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CAPINFO COMPANY LIMITED*

首都信息發展股份有限公司

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

CONTINUING CONNECTED TRANSACTIONS BREACH OF GEM LISTING RULES

Further to the announcement dated 1 March 2002 of the Company, the Directors announce that the aggregate fee paid or accrued for the Transactions under the Renewal Agreement has exceeded the de minimus threshold of Rule 20.25 of the GEM Listing Rules. Without the prior approval by the independent shareholders of the Company, the Transactions constitute a breach of the GEM Listing Rules. As stated in the aforesaid announcement, the Company proposed to convene an extraordinary general meeting to approve the Transactions in or about May 2002.

Reference is made to the announcement dated 1 March 2002 of the Company and terms defined in the aforesaid announcement shall have the same meanings when used herein unless the context otherwise requires.

As mentioned in the aforesaid announcement, the Directors propose that an extraordinary general meeting to be convened to approve the Transactions in or about May 2002, which is the earliest possible time to hold the aforesaid extraordinary general meeting taking into account of the time required for the despatch of a circular giving details on the Transactions together with a notice convening an extraordinary general meeting, and a 45-day notice period required under the Articles of the Company.

The Transactions are carried on continuously in the normal course of business of the Company, and as of the date of this announcement, the aggregate fee paid or accrued for the Transactions under the Renewal Agreement amounts to approximately RMB1,070,000 (equivalent to approximately HK\$1,001,000) which has exceeded the de minimus threshold as stipulated in Rule 20.25 of the GEM Listing Rules. Therefore, the Transactions are subject to reporting, announcement and shareholders' approval requirements under the GEM Listing Rules. Without the prior approval by the independent shareholders of the Company, the Transactions constitute a breach of the GEM Listing Rules. Notwithstanding that an extraordinary general meeting will only be convened in or about May 2002, the Company has obtained a written confirmation from Beijing State-owned Assets Management Corporation, which is a controlling shareholder holding approximately 61.55% interest in the Company and an independent shareholder of the Company not connected with the Transactions, which contains an irrevocable undertaking that it will vote in favour of

the resolution in relation to the Renewal Agreement and the Transactions. **The Stock Exchange reserves its right to take action against the Company and its Directors.**

By Order of the Board
CAPINFO COMPANY LIMITED
CHEN Xinxiang
Chairman

Beijing, The People's Republic of China, 14 March 2002

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:– (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) 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 on the “Latest Company Announcements” page for at least 7 days from the date of its posting.

** For identification purposes only*