

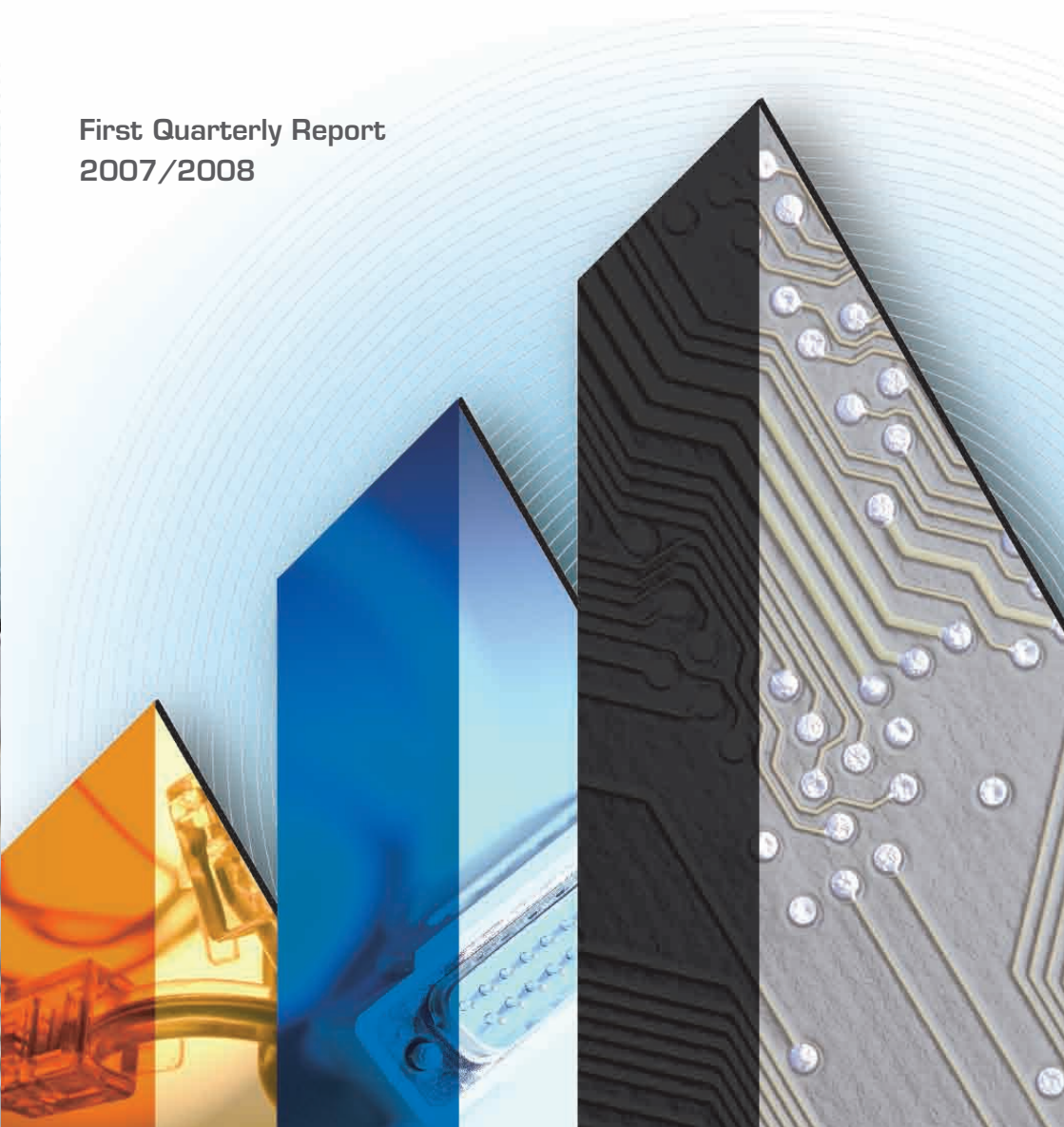


GOLDING SOFT LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8190)

**First Quarterly Report
2007/2008**



CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM-listed issuers.

