

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, 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 announcement.



成都托普科技股份有限公司

CHENGDU TOP SCI-TECH COMPANY LIMITED*

(a joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 8135)

**PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION
AND PROPOSED CHANGES OF DIRECTORS AND SUPERVISORS**

The Directors proposed to amend the Articles in accordance with the revised GEM Listing Rules which has come into effect on 31 March 2004, and to meet the Company's development need. The proposed amendments to the Articles are subject to the approval of the shareholders of the Company by way of special resolutions at the AGM. This announcement is made pursuant to Rule 17.50(1) of the GEM Listing Rules.

A circular containing details of the proposed amendments to the Articles together with the notice of the AGM, the proxy form and the reply slip will be dispatched to the shareholders of the Company on 13 May 2004.

Furthermore, the Directors announce pursuant to Rule 17.50(2) of the GEM Listing Rules that in accordance with the Articles, the Company will elect and appoint the Board of Directors and the Supervisory Committee of the next Session of the Company at the forthcoming AGM. Certain directors and all supervisors of the current Session will retire as directors/supervisors at the forthcoming AGM, including Ms. Ma Jun, Mr. Fan Jing Ru, Mr. Chen Zhong Hao, Mr. Wang Zu Long, who will retire as executive directors and Mr. Huang Wei Bin, who will retire as a non-executive director. The remaining directors of the current Session have offered themselves for re-appointment.

At the forthcoming AGM, the Directors propose to appoint Mr. Long Ji Gang, Mr. Chen Wei Xin and Mr. Chen Bao Yu as executive directors of the Company; and Mr. Xu Jian Ping as non-executive director of the Company and Mr. Zhang Yao Neng, Mr. Lian Chun Hua, Mr. Xu Bo and Mr. Zeng Ji Yong as supervisors of the Company. The appointments of directors who have offered themselves for re-appointment and the proposed appointments of new directors and supervisors are all for a period of three years until the annual general meeting ending three years from the forthcoming AGM.

The Directors believe that the changes in directors and supervisors will not have any significant impact in the daily operation and business of the Company.

The re-appointment and appointment of directors and supervisors of the Company are subject to the requirement of Rule 5.02 of the GEM Listing Rules, which stipulates that the re-appointment and appointment is subject to the satisfaction of the Stock Exchange that the director/supervisor has the character, experience and integrity and is able to demonstrate a standard of competence commensurate with his position as a director/supervisor of the Company and the approval by the shareholders at the forthcoming AGM of the Company. The proposed ordinary resolutions for the re-appointment and appointment of directors and supervisors have been set out in the "Notice of Annual General Meeting" today.

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) has revised its GEM Listing Rules based on the results of the “Consultation Conclusions on Proposed Amendments to the Listing Rules Relating to Corporate Governance Issues”. The new changes require listed companies to amend certain provisions of its articles of association. The revised GEM Listing Rules has come into effect on 31 March 2004.

The directors (the “Directors”) of Chengdu Top Sci-Tech Company Limited (the “Company”) proposes to amend its articles of association (the ‘Articles’) in accordance with the above regulations and to meet the development need of the Company.

Such amendments involve and reflect the following arrangements:

1. the legal status of the Company becoming a sino-foreign joint stock limited liability company under the laws of the People’s Republic of China;
2. change of the postal code of the Company’s address;
3. the replacement of Securities and Futures (Clearing) Ordinance by Securities and Futures Ordinance;
4. the numbers of members of the board of Director shall be in the range from 7 to 15;
5. the numbers of members of the supervisory committee shall be in the range from 3 to 7;
6. there should be at least 1 member being the representative of the shareholders and 1 member being the representative of the labour association of the Company in the Supervisory Committee;
7. where any shareholder is, under the GEM Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted;
8. the minimum 7 day period for lodgment by any shareholder of the notice to nominate a Director shall commence no earlier than the day after the dispatch of the notice of the meeting appointed for such election and end no later than 7 days before the date of such meeting; and
9. a Director shall abstain from voting at the board meeting on any matter in which he or any of his associates has a material interest and shall not be counted towards the quorum of the relevant Board meeting.

The proposed amendments to the Articles are subject to the approval of the shareholders of the Company by way of special resolutions at the annual general meeting of the Company (the “AGM”) which will be convened on 28 June 2004.

A circular containing details of the proposed amendments to the Articles together with the notice of the AGM, the proxy form and the reply slip will be dispatched to the shareholders of the Company on 13 May 2004.

