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This announcement, for which the directors of Chengdu Top Sci-Tech Company Limited (the “Directors”) 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 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 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.



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 with limited liability)

RESOLUTIONS PASSED BY THE BOARD OF DIRECTORS
RESOLUTION PASSED BY THE SUPERVISORY COMMITTEE
RESULTS OF THE ANNUAL GENERAL MEETING
CHANGE OF COMPLIANCE OFFICER AND
AUTHORIZED REPRESENTATIVE

At 11:00 a.m., 28 June 2004, the Board convened a meeting to discuss the matter that certain Financial Assistance made by the Group to entities (including connected persons) had not been reflected in the auditors' report and financial statements of the Group for year 2003. The Board therefore resolved to withdraw the resolutions regarding the approval of the report of the Board for year 2003 and the approval of the auditors' report and financial statements of the Group for year 2003, which are scheduled to be considered by the shareholders of the Company at the AGM. The Supervisory Committee also resolved to recall its report for year 2003, and accordingly the resolution regarding the approval of the report of the Supervisory Committee for year 2003 was withdrawn accordingly.

At 3:00 p.m., 28 June 2004, the Company convened its AGM. Except for the resolutions withdrawn as mentioned above, all the proposed resolutions as set out in the notice of AGM issued by the Company on 13 May 2004 were approved by the shareholders of the Company.

Upon the expiry of the AGM on 28 June 2004, Mr. Fan Jing Ru retired as the positions of the Compliance Officer and one of the Authorized Representatives of the Company. Mr. Chen Wei Xin takes up the aforesaid positions with immediate effect.

At the request of the Company, the trading of the Company's H shares has been suspended since 2:30 p.m. on 19 April 2004, pending release of an announcement in relation to price sensitive information and continues to be suspended pending the release of such announcement.

Resolutions passed by the Board

At 11:00 , 28 June 2004, the board of directors (the "Board") of Chengdu Top Sci-Tech Company Limited (the "Company") convened a meeting to discuss the matter that the information of following financial assistance ("Financial Assistance") made by the Group to entities (including connected persons) had not been reflected in the auditors' report and financial statements of the Group for year 2003:

1. A corporate guarantee was provided by the Group to Chengdu Branch, Huaxia Bank in respect of a bank loan to the extent of RMB20,000,000 granted to Chengdu Western Software Park Company Limited ("Western Software Park"). Western Software Park is a company incorporated in the PRC in which the Company holds 7.05% interest and Top Group (as defined below) holds 10% interest.

2. A corporate guarantee was provided by the Group to Chengdu City Binjiang Office Branch, Industrial and Commercial Bank of China in respect of a bank loan to the extent of RMB30,000,000 granted to a connected person (as defined in the GEM Listing Rules), Top Group Sci-Tech Development Limited (“Top Group”). Top Group is a company incorporated in the PRC, being a subsidiary of, and owned as to 62% by, Sichuan Top Sci-Tech Development Company (“Top Development”). Top Development is a company incorporated in the PRC and holding an aggregate direct and indirect interest of 50.95% in the Company.
3. A corporate guarantee was provided by the Group to Changsha Branch, Industrial Bank Company Limited in respect of a banking facilities to the extent of RMB30,000,000 granted to the third party, Hunan Top Software Company Limited (“Hunan Top”). Hunan Top is a company incorporated in the PRC in which Hunan Hua Yuan Sci-Tech Development Company Limited (“Hunan Hua Yuan”) holds 53.33% interest. Hunan Hua Yuan is a company incorporated in the PRC in which Mr. Song Ru Hua, one of the founders of Top Development, holds 29.4% interest.
4. The pledge of Group’s buildings and land use rights was made with Chengdu Branch, Citic Industrial Bank in respect of a bank loan to the extent of RMB40,000,000 granted to Top Group.
5. A corporate guarantee was provided by the Group to China Merchants Bank in respect of a bank loan to the extent of RMB18,900,000 granted to a connected person (as defined in the GEM Listing Rules), Sichuan Topsoft Investment Company Limited (“Topsoft Investment”). Topsoft Investment is a company incorporated in the PRC and holding an aggregate direct and indirect interest of 42.30% in the Company.
6. A corporate guarantee was provided by the Group to China Merchants Bank in respect of a bank loan to the extent of RMB9,850,000 granted to Western Software Park.