The Stock Exchange takes no responsibility for the contents of this report, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report.

This report, for which the directors (the “Directors”) of Golding Soft Limited (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 (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 report 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 report misleading; and (3) all opinions expressed in this report have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

HIGHLIGHTS

The revenue of the Group for the three months ended 30 September 2007 was RMB375,720, representing a decrease of approximately 67.8% as compared to the corresponding period in 2006.

For the three months ended 30 September 2007, the unaudited loss attributable to the equity holders of the Company was RMB1,311,559 (corresponding period in 2006: RMB1,436,109).

The loss per share was RMB0.11 cents for the three months ended 30 September 2007 (corresponding period in 2006: RMB0.12 cents).

RESULTS

The Board of Directors (the "Board") wishes to announce the unaudited results of the Company and its subsidiaries (collectively, the "Group") for the three months ended 30 September 2007 (the "Period"), together with the unaudited comparative figures for the three months ended 30 September 2006 ("corresponding period in 2006") as follows:

UNAUDITED CONSOLIDATED INCOME STATEMENT

		<u>Unaudited</u>	
		<u>Three months ended</u>	
		<u>30 September</u>	
		<u>2007</u>	<u>2006</u>
		<u>RMB</u>	<u>RMB</u>
			<i>(Restated)</i>
<i>Notes</i>			
	Continuing operations:		
	Revenue	375,720	1,167,050
	Cost of sales	(340,769)	(652,550)
	Gross profit	34,951	514,500
	Other income	219,894	335,707
	Selling and distribution costs	(136,752)	(326,245)
	Administrative expenses	(1,349,448)	(1,404,556)
	Other operating expenses	(70,788)	(569,708)
	Loss before income tax	(1,302,143)	(1,450,302)
	Income tax expense	-	-
	Loss after income tax from continuing operations	(1,302,143)	(1,450,302)
	Discontinued operations:		
	(Loss)/Profit for the year from discontinued operations	(9,416)	27,829
	Loss for the Period	(1,311,559)	(1,422,473)
	Attributable to:		
	Equity holders of the Company	(1,311,559)	(1,436,109)
	Minority interests	-	13,636
	Loss for the Period	(1,311,559)	(1,422,473)
	Loss per share for loss attributable to the equity holders of the Company		
	- Basic		
	From continuing and discontinued operations	(0.11) cents	(0.12) cents
	From continuing operations	(0.11) cents	(0.12) cents
	- Diluted	N/A	N/A

Notes:

1. The Company

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands on 28 August 2001 and its shares are listed on the GEM of the Stock Exchange.

2. Basis of presentation and accounting policies

The unaudited condensed consolidated results incorporate those of the Company and its subsidiaries for the three months ended 30 September 2007.

The unaudited condensed consolidated results of the Group are prepared in accordance with and comply with all applicable Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited (the "GEM Listing Rules"). They are prepared under the historical cost convention.

The accounting policies and methods of computation used in the preparation of the unaudited condensed consolidated financial statements are consistent with those used in the annual financial statements for the year ended 30 June 2007.

The following new standards, amendments to standards and interpretations issued by HKICPA are applicable for the year ending 30 June 2008.

HKAS 1 (Amendment)	Presentation of Financial Statements – Capital Disclosures ¹
HKFRS 7	Financial Investments – Disclosures ¹
HK (IFRIC) – Int 10	Interim Financial Reporting and Impairment ²
HK (IFRIC) – Int 11	Group and Treasury Share Transactions ³

¹ *Effective for annual periods beginning on or after 1 January 2007*

² *Effective for annual periods beginning on or after 1 November 2006*

³ *Effective for annual periods beginning on or after 1 March 2007*

The above mentioned new standards, amendments to standards and interpretations have no material impact on the Group's operations.

The Group has not early adopted the following standards or interpretations that have been issued but are not yet effective. The Directors of the Company anticipate that the adoption of such standards and interpretations will not result in substantial changes to the Group's accounting policies.