PROPOSED CHANGES OF DIRECTORS AND SUPERVISORS

The Directors announce that in accordance with the Articles, the Company will elect and appoint the Board of Directors and the Supervisory Committee of the next Session of the Company at the forthcoming AGM. Certain directors and all supervisors of the current Session will retire as directors/supervisors at the forthcoming AGM. The directors and supervisors proposed for re-appointment and appointment will form a new session of the Board of Directors and Supervisory Committee respectively, i.e. the next Session of the Board of Directors and the next Session of the Supervisory Committee of the Company. Their appointments are all for a period of three years until the annual general meeting ending three years from the forthcoming AGM. Upon the expiry of the appointment period, the directors and supervisors are eligible for re-appointment at the shareholders' meeting.

The Directors believe that the changes in directors and supervisors will not have any significant impact in the daily operation and business of the Company.

Members of Board of Directors and Supervisory Committee

The directors of the current Session of the Board of Directors are as follows:

Executive Directors

Mr. Li Zheng Bin *Chairman*
Ms. Ma Jun (retiring)
Mr. Fan Jing Ru (retiring)
Mr. Chen Zhong Hao (retiring)
Mr. Wang Zu Lang (retiring)

Non-executive Director

Mr. Huang Wei Bin (retiring)

Independent Non-executive Directors

Professor Yang Ji Ke
Mr. Wang Ming Dong
Ms. Xiao Bin

The supervisors of the current Session of the Supervisory Committee are as follows:

Mr. Chen Bao Yu (retiring)
Mr. Wang Hua (retiring)
Mr. Hu Yun Xu (retiring)
Mr. Yu Bing (retiring)
Mr. Wang Hua Kun (retiring)

The directors of the new Session, i.e. the next Session of the Board of Directors are as follows:

Executive Directors

Mr. Li Zheng Bin *Chairman*
(proposed for re-appointment)
Mr. Long Ji Gang (proposed for appointment)
Mr. Chen Wei Xin (proposed for appointment)
Mr. Chen Bao Yu (proposed for appointment)

Non-executive Director

Mr. Xu Jian Ping (proposed for appointment)

Independent Non-executive Directors

Professor Yang Ji Ke (proposed for re-appointment)
Professor Wang Ming Dong (proposed for re-appointment)
Ms. Xiao Bin (proposed for re-appointment)

The supervisors of the new Session, i.e. the next Session of the Supervisory Committee are as follows:

Mr. Zhang Yao Neng (proposed for appointment)
Mr. Lian Chun Hua (proposed for appointment)
Mr. Xu Bo (proposed for appointment)
Mr. Zeng Ji Yong (proposed for appointment)

The re-appointment and appointment of directors and supervisors of the Company are subject to the requirement of Rule 5.02 of the GEM Listing Rules, which stipulates that the re-appointment and

appointment is subject to the satisfaction of the Stock Exchange that the director/supervisor has the character, experience and integrity and is able to demonstrate a standard of competence commensurate with his position as a director/supervisor of the Company and the approval by the shareholders at the forthcoming AGM of the Company. The proposed ordinary resolutions for the re-appointment and appointment of directors and supervisors have been set out in the “Notice of Annual General Meeting” today.

Profile of the Directors and Supervisors proposed for re-appointment and appointment

Executive Directors

Mr. Li Zheng Bin

Mr. Li Zheng Bin (李正彬), aged 36. Mr. Li is the chairman of board of Directors. He graduated with a bachelor degree in industrial management engineering from Beijing Polytechnic University. He is mainly in charge of the strategic planning and business development of the Company. He joined the Company on 10 February 1993. He was the vice chairman of board of Directors and the general manager. Mr. Li has been a director of Sichuan Topsoft Investment Company Limited (“Topsoft Investment”), a company listed in Shenzhen Stock Exchange, since 19 February 2001. He holds 0.0086% interest of Topsoft Investment and 1.58% interest of Sichuan Top Sci-Tech Development Company. Mr. Li holds 0.147929% interest of the Company, such interest is required to be notified to the Company and the Stock Exchange pursuant to Part XV of the Securities and Futures Ordinance. The term of director’s service is 3 years. The amount of the director’s remuneration to be specified in his service contract shall not be exceeding RMB200,000 per annum, including basic salaries and discretionary bonuses payments, and is determined according to his performance and working experience, the Company’s results and market condition. Saved as aforesaid, he is not related to any directors, supervisors, senior management, management shareholders or controlling shareholders of the Company. The Board would like to confirm that there are no other matters that need to be brought to the attention of holders of securities of the Company.

