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Infoserve Technology Corp.
英普達資訊科技公司*

(incorporated in the Cayman Islands with limited liability)

(Stock code: 8077)

ANNOUNCEMENT

**LAPSE OF THE SUBSCRIPTION AGREEMENT
AND
DELAY IN THE RELEASE OF THE ANNUAL RESULTS
AND THE PUBLICATION OF THE ANNUAL REPORT**

Lapse of the Subscription Agreement

As previously agreed between the Company and the Subscriber, the long stop date of the Subscription Agreement was extended to 31st March, 2005. However, as at the date of this announcement, completion of the Subscription Agreement is still subject to fulfillment of conditions, including, among others, obtaining the consent in principle from the Stock Exchange to the resumption of trading in the Shares on GEM. Accordingly, the conditions precedent for completion were not fully satisfied by 31st March, 2005 and no further extension of such deadline has been agreed, the Subscription Agreement has become null and void and of no further effect.

Delay in the release of the Annual Results and the publication of the Annual Report

Due to the delay in the audit of the Annual Results, the Board wishes to inform the Shareholders that the announcement of the annual results of the Company for the year ended 31st December, 2004 and the publication of the annual report for the same financial year are expected to be delayed. The Company will make a further announcement regarding the expected date of announcement of the Annual Results as and when appropriate.

At the request of the Company, trading in the Shares on GEM has been suspended since 2:30 p.m. on 4th November, 2003 and will remain suspended until further notice. Further announcement will be made by the Company as and when appropriate.

* *for identification purpose only*

Reference is made to the joint announcements of Infoserve Technology Corp. (the “**Company**”) and Tenway Limited (the “**Subscriber**”) dated 1st April, 2004 and 13th May, 2004 and the announcements of the Company dated 17th September, 2004, 30th September, 2004 and 31st December, 2004 and the circular of the Company dated 21st May, 2004 (the “**Circular**”) in relation to, amongst other things, the subscription agreement dated 18th March, 2004 entered into between the Company and the Subscriber (the “**Subscription Agreement**”). Terms used herein shall have the same respective meanings as defined in the Circular unless otherwise stated.

LAPSE OF THE SUBSCRIPTION AGREEMENT

The original long stop date of the Subscription Agreement is 30th September, 2004. The Subscriber and the Company have agreed to extend the long stop date of the Subscription Agreement from 30th September, 2004 to 31st December, 2004 and subsequently further extended to 31st March, 2005. However, as at the date of this announcement, completion of the Subscription Agreement is still subject to fulfillment of conditions, including, among others, obtaining the consent in principle from the Stock Exchange to the resumption of trading in the Shares on GEM. Accordingly, the conditions precedent for completion were not fully satisfied by 31st March, 2005 and no further extension of such deadline has been agreed, the Subscription Agreement has become null and void and of no further effect.

DELAY IN THE RELEASE OF THE ANNUAL RESULTS AND THE PUBLICATION OF THE ANNUAL REPORT

The Board wishes to inform the Shareholders that the announcement of the annual results of the Company for the year ended 31st December, 2004 (the “**Annual Results**”) and the publication of the annual report for the same financial year (the “**Annual Report**”) are expected to be delayed. Accordingly, the Company will not be able to announce the Annual Results and publish the Annual Report by the deadlines stipulated in Rules 18.48A and 18.49 of the GEM Listing Rules which require that a listed issuer must publish its annual report and announce preliminary results in respect of each of its financial year not later than three months after the date upon which the financial year ended. Such delays constitute breaches of Rules 18.48A and 18.49 of the GEM Listing Rules. The Stock Exchange reserves its right to take appropriate actions against the Company and/or its directors in respect of the aforesaid breaches.

The delay in the release of the Annual Results and the publication of the Annual Report is mainly due to the delay in the audit of the Annual Results by the auditors of the Group. In view of the financial difficulties experienced by the Group, the Board is currently in discussion with the auditors as regards the proposed audit fee. The Company will make a further announcement regarding the expected date of announcement of the Annual Results as and when appropriate.

The Directors are aware of and will comply with Rule 5.56 of the GEM Listing Rules. The Directors have confirmed that they have not dealt in the Shares since 28th February, 2005 and have also undertaken not to deal in the Shares until the release of the Annual Results.

At the request of the Company, trading in the Shares on GEM has been suspended since 2:30 p.m. on 4th November, 2003 and will remain suspended until further notice. Further announcement will be made by the Company as and when appropriate.

By order of the board
Infoserve Technology Corp.
Yu Shu Kuen
Chairman

Hong Kong, 31st March, 2005

As at the date of this announcement, the board of directors of the Company comprises Mr. Yu Shu Kuen, Mr. Phang, Yul Cher Yeow and Mr. Chang Hsiao Hui, Michael as executive directors of the Company, Mr. Ip Man Tin, David, Mr. Yu Chon Sang and Mr. Bucks Ramsay Michael Jr. as independent non-executive director of the Company.

This announcement, for which the directors of the Company (save for Mr. Chang Hsiao Hui, Michael who cannot be contacted at his last known correspondence addresses) 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 of the Company (save for Mr. Chang Hsiao Hui, Michael who cannot be contacted at his last known correspondence addresses), having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (a) the information contained in this announcement is accurate and complete in all material respects and not misleading; (b) there are no other matters the omission of which would make any statement in this announcement misleading; and (c) 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 “Latest Company Announcements” page of the GEM website at <http://www.hkgem.com> for at least 7 days from the day of its posting.