2. Basis of presentation and accounting policies *(continued)*

HKAS 23 (Revised)	Borrowing costs ¹
HKFRS 8	Operating segments ¹
HK (IFRIC) – Int 12	Service concession arrangements ²
HK (IFRIC) – Int 13	Customer Loyalty Programmes ³
HK (IFRIC) – Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirement and their Interaction ²

¹ Effective for annual periods beginning on or after 1 January 2009

² Effective for annual periods beginning on or after 1 January 2008

³ Effective for annual periods beginning on or after 1 July 2008

All significant inter-company transactions and balances within the Group are eliminated in the preparation of the consolidated financial statements.

The results of the Company are presented in Renminbi (“RMB”). The functional currency of the Company has been changed from RMB to Hong Kong Dollars (“HK\$”) as most of the underlying transactions of the Company are denominated in HK\$.

3. Revenue and other income

Revenue, which is also the Group’s turnover, represents the net invoiced value of goods sold and services rendered, after allowances for return and trade discounts, where applicable.

An analysis of the Group’s revenue and other income for the three months ended 30 September 2006 and 2007 is as follows:

	Unaudited					
	Continuing operations		Discontinued operations		Consolidated	
	2007	2006	2007	2006	2007	2006
	RMB	RMB	RMB	RMB	RMB	RMB
Revenue						
Sales of goods	–	–	41,171	9,048,943	41,171	9,048,943
Rendering of services	375,720	1,167,050	–	–	375,720	1,167,050
	375,720	1,167,050	41,171	9,048,943	416,891	10,215,993
Other income						
Interest income	1,540	209,903	29	256	1,569	210,159
Sundry income	218,354	125,804	85,501	–	303,855	125,804
	219,894	335,707	85,530	256	305,424	335,963
	595,614	1,502,757	126,701	9,049,199	722,315	10,551,956

4. Income tax expense

No Hong Kong profits tax has been provided for the three months ended 30 September 2007 (corresponding period in 2006: Nil) as the Group did not generate any assessable profits arising from its operations in Hong Kong. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

An analysis of the Group's income tax expense for the three months ended 30 September 2006 and 2007 is as follows:

	Unaudited					
	Continuing operations		Discontinued operations		Consolidated	
	2007	2006	2007	2006	2007	2006
	RMB	RMB	RMB	RMB	RMB	RMB
Hong Kong profits tax	-	-	-	-	-	-
PRC income tax	-	-	-	1,404	-	1,404
	-	-	-	1,404	-	1,404

5. Discontinued operations

On 30 June 2007, the Group resolved to cease the operations of Jiangxi Jinlixin, a subsidiary of Jiangxi Jinding. Jiangxi Jinding held 51% equity interest in Jiangxi Jinlixin, which was principally engaged in sale of computer hardware and accessories, office equipment and electronics and provision of system solutions.

5. Discontinued operations *(continued)*

An analysis of the results of the discontinued operations included in the consolidated income statement is as follows:

	Unaudited	
	Three months ended	
	30 September	
	2007	2006
	RMB	RMB
Revenue	41,171	9,048,943
Cost of sales	(47,365)	(8,809,055)
	(6,194)	239,888
Gross (loss)/profit		
Other income	85,530	256
Selling and distribution costs	–	(86,258)
Administrative expenses	(88,752)	(124,653)
	(9,416)	29,233
(Loss)/Profit before income tax		
Income tax expense <i>(Note 4)</i>	–	(1,404)
	(9,416)	27,829
(Loss)/Profit for the period from discontinued operations	(9,416)	27,829

6. (Loss)/Earnings per share

From continuing and discontinued operations

The calculation of basic loss per share from continuing and discontinued operations is based on the loss attributable to the equity holders of the Company of RMB1,311,559 (corresponding period in 2006: RMB1,436,109) and 1,200,000,000 (30 September 2006: the weighted average of 1,200,000,000) ordinary shares in issue during the Period.