Having discussed by the directors, the Board resolved to withdraw the following proposed resolutions, which were to be considered by the shareholders of the Company for approvals at the AGM:

1. Resolution numbered 3 as set out in the notice of AGM:- to consider and approve the report of the Board of Directors for year 2003.
2. Resolution numbered 5 as set out in the notice of AGM:- to consider and approve the auditors’ report and financial statements of the Group for year 2003.

The Board further resolved to re-audit the financial statements of the Group for year 2003. An announcement regarding the development will be made.

In addition to the above Finance Assistance, there were other finance assistances by way of loans made by the Group to Western Software Park and Top Group, totalling RMB164,212,000, in April 2004, details of which were also set out in the Company's 2004 First Quarterly Report. As disclosed in 2004 First Quarterly Report, the Company, in handling the Financial Assistance and other financial assistances above, has not complied with the GEM Listing Rules. The Stock Exchange is looking into the matter. Besides, an independent sub-committee comprising members of three Independent Non-executive Directors of the Company, Professor Yang Ji Ke, Professor Wang Ming Dong and Ms. Xiao Bin, was established for the purposes of carrying out an internal review in respect of the Financial Assistance and other financial assistances. The Company will make a further announcement in relation to the details of the Financial Assistance and other financial assistances, the review including its outcome, in due course.

Resolution passed by the Supervisory Committee

A meeting of the supervisory committee of the Company (the "Supervisory Committee") was held at 1:00 p.m., 28 June 2004. In view of the fact that the Financial Assistance had not been reflected in the report of the Board for year 2003 and the auditors' report and financial statements of the Group for year 2003, the Supervisory Committee resolved to recall its report for year 2003. As such, the resolution regarding the approval of the report of the Supervisory Committee as proposed to be considered at the AGM be withdrawn.

Results of AGM

The AGM of the Company was held at Xiruan, Top Road, Hong Guang Zhen, Pi County, Chengdu, the PRC at 3:00 p.m. on Monday, 28 June 2004. Mr. Li Zheng Bin presided over the AGM as the chairman of the meeting.

The AGM was proceeded by poll. There were a total of 676,000,000 shares of the Company as at the record date ("Record Date", i.e. 7 June 2004) entitled to attend the AGM. Shareholders and authorised proxies holding an aggregate of 353,859,000 shares of the Company, representing 52.22% of the total shares of the Company, were present at the AGM. Holders of 885,000 H shares of the Company, through HKSCC Nominees Limited, appointed the chairman of the meeting to attend and vote on their behalf.

As set out in the notice of AGM, no shareholders was required to abstain from voting for the resolutions numbered 1 to 17. In relation to the resolutions numbered 18 and 19, the following connected shareholders had abstained from voting, resulting in 9,359,000 shares entitling to vote for the resolutions.

Name of shareholder	Class of shares	Number of shares held
Chengdu Tuoan Sci-Tech Information Company Limited	Domestic shares	6,500,000
Chengdu Top Information Network Engineering Company Limited	Domestic shares	13,000,000
Sichuan Top Computer Company Limited	Domestic shares	13,000,000
Sichuan Topsoft Investment Company Limited	Domestic shares	273,000,000
Sichuan Top Sci-Tech Development Company	Domestic shares	<u>39,000,000</u>
		<u><u>344,500,000</u></u>

Chengdu Custody Centre and Hong Kong Registrars Limited, the share registrars for the Company, acted as the scrutineers for the vote-takings of Domestic shares and H shares respectively.

