

*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.*



## **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)*

### **CHANGE IN SHAREHOLDING STRUCTURE**

Reference is made to the announcement of the Company dated 9th May, 2002 regarding the proposed change in the shareholding structure of the Company. The Company was advised that the equity interest of Beijing Communication was transferred from China Telecom to CNC on 16th May, 2002 at nil consideration. After the transfer, CNC indirectly, through its interest in Beijing Communication and further through a 80%-owned subsidiary, Beijing Telecom Investments, hold approximately 1.46% interest in the Company.

The Company and China Telecom have applied to the Stock Exchange and the Stock Exchange has granted a waiver from strict compliance with Rule 13.16 of the GEM Listing Rules in relation to the aforesaid transfer of interest by China Telecom. CNC has given an undertaking to the Stock Exchange, pursuant to which CNC has undertaken not to directly or indirectly dispose of any of its interest in Beijing Communication till 20th December, 2002, being the first anniversary of dealings in the H Shares first commenced on GEM.

The Directors confirm that such changes will only involve change of the direct or indirect ownership of the Domestic Shares and no change in the number of H Shares will be resulted therefrom. The Directors further confirm that those changes will not result in change in the controlling shareholder and operations of the Company. As of the date of this announcement, the Directors have not been informed of completion of any other changes in the shareholding in the Company except for those mentioned above. The Company will make further announcement as soon as practicable to give relevant details of any other changes in its shareholding structure pursuant to its announcement dated 9th May, 2002.

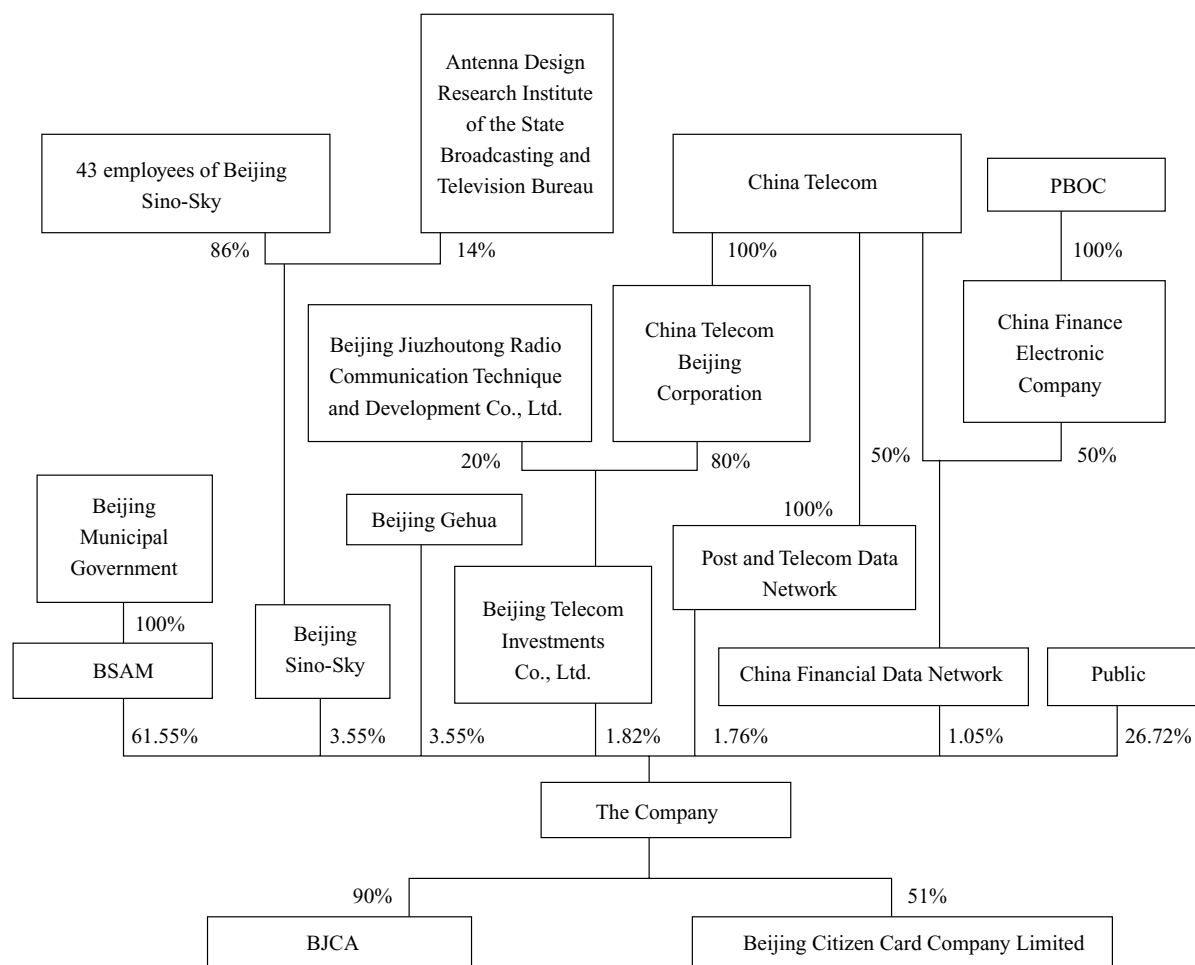
Reference is made to the announcement of Capinfo Company Limited (the "Company") dated 9th May, 2002 regarding the proposed change in the shareholding structure of the Company as a result of the business restructuring of the telecom industry in the PRC in accordance with the policy of the government of The Peoples' Republic of China (the "Proposed Change"). Unless the context otherwise specifies, the terms defined in the prospectus of the Company dated 17th December, 2001 shall have the same meanings when used herein.