Mr. Long Ji Gang

Mr. Long Ji Gang (龍繼剛), aged 34. Mr. Long is a vice president of the Company and also the chairman of the board of directors of a subsidiary, Shaanxi Top Sci-Tech Company Limited. He is mainly in charge of business and management of the subsidiary. He graduated with a bachelor degree in computer engineering from Chengdu Electronic Technology University. Mr. Long joined the Company on 20 July 1995 and was engaged in computer networking and subsequently, sales of the Company’s products. He was project manager of the Company. Mr. Long holds 4% interest of Shaanxi Top Sci-Tech Company Limited, such interest is required to be notified to the Company and the Stock Exchange pursuant to Part XV of the Securities and Futures Ordinance. The term of director’s service is 3 years. The amount of the director’s remuneration to be specified in his service contract shall not be exceeding RMB200,000 per annum, including basic salaries and discretionary bonus payments, and is determined according to his performance and working experience, the Company’s results and market condition. Saved as aforesaid, he is not related to any directors, supervisors, senior management, management shareholders or controlling shareholders of the Company. The Board would like to confirm that there are no other matters that need to be brought to the attention of holders of securities of the Company.

Mr. Chen Wei Xin

Mr. Chen Wei Xin (陳維信), aged 32. Mr. Chen is the general manager of taxation and construction business division of the Company. He is mainly in charge of development and implementation of taxation software. He graduated with a bachelor degree in computer and application from Sichuan University. Mr. Chen joined the Company on 12 June 1996 and was engaged in development of various local taxation projects. He was a senior programmer of software project room and the general manager of taxation software business division of the Company. He is one of key participating members in the development of the Company's products, TS Studio Tax Management Information System and CenTS Tax Management Information System. Mr. Chen participated the State Ninth Five-Year Plan Major Technological Project and the Key Technology and Application of the Local Taxation Integrated Framework Project. Mr. Chen is a director of a subsidiary, Chengdu Top Huaxi Information System Company Limited, and holds 3% interest of such subsidiary, such interest is required to be notified to the Company and the Stock Exchange pursuant to Part XV of the Securities and Futures Ordinance. The term of director's service is 3 years. The amount of the director's remuneration to be specified in his service contract shall not be exceeding RMB200,000 per annum, including basic salaries and discretionary bonus payments, and is determined according to his performance and working experience, the Company's results and market condition. Saved as aforesaid, he is not related to any directors, supervisors, senior management, management shareholders or controlling shareholders of the Company. The Board would like to confirm that there are no other matters that need to be brought to the attention of holders of securities of the Company.

Mr. Chen Bao Yu

Mr. Chen Bao Yu (陳寶玉), aged 35. He is the chairman of the supervisory committee and assistant president of the Company. He graduated with a bachelor degree in electronic instrument engineering from Chengdu Electronic Technology University. He is also an engineer. Mr. Chen joined the Company on 1 October 1993. He was the sales manager of the Company's Chengdu office and Shenzhen office, manager of the department of information system business and assistant general manager of the Company. Mr. Chen holds 0.004142% interest of the Company, such interest is required to be notified to the Company and the Stock Exchange pursuant to Part XV of the Securities and Futures Ordinance. The term of director's service is 3 years. The amount of the director's remuneration to be specified in his service contract shall not be exceeding RMB200,000 per annum, including basic salaries and discretionary bonus payments, and is determined according to his performance and working experience, the Company's results and market condition. Saved as aforesaid, he is not related to any directors, supervisors, senior management, management shareholders or controlling shareholders of the Company. The Board would like to confirm that there are no other matters that need to be brought to the attention of holders of securities of the Company.

Non-executive Director**Mr. Xu Jian Ping**

Mr. Xu Jian Ping (許建平), aged 41. In 1984, he graduated from Chengdu Electronic Technology University with a bachelor degree in electronic engineering and subsequently obtained a Ph. D degree in electronic letters, circuits and systems in 1989. In 1993, he completed research study and obtained a doctorate degree in electrical engineering from University of Federal Defense Munich at Germany. In 1994, he completed research study and obtained a doctorate degree in electrical engineering and computer systems from University of Illinois at Chicago, USA. Mr. Xu joined the Top Group Sci-Tech Development Company Limited ("Top Group") in 1999. He is the senior vice president of Top Group. He was a professor, Ph. D tutor in Southwest Jiaotong University and the manager of a large

networking power company. Mr. Xu was one of the awarders of the 1997 Council Government Special Subsidy. He participated many researches on the subject of electrical engineering at home and abroad and has also published over 90 academic papers at home and abroad. He holds 0.14% interest of Sichuan Top Sci-Tech Development Company. Mr. Xu has no interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance. The term of director's service is 3 years. The amount of the director's remuneration to be specified in his service contract shall not be exceeding RMB200,000 per annum, including basic salaries and discretionary bonus payments, and is determined according to his performance and working experience, the Company's results and market condition. Saved as aforesaid, he is not related to any directors, supervisors, senior management, management shareholders or controlling shareholders of the Company. The Board would like to confirm that there are no other matters that need to be brought to the attention of holders of securities of the Company.