After reviewing the resolutions proposed by the Board of Directors, the following resolutions were passed through voting by way of poll at the AGM:

A. Special Resolutions:

1. Subject to and conditional upon approval of and permission to deal with the H Shares in the share capital of the Company, which are intended to be issued by the Company, by The Stock Exchange of Hong Kong Limited and/or Securities and Futures Commission (if required), and approval of the resolution by the China Securities Regulatory Committee, a mandate is to be given to the board of Directors:
 - (a) to place and/or issue Domestic Shares and/or H Shares within a period of twelve months from the date of the resolution provided that the number of Domestic Shares and/or H Shares to be placed and/or issued shall not exceed 20% of the numbers of Domestic Shares and H Shares respectively in issue as at the date on which this resolution is passed (“20% limit”);

- (b) to decide within the 20% limit the number of Domestic Shares and/or H Shares to be placed and/or issued and to deal with matters arising out of and incidental to such placement and/or issue of new Shares; and
- (c) to make such necessary amendments to articles 17, 18 and 21 of the Articles of Association to reflect changes in the share capital of the Company arising out of such placement and/or issue of Shares;

such mandate to remain effect until the conclusion of the next annual general meeting of the Company following the passing of the resolution or for a period of twelve months from the date of passing of the resolution or until the revocation in variation of the mandate by a special resolution of the holders of the Shares, whichever is the earliest.

353,759,000 shares were voted in the affirmative and 100,000 shares were voted in the negative, representing 99.97% and 0.03%, respectively, of the total number of shares held by the Shareholders (including proxies) present at the AGM carrying voting rights.

- 2. To approve the proposed amendments to the Articles of Association of the Company.

353,759,000 shares were voted in the affirmative and 100,000 shares were voted in the negative, representing 99.97% and 0.03%, respectively, of the total number of shares held by the Shareholders (including proxies) present at the AGM carrying voting rights.

B. Ordinary Resolutions:

- 3. The appointment of Mr. Long Ji Gang as executive Director of the Company.

353,759,000 shares were voted in the affirmative and 100,000 shares were voted in the negative, representing 99.97% and 0.03%, respectively, of the total number of shares held by the Shareholders (including proxies) present at the AGM carrying voting rights.

4. The appointment of Mr. Chen Wei Xin as executive Director of the Company.

353,759,000 shares were voted in the affirmative and 100,000 shares were voted in the negative, representing 99.97% and 0.03%, respectively, of the total number of shares held by the Shareholders (including proxies) present at the AGM carrying voting rights.

5. The appointment of Mr. Chen Bao Yu as executive Director of the Company.

353,759,000 shares were voted in the affirmative and 100,000 shares were voted in the negative, representing 99.97% and 0.03%, respectively, of the total number of shares held by the Shareholders (including proxies) present at the AGM carrying voting rights.

6. The appointment of Mr. Xu Jian Ping as non-executive Director of the Company.

353,759,000 shares were voted in the affirmative and 100,000 shares were voted in the negative, representing 99.97% and 0.03%, respectively, of the total number of shares held by the Shareholders (including proxies) present at the AGM carrying voting rights.

7. The appointment of Mr. Zhang Yao Neng as Supervisor of the Company.

353,759,000 shares were voted in the affirmative and 100,000 shares were voted in the negative, representing 99.97% and 0.03%, respectively, of the total number of shares held by the Shareholders (including proxies) present at the AGM carrying voting rights.

8. The appointment of Mr. Lian Chun Hua as Supervisor of the Company.

353,759,000 shares were voted in the affirmative and 100,000 shares were voted in the negative, representing 99.97% and 0.03%, respectively, of the total number of shares held by the Shareholders (including proxies) present at the AGM carrying voting rights.

9. To consider and approve the appointment of Mr. Xu Bo as Supervisor of the Company.

353,759,000 shares were voted in the affirmative and 100,000 shares were voted in the negative, representing 99.97% and 0.03%, respectively, of the total number of shares held by the Shareholders (including proxies) present at the AGM carrying voting rights.

10. The appointment of Mr. Zeng Ji Yong as Supervisor of the Company.

353,759,000 shares were voted in the affirmative and 100,000 shares were voted in the negative, representing 99.97% and 0.03%, respectively, of the total number of shares held by the Shareholders (including proxies) present at the AGM carrying voting rights.

