ChinaSoft International
(0354.HK)

2013 Annual Results
Investor Presentation

March 27 2014

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Agenda

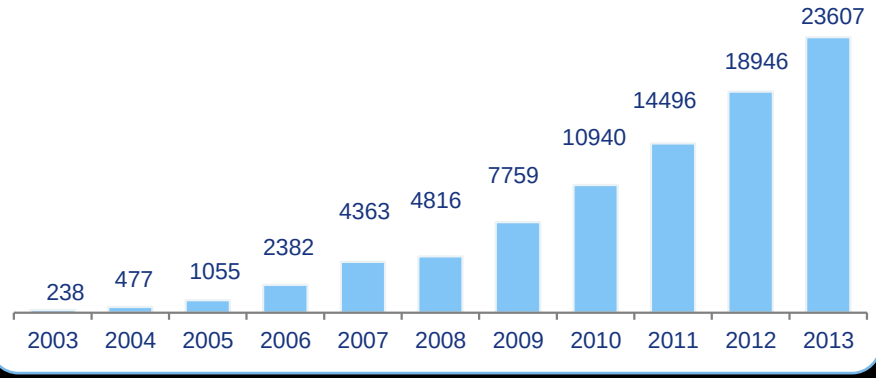
1. **Company Background**
2. 2013 Annual Financial Highlights
3. Business Review and Development
4. Growth Strategy
5. Appendix

Snapshot of ChinaSoft International

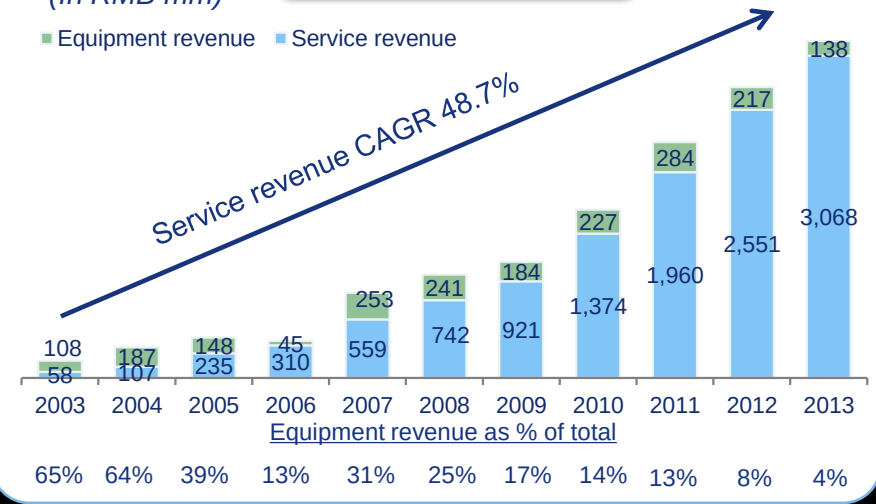
Service Offering (% of service revenue[1])	Â Professional Services (50.7%) Â Outsourcing Services (46.2%) Â Training (3.1%)
Vertical Coverage (% of service revenue[1])	Â Government & Manufacturing (20.5%) Â BFSI (16.5%) Â Public Services (10.3%) Â Telecommunications (27.1%) Â Technologies (22.6%)
Service Locations (% of service revenue[1])	Â 21 cities in China (78.2%) Â US, UK, Japan and other (21.8%)