Independent Non-executive Directors

Professor Yang Ji Ke

Professor Yang Ji Ke (楊紀珂), aged 83. In 1944, he graduated from Jiaotong University in Tangshan. In 1948, he graduated from Ohio State University with master's degree. In 1955, he returned to China, and has been associate researcher of China Science Academy Chemical Metallurgy Institute and Biological Physics Institute, professor of Chin Science and Technology University, vice governor of Anhui Province, standing committee member of National People's Congress, vice director of National People's Congress Environmental Resource Protection Committee, central standing vice chairman of Chinese Zhigong Party, general-director of China Energy Research Association, vice president of China Quality Management Association, vice president of China Statistics Institute. Professor Yang is current a member of the standing committee of Chinese People's Political Consultative Conference, vice director of CPPCC Population Environment Resource Committee, part-time professor of Qinghua University 21st Institute, and head of Beijing Tianheng Sustainable Development & Research Institute. Professor Yang joined the Company on 1 October 2000. Professor Yang has no interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance. The term of director's service is 3 years. The amount of the director's remuneration to be specified in his service contract shall not be exceeding RMB200,000 per annum, including basic salaries and discretionary bonuses payments, and is determined according to his performance and working experience, the Company's results and market condition. Saved as aforesaid, he is not related to any directors, supervisors, senior management, management shareholders or controlling shareholders of the Company. The Board would like to confirm that there are no other matters that need to be brought to the attention of holders of securities of the Company.

Professor Wang Ming Dong

Professor Wang Ming Dong (王明東), aged 64. Mr. Wang is a professor and a Ph. D. mentor of Chengdu Electronic Technology University. He graduated with a bachelor degree in automation from Chengdu Electronic Technology University (formerly known as Chengdu Telecommunication Engineering School). Professor Wang was vice programme leader of electrical engineering, programme leader of wireless electricity, vice principal and operating ice principal of Chengdu Electronic Technology University, and vice president of Sichuan Electronic Academy Committee. Professor Wang joined the Company on 1 June 2003. Professor Wang has no interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance. The term of director's service is 3 years. The amount of the director's remuneration to be specified in his service contract shall not be exceeding RMB200,000 per annum, including basic salaries and discretionary bonuses payments, and is determined according to his performance and working experience, the

Company's results and market condition. Saved as aforesaid, he is not related to any directors, supervisors, senior management, management shareholders or controlling shareholders of the Company. The Board would like to confirm that there are no other matters that need to be brought to the attention of holders of securities of the Company.

Ms. Xiao Bin

Ms. Xiao Bin (肖彬), aged 35. Ms. Xiao is the general manager of international business department and one of the members of loan approval committee of Sichuan branch of China Agricultural Bank. She graduated from economic of Southwest University of Finance and Economics and obtained a bachelor degree and subsequently, a master degree in economic. Ms. Xiao joined international business department of Sichuan branch of China Agricultural Bank in April 1993 and was manager of international clearing department, assistant to general manager, manager of customer relation department and vice general manager of international business department. Ms. Xiao joined the Company on 1 June 2003. Ms. Xiao has no interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance. The term of director's service is 3 years. The amount of the director's remuneration to be specified in her service contract shall not be exceeding RMB200,000 per annum, including basic salaries and discretionary bonuses payments, and is determined according to her performance and working experience, the Company's results and market condition. Saved as aforesaid, she is not related to any directors, supervisors, senior management, management shareholders or controlling shareholders of the Company. The Board would like to confirm that there are no other matters that need to be brought to the attention of holders of securities of the Company.

Supervisors

Mr. Zhang Yao Neng

Mr. Zhang Yao Neng (張耀能), aged 32. Mr. Zhang is a system analyst and the senior manager of taxation and construction business division of the Company. He is mainly in charge of development and implementation of taxation software. He graduated with a bachelor degree in computerization of accounting from Guizhou University. Mr. Zhang joined the Company on 10 August 1999 and was engaged in development of various local taxation projects. He was a senior programmer of software project room as well as a senior programmer, senior manager, and project manager of taxation software project room of the Company. He is one of key participating members in the development of the Company's product, TS Studio Tax Management Information System. Mr. Zhang participated the State Ninth Five-Year Plan Major Technological Project and the Key Technology and Application of the Local Taxation Integrated Framework Project. Mr. Zhang has no interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance. The term of supervisor's service is 3 years. The amount of the supervisor's remuneration to be specified in his service contract shall not be exceeding RMB200,000 per annum, including basic salaries and discretionary bonus payments, and is determined according to his performance and working experience, the Company's results and market conditions. The Board would like to confirm that there are no other matters that need to be brought to the attention of holders of securities of the Company.