6. (Loss)/Earnings per share (continued)

From continuing operations

The calculation of the basic loss per share from continuing operations attributable to the equity holders of the Company is based on the following data:

	Unaudited	
	Three months ended	
	30 September	
	2007	2006
	RMB	RMB
Loss for the Period attributable to the equity holders of the Company	(1,311,559)	(1,436,109)
Less: (Loss)/Profit for the year from discontinued operations excluding loss shared by minority interest of RMBNil (2006: Profit shared of RMB13,636)	(9,416)	14,193
Loss for the Period for the purpose of basic loss per share from continuing operations	<u>(1,302,143)</u>	<u>(1,450,302)</u>

The denominators used are the same as those detailed above for basic loss per share from continuing and discontinued operations.

From discontinued operations

Basic loss per share from the discontinued operations is RMB0.01 cents per share (2006: earnings per share of RMB0.01 cents per share) which was calculated based on the loss from discontinued operations of RMB9,416 (2006: profit of RMB14,193). The denominators used are the same as those detailed above for basic loss per share from continuing and discontinued operations.

Diluted (loss)/earnings per share for the three months ended 30 September 2006 and 2007 were not presented as there is no dilutive potential ordinary share in existence during the corresponding periods in 2006 and 2007.

7. Share capital and reserves

	Unaudited							Minority interests	Total equity
	Attributable to equity holders of the Company						Total		
	Share capital	Share premium	Statutory reserves	Exchange reserve	Accumulated losses	Total			
RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB		
As at 1 July 2007	12,600,000	40,744,505	476,904	(1,347,706)	(34,646,401)	17,827,302	-	17,827,302	
Net loss for the Period	-	-	-	(257,346)	(1,311,559)	(1,568,905)	-	(1,158,905)	
At 30 September 2007	12,600,000	40,744,505	476,904	(1,605,052)	(35,957,960)	16,258,397	-	16,258,397	
As at 1 July 2006	12,600,000	40,744,505	476,904	-	(27,659,166)	26,162,243	160,567	26,322,810	
Net loss for the Period	-	-	-	-	(1,436,109)	(1,436,109)	13,636	(1,422,473)	
At 30 September 2006	12,600,000	40,744,505	476,904	-	(29,095,275)	24,726,134	174,203	24,900,337	

8. Comparative figures

Certain comparative figures have been reclassified as a result of the presentation of discontinued operations.

INTERIM DIVIDEND

The Board does not propose the payment of an interim dividend for the three months ended 30 September 2007 (corresponding period in 2006: Nil).

FINANCIAL REVIEW

Continuing operations

In the continuing operations, the Group recorded a revenue of RMB375,720 for the three months ended 30 September 2007, representing a decrease of approximately 67.8% as compared to the corresponding period in last year. The decrease in revenue of the Group is due to the decrease in revenue from ODM software and proprietary packaged software segments.

The Group's gross profit margin decreased to 9.3% for the three months ended 30 September 2007, as compared to approximately 44.1% for the corresponding period in last year.

Discontinued operations

In the discontinued operations, the Group recorded a revenue of RMB41,171 for the three months ended 30 September 2007, representing a decrease of approximately 99.5% as compared to the corresponding period in last year. The decrease in revenue in the discontinued operations is the result of the cessation of the business solutions segment in June 2007 and the revenue for the three months ended 30 September 2007 represented the sale of stale inventories in the business solutions segment.

Loss attributable to equity holders of the Company

The unaudited loss attributable to the equity holders of the Company for the three months ended 30 September 2007 amounting to RMB1,311,559, representing a decrease of approximately 8.7% as compared to the corresponding period in last year.

BUSINESS REVIEW

The Group was principally engaged in three inter-related business segments namely, provision of original design manufacturing ("ODM") software, provision of proprietary packaged software and provision of system solutions.

The details of the Group's three primary business segments are shown as follows:

Provision of ODM software

Software outsourcing continues to be a trend in the development of global software market. The Group's core strategy is to establish and maintain long-term relationship with international technology vendors in order to keep abreast of the latest software development trend.

This segment includes the e-government projects.

The ODM software market in the PRC has continued to grow over the past years. By leveraging the Group's expertise in this segment, the Group has successfully won various software projects in Jiangxi Province, PRC.