The board of directors (the “Directors”) of the Company announces that certain steps of the Proposed Change have been proceeded as follows:

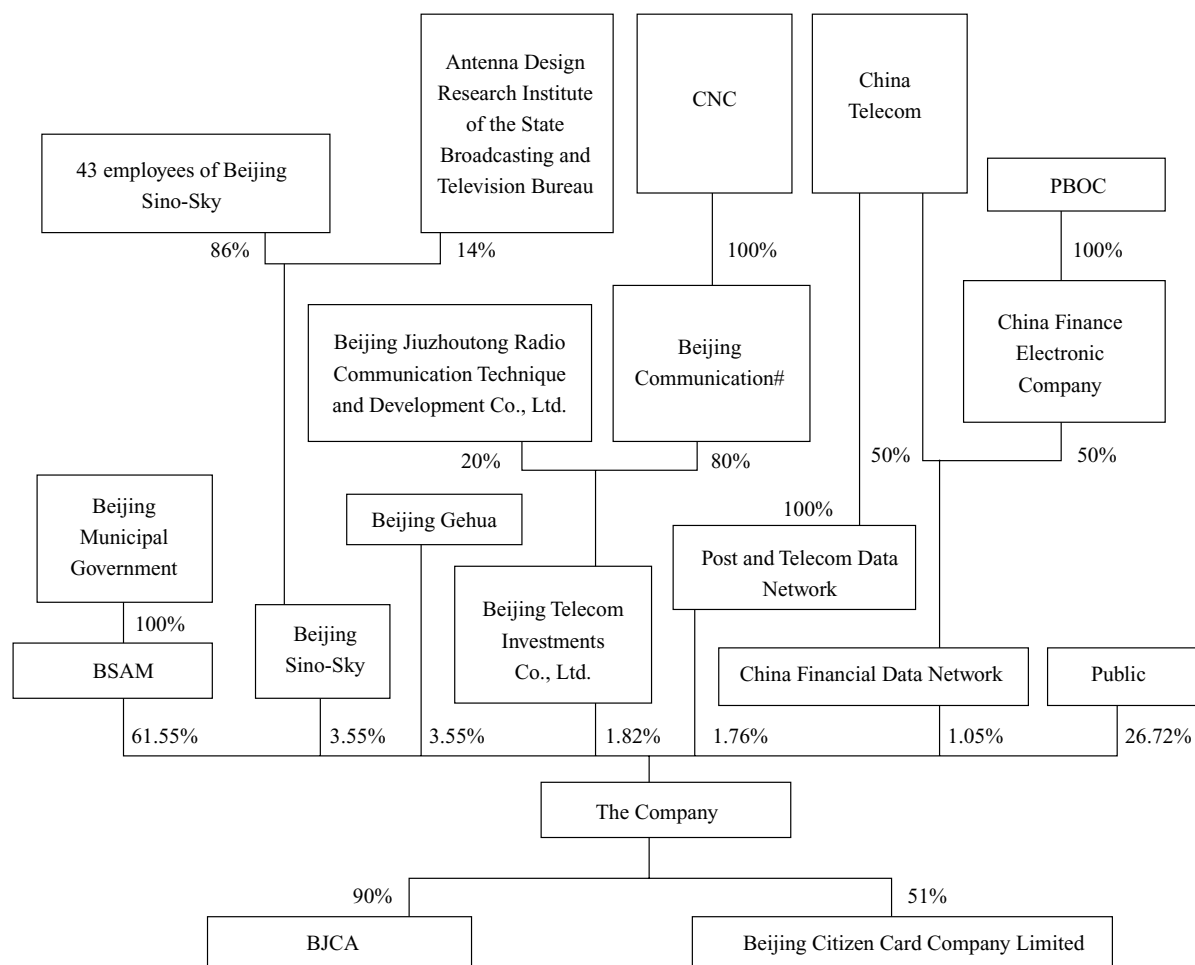
The Company was advised by China Netcom Corporation Limited (中國網絡通信集團公司) (“CNC”) that China Telecom Beijing Corporation (中國電信集團北京市電信公司) was renamed to China Netcom Beijing Communication Corporation (中國網絡通信集團北京市通信公司) (“Beijing Communication”) and its equity interest in the Company was transferred from China Telecom Corporation (中國電信集團公司) (“China Telecom”) to CNC on 16th May, 2002 at nil consideration pursuant to the Proposed Change. After the aforesaid equity transfer, CNC indirectly, through its interest in Beijing Communication and further through a 80%-owned subsidiary, Beijing Telecom Investments which holds approximately 1.82% interest in the Company, hold approximately 1.46% interest in the Company).