[1] For the 12 months ended 12/31/2013

Headcount

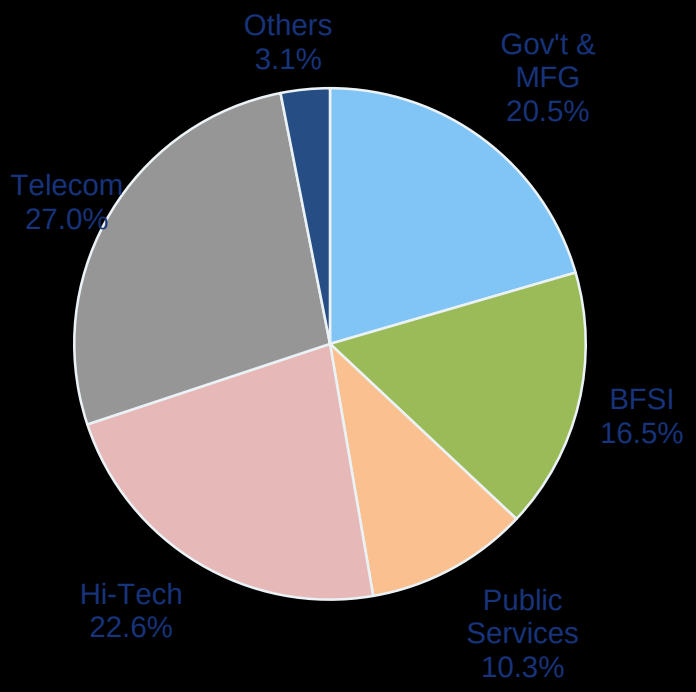


Total Revenues



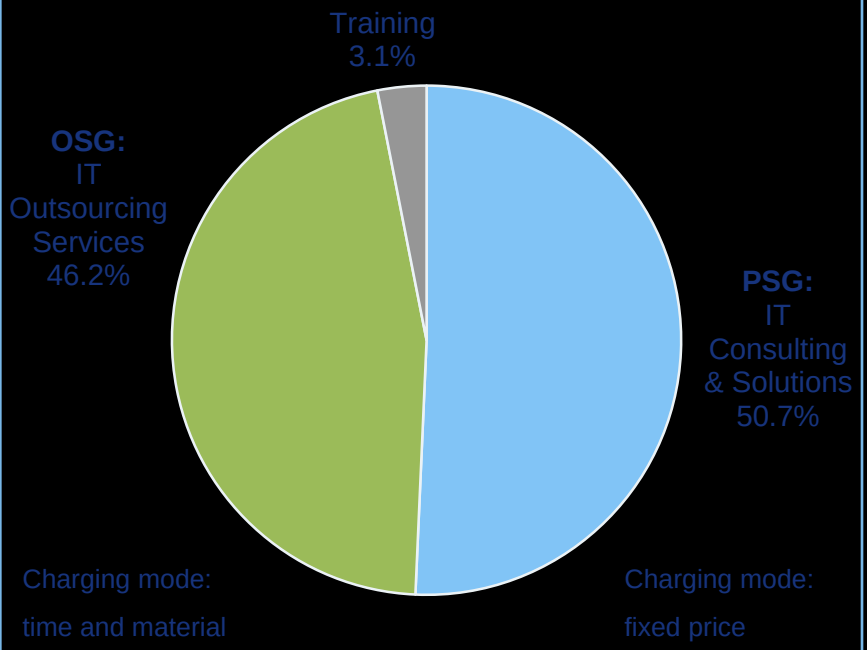
Business Distribution

Service Revenue by Industry Verticals



Total 2013 Service Revenue: RMB 3,068mm

Service Revenue by Service Type



Total 2013 Service Revenue: RMB 3,068mm

Core Strengths

Focused on both organic growth and M&A to become the Leading IT Services Company in fast-growing China IT Services market

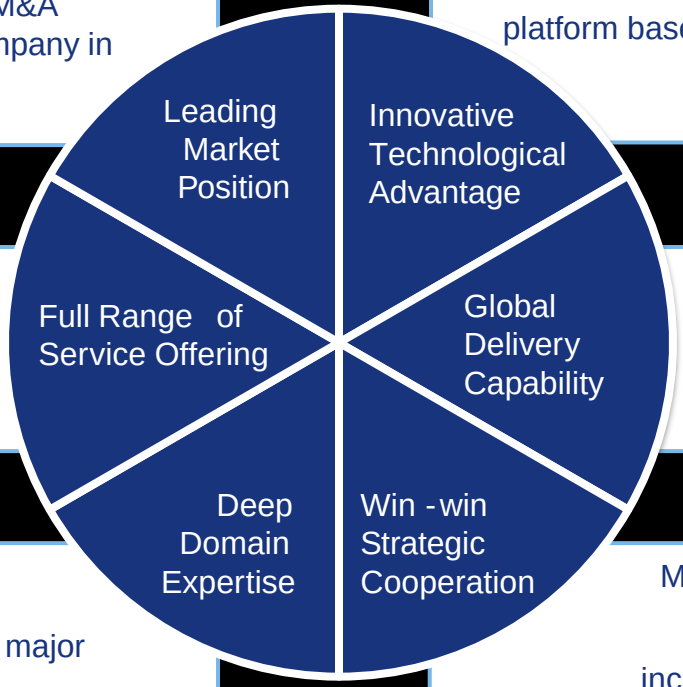
ResourceOne - Proprietary middleware platform based on SOA and cloud computing, supporting application software development for various verticals

