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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)

CLARIFICATION ANNOUNCEMENT

This announcement is made at the request of The Stock Exchange of Hong Kong Limited to clarify reports in various local newspapers on 10 June 2003 (the “Articles”) containing comments by a Director that the Company (1) has contracts on hand of approximately RMB70 million for the first five months in 2003, with an increase of approximately 20% compare with the same period last year; (2) has an overall gross profit margin of 20%-30%; (3) has a gross profit margin of e-Park solution of 45%-75%.

The Directors would like to clarify that for the five months ended 31 May 2003, the Company had RMB74 million contracts on hand which were entered into in the ordinary course of business. The overall gross profit margin of 20% -30% refers to that of the Track Record Period.

The Directors confirmed that there is no material omission in the Prospectus and there is no undisclosed material information in relation to the Company.

Terms used in this announcement, unless defined herein, shall have the same meanings as those defined in the prospectus of Chinasoft International Limited (the “Company”) dated 10 June 2003 (the “Prospectus”).

The Directors noted that certain Articles contained comments by a Director that the Company (1) has contracts on hand of approximately RMB70 million for the first five months in 2003, with an increase of approximately 20% compare with the same period last year; (2) has an overall gross profit margin of 20% -30%; and (3) has a gross profit margin of e-Park solution of 45%-75% and wish to clarify the information in the Articles.

The Company would like to clarify that the information disclosed in the Articles was stated due to a misunderstanding between the reporters and the Director. The Director only mentioned that he is confident that the Group’s growth rate will be on par with the PRC IT industry growth rate which was 20% in 2002. Therefore, by reference to the Group’s turnover in 2002, the Group should be able to obtain approximately RMB70 million worth of contracts during the first five months of 2003.

For the five months ended 31 May 2003, the Company had approximately RMB74 million contracts on hand. The Directors confirm that such contracts were entered into in the ordinary course of business of the Group.

The overall gross profit margin of 20% -30% mentioned by the Director refers to that of the Track Record Period as disclosed in the Prospectus. In addition, the Director did not make any statement on the gross profit margin of e-Park solution and was not aware of the source of information as stated in the Articles.

The Directors further confirm that there is no material omission in the Prospectus and there is no undisclosed material information in relation to the Company.

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

Hong Kong, 11 June 2003

* *For identification purposes only*

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited 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 announcement misleading; and (3) all opinions expressed in this announcement 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 GEM website at <http://www.hkgem.com>.