The simplified shareholding structure of the Company before and after the aforesaid change are illustrated as follows:

### Shareholding Structure Before the Aforesaid Change



## Shareholding Structure After the Aforesaid Change



# formerly known as China Telecom Beijing Corporation (中國電信集團北京市電信公司) and registration of the proposed name with the relevant government authorities of the PRC is in progress and is subject to the final approval from such authorities.

Pursuant to Rule 13.16 of the Rules (“GEM Listing Rules”) Governing the Listing of Securities on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (“Stock Exchange”), China Telecom, before the Listing Date, had given a non-disposal undertaking of its direct and/or indirect interests in China Telecom Beijing Corporation (中國電信集團北京市電信公司) for a period of 12 months from the Listing Date. Accordingly, the Company and China Telecom have applied to the Stock Exchange and the Stock Exchange has granted a waiver from strict compliance with Rule 13.16 of the GEM Listing Rules in relation to the aforesaid transfer of interest by China Telecom.

The waiver granted by the Stock Exchange is subject to certain conditions which include the requirement of the Company to make announcement on the changes and to procure CNC to provide a non-disposal undertaking of its direct and/or indirect interests in Beijing Communication till 20th December, 2002, being the first anniversary of dealings in the H Shares first commenced on GEM.

CNC has given an undertaking in favour of the Stock Exchange, the Company and Core Pacific - Yamaichi Capital Limited, pursuant to which CNC has undertaken that till 20th December, 2002, being the first anniversary of dealings in the H Shares first commenced on GEM, it will not directly or indirectly dispose of any of its interest in Beijing Communication.

The Directors confirm that such changes will only involve change of the direct or indirect ownership of the Domestic Shares and no change in the number of H Shares will be resulted therefrom. The Directors further confirm that those changes will not result in change in the controlling shareholder and operations of the Company. As of the date of this announcement, the Directors have not been informed of completion of any other changes in the shareholding in the Company except for those mentioned above. The Company will make further announcement as soon as practicable to give relevant details of any other changes in its shareholding structure pursuant to its announcement dated 9th May, 2002.

By Order of the Board  
**CAPINFO COMPANY LIMITED**  
**CHEN Xinxiang**  
*Chairman*

Beijing, The People's Republic of China, 24th May, 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](http://www.hkgem.com) on the “Latest Company Announcements” page for at least 7 days from the date of its posting.*

*\* For identification purposes only*