executive Directors:

Dr. CHEN Yuhong (*Managing Director*)

Dr. TANG Zhenming

Mr. WANG Hui

Non-executive Directors:

Madam TANG Min (*Chairman*)

Dr. CUI Hui

Mr. CHEN Yung Cheng Timothy

Mr. Duncan CHIU

Mr. LIU Zheng

Independent non-executive Directors:

Mr. HE Ning

Mr. ZENG Zhijie

Dr. LEUNG Wing Yin

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:- (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this document misleading; and (3) all opinions expressed in this document have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

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

** for identification purpose only*