Mr. Lian Chun Hua

Mr. Lian Chun Hua (連春華), aged 30. Mr. Lian is a system analyst and the general manager of social insurance and office automation business division of the Company. He is mainly in charge of development and marketing of social insurance and office automation software. He graduated with a bachelor degree and a master degree in mathematics from Lanzhou University. Mr. Lian joined the Company on 4 May 1999. He was an officer of social insurance software testing room, the senior manager of electronic software testing room, officer of finance software development centre and the general manager of application software development centre. Previously, Mr. Lian worked as senior programmer, system analyst, project manager in a large computer system company. Mr. Lian is a director of a subsidiary, Chengdu Top Huaxi Electronics Technology Company Limited, and holds 3% interest of such subsidiary, such interest is required to be notified to the Company and the Stock Exchange pursuant to Part XV of the Securities and Futures Ordinance. The term of supervisor's service is 3 years. The amount of the supervisor's remuneration to be specified in his service contract shall not be exceeding RMB200,000 per annum, including basic salaries and discretionary bonus payments, and is determined according to his performance and working experience, the Company's results and market conditions. The Board would like to confirm that there are no other matters that need to be brought to the attention of holders of securities of the Company.

Mr. Xu Bo

Mr. Xu Bo (徐波), aged 32. Mr. Xu is the head of marketing department for Southwest region of the Company. He joined the Company on 20 July 1995 and was the head of maintenance department, engineering department and traffic business department. He also participated into the implementation of many large system integration projects. Mr. Xu acted as a supervisor of Sichuan Topsoft Investment Company Limited, a company listed in Shenzhen Stock Exchange, during the period from 19 February 2001 to 19 February 2004. He holds 0.035288% interest of Sichuan Top Sci-Tech Development Company. Mr. Xu holds 0.011538% interest of the Company, such interest is required to be notified to the Company and the Stock Exchange pursuant to Part XV of the Securities and Futures Ordinance. The term of supervisor's service is 3 years. The amount of the supervisor's remuneration to be specified in his service contract shall not be exceeding RMB200,000 per annum, including basic salaries and discretionary bonus payments, and is determined according to his performance and working experience, the Company's results and market conditions. The Board would like to confirm that there are no other matters that need to be brought to the attention of holders of securities of the Company.

Mr. Zeng Ji Yong

Mr. Zeng Ji Yong (曾吉勇), aged 37. Mr. Zeng is an accountant. He graduated with a bachelor degree in economic management from Harbin University of Science and Technology. During the period from 12 April 2000 to 4 April 2004, Mr. Zeng worked for Top Group Sci-Tech Development Company Limited and was the senior in charge of accounting review department, the officer of accounting financial control department and the controller of accounting department. Previously, he worked in a large electronic enterprise and performed accounting management duties. Mr. Zeng joined Sichuan Topsoft Investment Company Limited, a company listed in Shenzhen Stock Exchange, on 5 April 2004 and works as the controller of accounting management department in carrying out accounting management duties. Mr. Zeng has no interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance. The term of supervisor's service is 3 years. The amount of the supervisor's remuneration to be specified in his service contract shall not be exceeding RMB200,000 per annum, including basic salaries and discretionary bonuses payments, and is determined according to his performance and working experience, the Company's results and market

condition. Saved as aforesaid, he is not related to any directors, supervisors, senior management, management shareholder or controlling shareholders of the Company. The Board would like to confirm that there are no other matters that need to be brought to the attention of holders of securities of the Company.

By Order of the Board
Li Zheng Bin
Chairman

The Board of Directors of the Company comprises of:

Mr. Li Zheng Bin (*Executive Director*)
Ms. Ma Jun (*Executive Director*)
Mr. Fan Jing Ru (*Executive Director*)
Mr. Chen Zhong Hao (*Executive Director*)
Mr. Wang Zu Long (*Executive Director*)
Mr. Huang Wei Bin (*Non-executive Director*)
Professor Yang Ji Ke (*Independent Non-executive Director*)
Professor Wang Ming Dong (*Independent Non-executive Director*)
Ms. Xiao Bin (*Independent Non-executive Director*)

Chengdu, the PRC
13 May 2004

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 Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and is not misleading; there are no other matters the omission of which would make any statement in this announcement misleading; and 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 www.hkgem.com for at least 7 days from the day of its posting.

* For identification purposes only