Covering Consulting & Solutions as well as Outsourcing services
End to end service business layout
Integrated & differentiated services

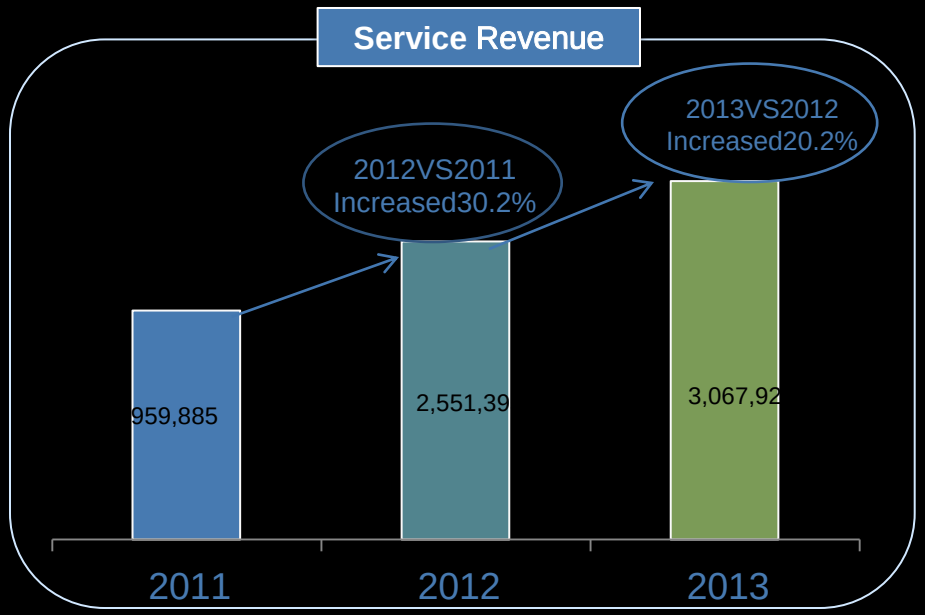
Sales & Delivery Centers located in 25 cities worldwide
With global delivery capability

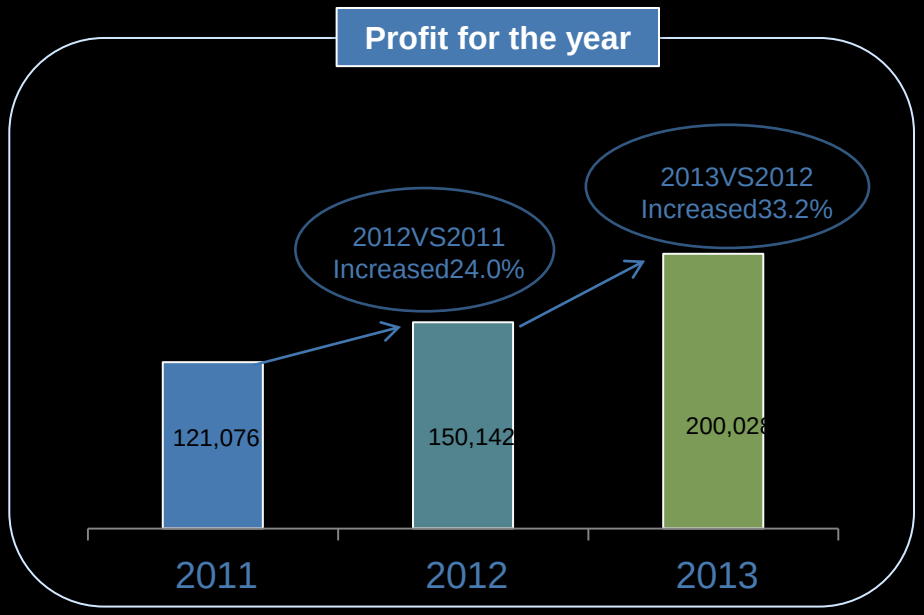
Leveraging deep domain expertise
Serving thousands of customers in 8 major verticals