11. The proposed re-appointment to the next Session of the Board of Directors of the Company. The directors proposed to be re-appointed to the next Session of the Board of Directors of the Company:

Executive Directors

Mr. Li Zheng Bin

Independent Non-executive Directors

Professor Yang Ji Ke

Professor Wang Ming Dong

Ms. Xiao Bin

353,759,000 shares were voted in the affirmative and 100,000 shares were voted in the negative, representing 99.97% and 0.03%, respectively, of the total number of shares held by the Shareholders (including proxies) present at the AGM carrying voting rights.

12. The appointment of Messrs. RSM Nelson Wheeler, Certified Public Accountants, as auditors of the Company for year 2004 and the Board of Directors is authorised to determine their remuneration.

353,759,000 shares were voted in the affirmative and 100,000 shares were voted in the negative, representing 99.97% and 0.03%, respectively, of the total number of shares held by the Shareholders (including proxies) present at the AGM carrying voting rights.

13. The Board of Directors is authorised to determine the Directors' remuneration for year 2004.

353,759,000 shares were voted in the affirmative and 100,000 shares were voted in the negative, representing 99.97% and 0.03%, respectively, of the total number of shares held by the Shareholders (including proxies) present at the AGM carrying voting rights.

14. The Board of Directors is authorised to determine the Supervisors' remuneration for year 2004.

353,759,000 shares were voted in the affirmative and 100,000 shares were voted in the negative, representing 99.97% and 0.03%, respectively, of the total number of shares held by the Shareholders (including proxies) present at the AGM carrying voting rights.

15. The Company is authorised to conduct the transaction in the year 2003 according to the Construction Contractor Agreement entered into between the Company and Sichuan Top Sci-Tech Development Company on 8 March 2001 (details of which have been set out on page 103 of the prospectus of the Company issued on 26 March 2001).

9,259,000 shares were voted in the affirmative and 100,000 shares were voted in the negative, representing 98.93% and 1.07%, respectively, of the total number of shares held by the Shareholders (including proxies, excluding connected shareholders) present at the EGM carrying voting rights.

16. The Company is authorised to conduct the transaction in the year 2003 pursuant to the Contract Materials Supply Agreement entered into between the Company and Sichuan Top Computer Company Limited (previously known as Sichuan Top Electronics Technology Company Limited) on 8 March 2001 (details of which have been set out on page 105 of the prospectus of the Company issued on 26 March 2001).

9,259,000 shares were voted in the affirmative and 100,000 shares were voted in the negative, representing 98.93% and 1.07%, respectively, of the total number of shares held by the Shareholders (including proxies, excluding connected shareholders) present at the EGM carrying voting rights.

Change of Compliance Officer and Authorised Representatives

Upon the expiry of the AGM on 28th June 2004, Mr. Fan Jing Ru retired as Executive Director of the Company in accordance with the Articles of Association of the Company. Accordingly, he has no longer been the Compliance Officer and one of the Authorized Representatives of the Company. Mr. Fan confirmed that there were no circumstances connected with his retirement, which, according to the GEM Listing Rules, should be brought to the attention of the members of the Company.

The newly appointed Executive Director, Mr. Chen Wei Xin, takes up the positions of Compliance Office and Authorized Representative originally held by Mr. Fan with immediate effect. Another Authorized Representative of the Company is Mr. Liu Kam Lung, remaining unchanged.

At the request of the Company, the trading of the Company's H shares has been suspended since 2:30 p.m. on 19 April 2004, pending release of an announcement in relation to price sensitive information and continues to be suspended pending the release of such announcement.

By Order of the Board
Li Zheng Bin
Chairman

As at the date of this announcement, the members of the Board are:

Mr. Li Zheng Bin (Executive Director)
Mr. Long Ji Gang (Executive Director)
Mr. Chen Wei Xin (Executive Director)
Mr. Chen Bao Yu (Executive Director)
Mr. Xu Jian Ping (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, 30 June 2004

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* *For identification purpose only*