



CHINAINFO HOLDINGS LIMITED

神州資訊控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8206)

ANNOUNCEMENT

This announcement is made pursuant to rule 17.10 of the Rules (“**GEM Listing Rules**”) Governing the Listing of Securities on the Growth Enterprise Market (“**GEM**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The board (the “**Board**”) of directors (“**Directors**”) of Chinainfo Holding Limited (the “**Company**”) was advised by its PRC legal advisers that a company named 上海浩方在綫信息技術有限公司 (Shanghai Haofang Online Information Technology Co.)# (“**Haofang**”), which, as far as the Board is aware based on public information, is a wholly owned subsidiary of Shanda Interactive Entertainment Limited (a company listed on the Nasdaq stock market in the USA (Nasdaq: SNDA)) have been infringing the rights of the Company by setting up commercial computer game platforms including PC game battle nets and organizing computer game tournaments in the PRC for profit making and exploiting certain computer game softwares which have successfully been acquired by the Company with effect from 31 March 2006. Such acts by Haofang has also infringed the rights of China Cyber Port Co., Ltd. (“**CCP**”), the licensee of the relevant computer game softwares. Please refer to the circular dated 6 February 2006 in relation to the acquisition and license of the relevant computer game softwares and the completion announcement dated 31 March 2006.

The Company was advised by its PRC legal advisers that Haofang had no rights at all in carrying out its infringing activities and should a legal proceeding be initiated against it, Haofang would have no merits to defend its case. Before initiating such legal proceeding, CCP, through its PRC legal advisers have made repeated demands to Haofang to stop carrying on such infringing activities but to no avail.

On 26 April 2006, CCP has initiated a legal proceeding in Shanghai No.1 Intermediate People’s Court (上海市第一中級人民法院) in the PRC against Haofang to stop the infringing activities and to claim damages for an amount of not less than RMB120 million. The case number is (2006)滬第一中民五(知)初字,第115號 ((2006) Hu First Zhong Min Five (IP) Chu Zi, number 115)#.

* For identification purpose only

The English translation of Chinese name is for identification purpose only and should not be regarded as the official English translation of such Chinese name

The Board considered that this matter would not have any material impact on the financial position or operations of the Group. Further announcement will be made by the Company where appropriate.

BOARD OF DIRECTORS

As at the date of this announcement, the executive Directors are Ms. Chan Tan Lui, Danielle, Mr. Xiao Haiping, Mr. Choo Kwok How and Ms. Zhang Jialin, and the independent non-executive Directors are Ms. Guo Qi, Mr. Yip Tai Him and Mr. Chiu Kwok Ching.

By order of the Board
Chinainfo Holdings Limited
Chan Tan Lui, Danielle
Chairman

Hong Kong, 27 April 2006

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 issuer. 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 at www.hkgem.com on the "Latest Company Announcements" page of the GEM website for at least 7 days from the date of its posting and on the website of the Group at www.hk6.com.