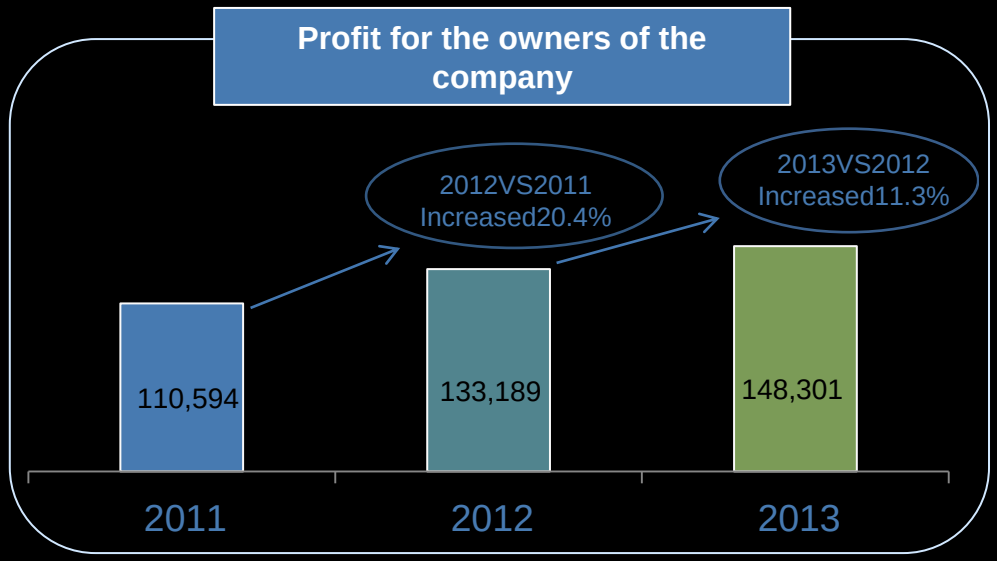
Multi-dimensional relationship with world-class strategic partners, including Huawei, Microsoft and Hony Capital



Tender chart of main financial index







Customers Analysis

Top Customers Concentration

Customer Analysis

- In 2013, the service revenue from the top 5 customers accounted for 41.1% of the Group's total service revenue.
- The service revenue from the top 10 customers accounted for 46.3% of the Group's total service revenue.
- The Group had 1,415 active customers in 2013, 706 of which were new customers.
- As of 31 December 2013, the Group had 61 customers each generating service revenue of more than RMB6 million.

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Moving Up the Value Chain

Strengthening core competitiveness
Moving up the value chain
Enhancing profitability