Provision of proprietary packaged software

The packaged software market in the PRC encountered an intense competition. This affected the Group's sales of proprietary packaged software. To raise the competitiveness, the Group has continuously upgraded its existing packaged software, Zee Web (for PRC private enterprises) and Interoffice (for civil services) and developed innovative packaged software for different industries.

Provision of system solutions

This segment is comprised of the e-business solutions. At 30 June 2007, the Group decided to cease the operation of this segment. The sale of stale inventories and the expenses incurred in this segment are recorded under the discontinued operations.

Sales and marketing

During the Period, the Group maintained the ISO9001:2000 Certification. The success in the compliance of ISO9001:2000 standard in the Group's quality management system verifies its dedication to continuous improvement on product quality and standard.

The Group has been actively participating in bidding for the e-government projects in Jiangxi Province, the PRC. The Group has been recognised as "Jiangxi, Provincial Enterprise Information Advanced Work Unit" (江西省企業信息化先進單位) for the past three years.

The Group proactively carries out various marketing activities. The Group has participated in certain trade shows including the International ICT Expo in Hong Kong and other shows in the PRC. These trade shows provide the avenue for the Group to meet with existing and potential customers, and to launch its latest products.

The Group also advertised in major IT magazines, issued press releases and arranged products training for authorized agents and alliance partners to increase publicity. The Group has also arranged visits of well-known persons to the Group's R&D centre in Nanchang City, the PRC, in order to promote its public awareness.

RESEARCH AND DEVELOPMENT

During the Period, we have upgraded our own software products.

As at 30 September 2007, we have a pool of 25 IT professionals serving our PRC customers (30 September 2006: 28).

OUTLOOK

Looking forward, we, while focusing on our resources in the PRC, are also looking to expand to the overseas market. In addition, we will continue to pursue high-profit margin software development projects in order to improve the our performance.

We wish to inform shareholders that in July 2007, the Group entered into an acquisition agreement to acquire 55% equity interest in Highway Bright Holdings Limited which is principally engaged in the manufacture and sale of satellite and telecommunication products. Our extraordinary general meeting held on 4 October 2007 passed the relevant resolutions for this acquisition and we expect that the acquisition will be completed by the end of December 2007. We believe that the Group will benefit from such acquisition as it is expected to enhance our business potential, generate additional revenues and significantly increase our profitability.

We further inform that on 29 October 2007 the Company issued 200,000,000 new shares, with an estimated net proceeds of approximately HK\$45,000,000 and we plan to spend the said funds on the proposed expansion of our production facilities and for working capital purpose.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 30 September 2007, the interests and short positions of the Directors and chief executives of the Company in the securities of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors as referred to in Rule 5.46 of the GEM Listing Rules were as follows:

Name of Director	The Company/ name of associated corporation	Total number and class of securities held	Capacity	Approximate percentage shareholding
Mr. Li Jiahui	The Company	189,000,000 ordinary shares (L)	Beneficial owner	15.75%
Mr. Huang Boqi	The Company	10,083,000 ordinary shares (L)	Beneficial owner	0.84%

Note: The letter "L" represents the interests in the shares or the underlying shares of the Company or its associated corporations.

SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS' INTERESTS AND SHORT POSITION IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

A. Substantial Shareholders

So far as is known to the Directors, as at 30 September 2007, the persons, other than a Director or chief executive of the Company, who had an interest or short position in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO and who were, directly or indirectly, interested in 10% or more of the shares were as follows:

Name	Number and class of securities <i>(Note 1)</i>	Capacity	Approximate percentage to the issued share capital of the Company
Cytech Investment Limited ("Cytech Investment")	312,000,000 ordinary shares (L)	Beneficial owner	26.00%
Benep Management Limited ("Benep")	312,000,000 ordinary shares (L)	Interest of controlled corporation <i>(Note 2)</i>	26.00%
Joinn Holdings Limited ("Joinn")	312,000,000 ordinary shares (L)	Interest of controlled corporation <i>(Note 2)</i>	26.00%
Pioneer Idea Finance Limited ("Pioneer")	312,000,000 ordinary shares (L)	Interest of controlled corporation <i>(Note 3)</i>	26.00%
Mr. Huang Quan ("Mr. Huang")	312,000,000 ordinary shares (L)	Interest of controlled corporation <i>(Note 3)</i>	26.00%
Mr. Li Jiahui	189,000,000 ordinary shares (L)	Beneficial owner	15.75%
Brow Crown International Limited	200,000,000 ordinary shares (L)	Beneficial owner <i>(Note 4)</i>	16.67%
Mr. Qian Shiyu	200,000,000 ordinary shares (L)	Interest of controlled corporation <i>(Note 4)</i>	16.67%

Notes:

1. The letter "L" represents the interests in the shares or the underlying shares of the Company.
2. The 312,000,000 shares are registered in the name of Cytech Investment. Cytech Investment is a wholly-owned subsidiary of Benep, which is in turn a wholly-owned subsidiary of Joinn, a company whose shares are listed on the Main Board of the Singapore Exchange Securities Trading Limited. Accordingly, each of Joinn and Benep is deemed to be interested in all the shares in which Cytech Investment is interested pursuant to the SFO.
3. The issued share capital of Joinn is owned as to approximately 21.25% and 36.52% by Hebe Finance Limited and Pioneer respectively. The issued share capital of Hebe Finance Limited and Pioneer are wholly-owned by Mr. Huang. Accordingly, each of Pioneer and Mr. Huang is deemed to be interested in all the shares in which Joinn is interested pursuant to the SFO.
4. Brow Crown International Limited ("Brow Crown") is wholly owned by Mr. Qian Shiyu ("Mr. Qian"). Accordingly, Mr. Qian is deemed to be interested in all the shares in which Brow Crown is interested pursuant to the SFO.

B. Other persons whose interests are recorded in the register required to be kept under Section 336 of the SFO

As at 30 September 2007, the Company has not been notified of any other person (other than a Director or the chief executive of the Company) having an interest or short position in the shares or the underlying shares of Company representing 5% or more of the issued share capital of the Company.

BOARD PRACTICES AND PROCEDURES

The Company has complied with Board Practices and Procedures as set out in Rule 5.34 of the GEM Listing Rules for the three months ended 30 September 2007.

CORPORATE GOVERNANCE

The Company has adopted a code of conduct regarding securities transactions by Directors on terms on less than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company has also made specific enquiry of the Directors and the Company was not aware of any non-compliance with the required standard of dealings and its code of conduct regarding securities transactions by Directors.

COMPETING BUSINESS

None of the Directors or the management shareholders of the Company (as defined in the GEM Listing Rules) has an interest in a business which competes or may compete with the business of the Group.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the three months ended 30 September 2007.

The share option scheme of the Company ("Post-IPO Scheme") was approved and adopted on 24 January 2002. The principal purpose of the Post-IPO Scheme is to enable the Company to grant options to selected persons as incentives and rewards for their contribution to the Group.

As at 30 September 2007, no option has been granted or agreed to be granted under the Post-IPO Scheme.

AUDIT COMMITTEE

As required by Rules 5.28 of the GEM Listing Rules, the Company has established an audit committee which comprises three independent non-executive directors, Mr. Chan Ngai Sang, Kenny, Mr. Chan Kin Sang and Mr. Xing Fengbing. Mr. Chan Ngai Sang, Kenny was appointed as the Chairman of the audit committee. The audit committee meets with the Group's senior management and external auditors to review the effectiveness of the internal control systems. This report has been reviewed and approved by the audit committee of the Company which was of the opinion that the preparation of such results complied with applicable accounting standards and the requirements and that adequate disclosures have been made.

By Order of the Board
Golding Soft Limited
Li Jiahui
Chairman

Hong Kong, 14 November 2007

As at the date of this report, the Board is composed of Mr. Li Jiahui and Mr. Huang Boqi as executive directors, and Mr. Chan Ngai Sang, Kenny, Mr. Chan Kin Sang and Mr. Xing Fengbing as independent non-executive directors.