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SINO STRIDE TECHNOLOGY (HOLDINGS) LIMITED

中程科技集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8177)

ANNOUNCEMENT

PROPOSED LISTING ON THE MAIN BOARD OF THE STOCK EXCHANGE OF HONG KONG LIMITED BY WAY OF INTRODUCTION

PROPOSED VOLUNTARY WITHDRAWAL OF LISTING ON THE GROWTH ENTERPRISE MARKET OF THE STOCK EXCHANGE OF HONG KONG LIMITED

INTENTION OF GRANTING SHARE OPTIONS

The Directors would like to announce that the Company plans to list the Shares on the Main Board by way of introduction. An advance booking form for the Proposed Listing was submitted to the Stock Exchange on 30 July 2004. The Directors also informed the Stock Exchange of their intention to implement the Proposed Withdrawal that will be conditional upon, among other things, the approval by the Shareholders and the approval by the Stock Exchange of the application for the Proposed Listing. There is no assurance that permission will be obtained from the Stock Exchange for the Proposed Listing. Shareholders and potential investors should be aware that the implementation of the Proposed Listing and the Proposed Withdrawal are subject to certain conditions to be fulfilled and thus may or may not become effective. **The Proposed Listing and the Proposed Withdrawal may or may not proceed. Shareholders and potential investors are advised to exercise extreme caution when dealing in the Shares.**

The Directors would also like to announce that the Company intends to reward certain employees for their job performance by granting share options to not less than 150 employees of the Group under the Existing Share Option Scheme.

INTRODUCTION

The Directors would like to announce that CITIC Capital, acting as the sponsor to the Proposed Listing, submitted an advance booking form on 30 July 2004 to the Stock Exchange for the Proposed Listing. The Directors also informed the Stock Exchange of their intention to implement the Proposed Withdrawal. Nevertheless, the Directors would like to emphasise that both the Proposed Listing and the Proposed Withdrawal are at a preliminary stage and that an accurate timetable for the Proposed Listing and the Proposed Withdrawal has yet to be finalised.

REASONS FOR THE PROPOSED LISTING

Since the listing of the Company on GEM in July 2002, the business of the Group has been growing rapidly. Sales of the Group grew from approximately RMB96 million for the financial year ended 31 December 2001 to approximately RMB227 million for the financial year ended 31 December 2003. The track record of the Group for the latest three financial years ended 31 December 2003 already met the minimum profit requirement as stipulated in the Listing Rules. With the anticipated continuous economic development in the PRC and the rapid development of the system integration and related business in the PRC, the Directors believe that the business of the Group will continue to grow further and listing on the Main Board will help increase the profile of the Group and may also increase the research coverage from industry analysts. All of these will benefit the Group's future business development and increase its financial flexibility.

The Proposed Listing will not affect the business objectives of the Group. The Group will continue to pursue its current business of developing and providing system integration solutions, computer network system integration solutions and software development in the PRC.

CONDITIONS OF THE PROPOSED WITHDRAWAL

If the Company proceeds with the Proposed Listing, the Proposed Withdrawal will be conditional upon, among other things:

- (i) the passing of an ordinary resolution by the Shareholders at the Extraordinary General Meeting;
- (ii) the publication of a notice of the Proposed Withdrawal as required by GEM Listing Rules following obtaining the approval of the Shareholders at the Extraordinary General Meeting; and
- (iii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Shares and any Shares which may be described in the listing document to be issued by the Company for the Proposed Listing on the Main Board.

In this regard, if the Company proceeds with the Proposed Listing, the Extraordinary General Meeting will be convened at an appropriate time to seek the approval of the Shareholders on the Proposed Withdrawal.

GENERAL INFORMATION

If the Company proceeds with the Proposed Listing, a circular containing, among other things, further details of the Proposed Listing and the Proposed Withdrawal, the expected timetable and a notice convening the Extraordinary General Meeting will be despatched to the Shareholders as soon as practicable. A listing document in relation to the Proposed Listing will also be despatched to the Shareholders for their information following the receipt from the Listing Committee of the Stock Exchange a preliminary indication of the approval for the Proposed Listing. In this regard, the Company will submit an application for a waiver from strict compliance with the minimum three-months notice period for the Proposed Withdrawal as required under Rule 9.19(3) of the GEM Listing Rules.

The Company will make further announcements to keep the Shareholders informed on the latest progress of the Proposed Listing and the Proposed Withdrawal.

There is no assurance that permission will be obtained from the Stock Exchange for the Proposed Listing. Shareholders and potential investors should be aware that the implementation of the Proposed Listing and the Proposed Withdrawal are subject to certain conditions to be fulfilled and thus may or may not become effective. **The Proposed Listing and the Proposed Withdrawal may or may not proceed. Shareholders and potential investors are advised to exercise extreme caution when dealing in the Shares.**

INTENTION OF GRANTING SHARE OPTIONS

The Directors would also like to announce that the Company intends to reward certain employees for their job performance by granting share options to not less than 150 employees of the Group under the Existing Share Option Scheme. Details of the granting of share options has not been finalised as at the date of this announcement. Further announcement will be made by the Company in accordance with the GEM Listing Rules when the granting of share options is finalised.

DEFINITIONS

Unless the context requires otherwise, the use of capitalised terms here shall have the following meanings:

“Board”	the board of Directors
“CITIC Capital”	CITIC Capital Markets Limited, a deemed licenced corporation under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), acting as the sponsor to the Proposed Listing
“Company”	Sino Stride Technology (Holdings) Limited, a company incorporated in the Cayman Islands with limited liability
“Director(s)”	the director(s) of the Company
“Existing Share Option Scheme”	the share option scheme adopted by the Company on 16 July 2002

“Extraordinary General Meeting”	the extraordinary general meeting of the Company to be convened to approve, inter alia, the Proposed Withdrawal
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	the securities market operated by the Stock Exchange prior to the establishment of GEM and which stock market continues to be operated by the Stock Exchange in parallel with GEM. For the avoidance of doubt, the Main Board excludes GEM
“Proposed Listing”	the proposed listing of the Shares on the Main Board by way of introduction pursuant to Chapter 7 of the Listing Rules
“Proposed Withdrawal”	the proposed voluntary withdrawal of the listing status of the Shares on GEM
“PRC”	the People’s Republic of China, which for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Shareholder(s)”	registered holder(s) of Shares
“Share(s)”	Share(s) of HK\$0.01 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“RMB”	Renminbi, the lawful currency of the PRC

By order of the Board
Sino Stride Technology (Holdings) Limited
Chau Chit
Chairman

Hong Kong, 30 July 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: (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.

As at the date of this announcement, the Board comprises of the executive Directors namely Mr. Chau Chit (Chairman), Mr. Wong Wai Tin and Mr. Shen Yue; the non-executive Directors namely Mr. Wong Wai Kwan and Mr. Ng Chong Khim; and the independent non-executive Directors namely Mr. Cai Xiao Fu, Mr. Shi Jian Jun and Mr. Li Xiao Qiang, Richard.

This announcement will remain on the GEM website at <http://www.hkgem.com> on the “Latest Company Announcements” page for at least seven days from the day of its posting.

** For identification purpose only*