Intelligence focused
(Analytics, BI)
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Experience focused
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Efficiency focused
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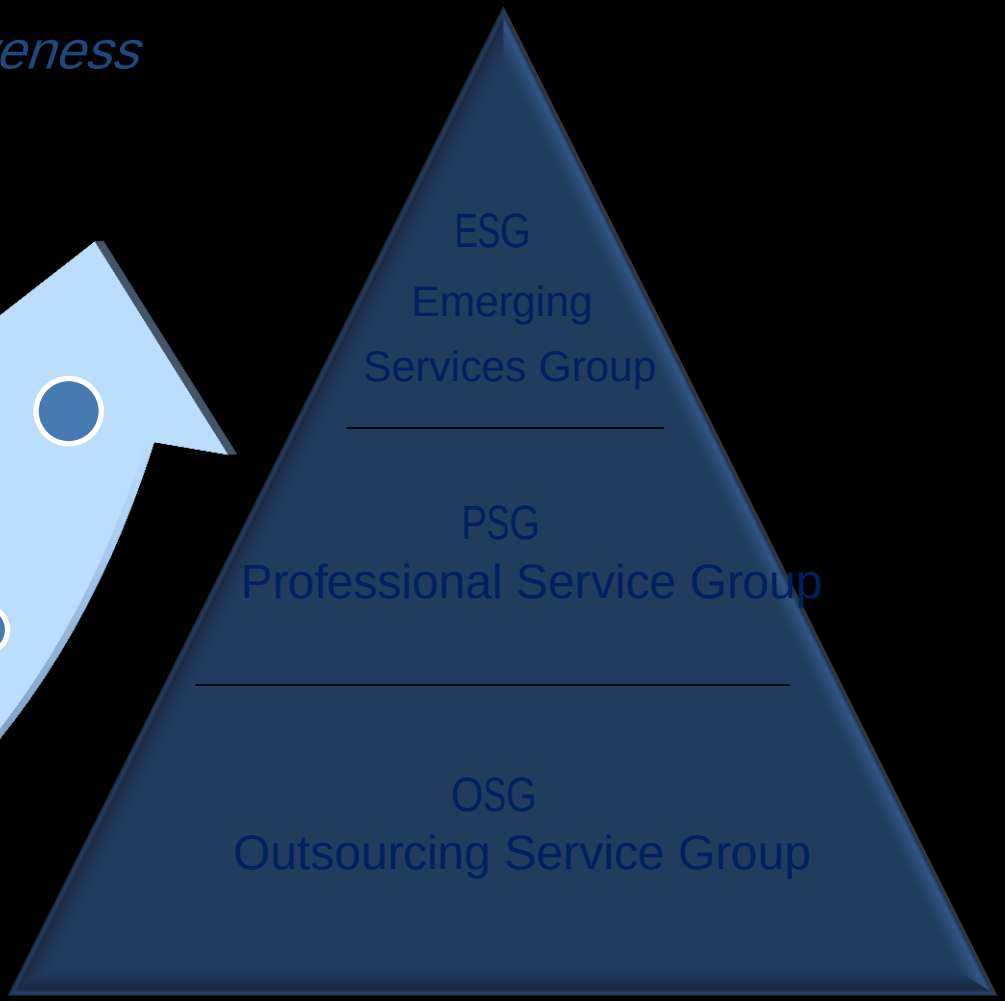


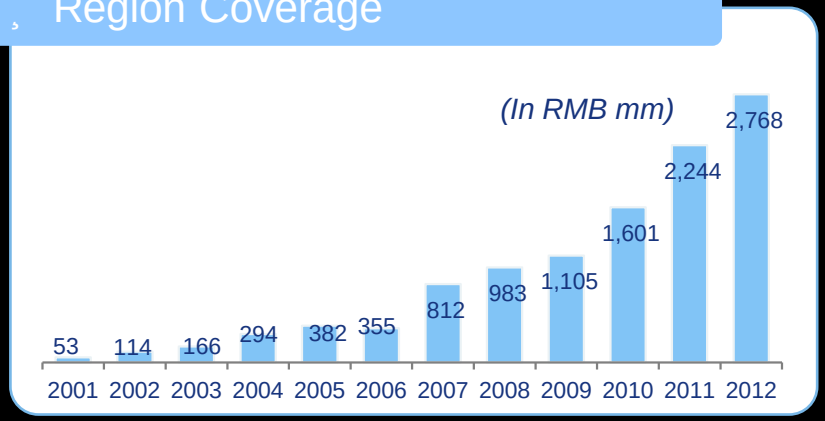
New Focus and Growth in New Decade

FOCUS in the NEXT decade

- Cloud Enabling
- Cloud Based Services
- Platform Centric Operations

FOCUS in the LAST decade

- Service Capabilities
- Verticals
- Region Coverage



Embrace the Cloud Platform

- Strategic cooperation with Alibaba Cloud back in 2012 to bring our own ERP solutions to the PaaS layer.
- Founding member as well as the Primary Promoter for Alibaba Cloud's Yunqi Cloud Alliance in October 2013.
- Also signed an agreement with a leading pharmaceutical integrated information and content provider to build and cooperate a pharmaceutical product tracking system based on Alibaba Cloud in 2013.
- On the international front, through the newly acquired Catapult Systems, the Group provides Microsoft Azure and Amazon Web Services based technology stack.
- And in early 2014 the Group made a minority investment in a US company that specializes in Commerce as a Service (CaaS), operating exclusively in the cloud.

Advanced Analytics. Man + Machine

- The Company will build collaboration laboratories to focus on driving innovative and emerging technologies in the Chinese domestic Advanced Analytics market by means of the partnership.
- We have great advantages in:
  - Data analysis experience in several industries including telecommunication, circulation, manufactory , insurance and public services;
  - Abilities to build large Data Centres: 7 customers of state-owned enterprise and national government department;
  - PB-level data storage and processing capabilities: China Meteorological Administration, PB level structure and unstructured data;
  - Large concurrent high-performance computing capability: ChinaUnionPay 12 million transactions at day peak.
- . è ŏ ₴ Y ō ƛ y ƛ y ∃ ú Ƙ Ŝ D NJ ₴ dz LJ Ω ă f ₴ ŏ l· f Y l· NJ ⱡ Ŝ ú methodologies and solutions of advanced analytics, brought on by the partnership, we expect to create a set of trusted and valuable data analysis solutions and services for many verticals, all designed and created for the Chinese market.

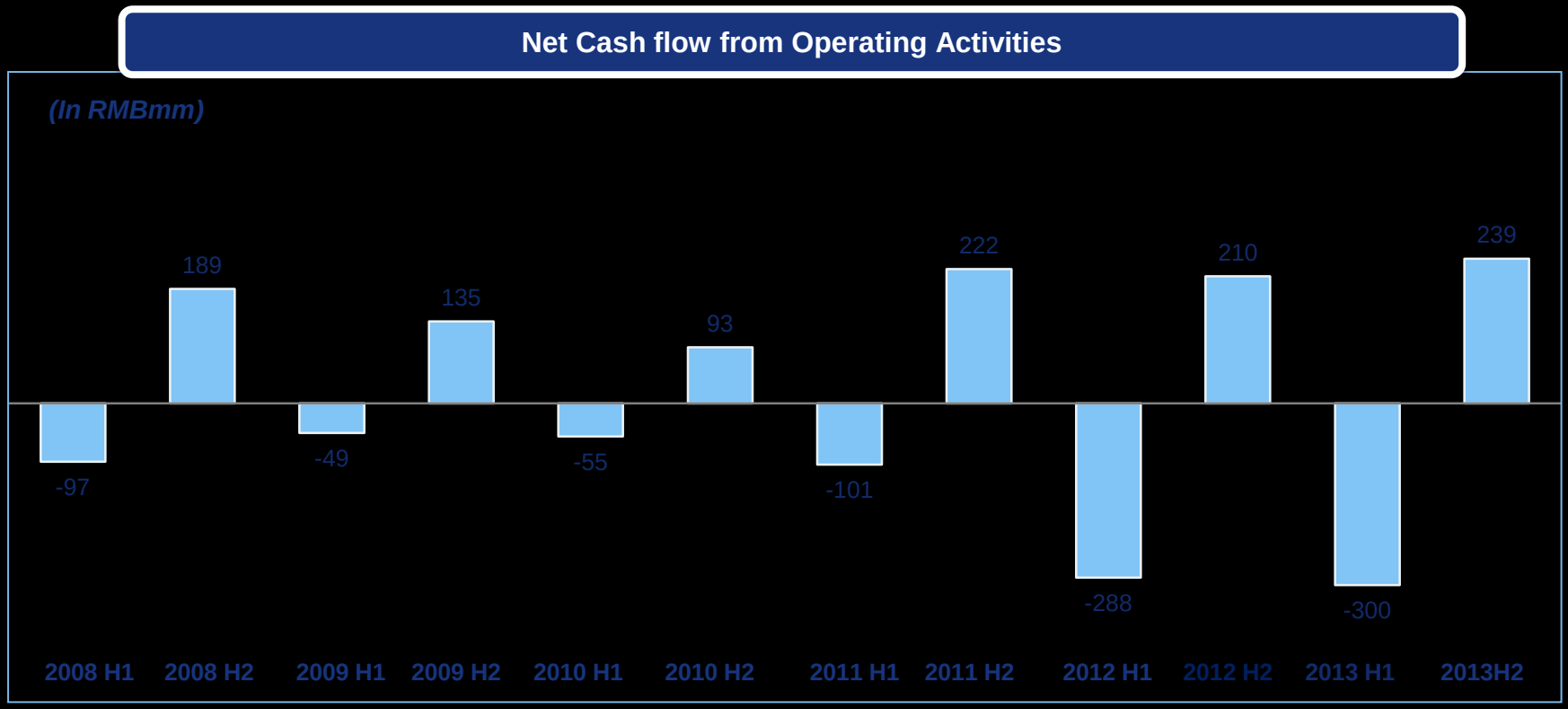
Joint Force Platform

- JointForce , the cloud based crowd-sourcing platform, will allow managements to post assignments real-time on its platform and let programmers bid their tasks.
- It will revamp the traditional model and effectively increase the efficiency of the Group.
- We plans to launch this platform in 2014 while continuing to develop more features. We will fine tune JointForce internally and package JointForce as a product to sell to other IT businesses.
- The Group sees JointForce first as an efficiency management tool, but more importantly as a platform that can potentially transform the whole IT services industry.

Strategic Partners Riding on the shoulders of Giants

- Strategic cooperation with Alibaba Cloud and has since worked closely together on many projects:
  - Li Shui Governmental Project
  - Citic 21CN
  - Yunqi Cloud Alliance
  - Greentown China
- Won China Mobile 2013 Wireless Fetion contract in June 2013 and expects to continue this close relationship with China Mobile in the years to come.
- Microsoft is one of our biggest customers as well as large common stock shareholder. To enhance our service offerings and also to consolidate existing collaborations, we acquired a US service provider in 2013, which engages in providing Microsoft product and technology consultancy services (including Cloud and Mobile), with strong capabilities and Microsoft credentials and reputation.
- Formed a joint venture with Huawei - our largest customer, in late 2011, to secure growth in the outsourcing market and open a door -way to the global IT Services market via Huawei's international presence.
- Hony Capital , one of the most respected Private Equity fund in China, became a strategic investor of the Group in 2011, by injecting capital to hold 17% of the company.

Operating Cashflow



Aging Analysis of Accounts Receivables

RMBô000	(Audited) 31 Dec,2013	%	(Audited) 31 Dec,2012	%	2013 versus 2012	
Within 90 days	505,616	27%	601,133	43%	-95,517	-16%
Between 91-180 days	164,053	9%	116,221	8%	47,832	41%
Between 181-365 days	74,929	4%	54,822	4%	20,107	37%
Between 1-2 years	69,196	4%	56,828	4%	12,368	22%
Over 2 years	299	0%	805	0%	-506	-63%
Billed AR	**814,093**	**43%**	**829,809**	**60%**	**-15,716**	**-2%**
Unbilled AR	**1,060,869**	**57%**	**561,359**	**40%**	**499,510**	**89%**
Total AR	**1,874,962**	**100%**	**1,391,168**	**100%**	**483,794**	**35%**

Balance Sheet

UPEq333	(Audited) 31 Dec, 2013	(Audited) 31 Dec, 2012
Current assets		
Inventories	19,883	23,989
Trade and other receivables	1,146,646	1,039,396
Prepaid lease payments	1,009	1,038
Amounts due from associate	-	10,182
Amounts due from customers for contract work	1,060,869	561,359
Amount due from related companies	814	205
Pledged deposits	69,203	4,468
Bank balances and cash	876,821	774,847
	3,175,245	2,415,484
Property, plant and equipment	174,186	132,853
Intangible assets	280,649	159,330
Goodwill	936,988	629,075
Interests in associates	13,519	27,616
Available-for-sale investment	25,000	25,000
Prepaid trademark use right payments	41,482	42,477
Deposits paid for investment in an associate	14,850	-
Derivative financial instruments	649	-
Deferred tax assets	10,389	10,515
	1,497,712	1,026,866

UPEq333	(Audited) 31 Dec, 2012	(Audited) 31 Dec, 2012
Trade and other payables	741,528	668,918
Bills payable	3,387	7,071
Amounts due to customers for contract work	217,410	110,506
Amounts due to related companies	9,196	9,196
Dividend payable to shareholders	73	75
Taxation payable	28,303	39,312
Borrowings	471,328	309,300
Convertible loan notes	-	199,087
	1,471,225	1,343,465
Net current assets	1,704,020	1,072,019
Total assets less current liabilities	3,201,732	2,098,885
Deferred tax liabilities	17,589	17,602
Borrowings	518,268	19,000
Consideration payable on acquisition of business	35,636	-
Convertible loan notes	189,038	-
	760,531	36,602
	2,441,201	2,062,283
Capital and reserves		
Share capital	87,085	81,804
Share premium	1,667,181	1,466,006
Reserves	513,957	379,814
Equity attributable to equity holders of the Company	2,268,223	1,927,624
Non-controlling interests	172,978	134,659
Total equity	2,441,201	2,062,283