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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)

PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

At the board meeting of Capinfo Company Limited (the "Company") held on 8 February 2002, the board of directors (the "Directors") of the Company (the "Board") approved, amongst other things, a proposal to put certain proposed changes to the articles of association ("Articles") of the Company to the shareholders of the Company for approval by way of special resolution at the next general meeting of the Company.

The major proposed changes to the Articles include, amongst other things, changes to the share capital structure of the Company (due to the further exercise of over-allocation option), the number of Directors (due to the appointment of an extra director by Beijing State-owned Assets Management Corporation Limited, one of the promoters of the Company, to more accurately represent its shareholding in the Company) and the roles of independent Directors/supervisors to improve corporate governance.

The Company currently expects to issue the relevant notice for the aforementioned general meeting of the Company on or about 1 March 2002.

Unless otherwise defined herein, terms and expressions used in this announcement shall have the same meanings as those defined in the prospectus of the Company dated 17 December 2001 and the announcements issued by the Company on 20 December 2001 and 14 January 2002.

The Board hereby announces that at a meeting of the Board held on 8 February 2002, the Board approved, amongst other things, a proposal to put certain proposed changes to the Articles to the shareholders of the Company for approval at the next general meeting of the Company by passing the board resolution, the substance of which are as follows. The Company currently proposes to convene its next general meeting on or about 18 April 2002.

The major proposed changes to the Articles include, amongst other things, changes to the share capital structure of the Company (due to the further exercise of over-allocation option), the number of Directors (due to the appointment of an extra director by Beijing State-owned Assets Management Corporation Limited, one of the promoters of the Company, to more accurately represent its shareholding in the Company) and the roles of independent Directors/supervisors to improve corporate governance.

BOARD RESOLUTION

THAT subject to approval by shareholders of the Company at general meeting, the Articles be and are hereby amended as follows:

- a) Article 15 - Reference is made to the announcements published by the Company on 20 December 2001 and 14 January 2002 regarding the Placing and the Second Partial Over-allocation Placing respectively. The Placing was in respect of 742,498,000 H Shares comprising 710,134,912 H Shares initially offered under the Placing and 32,363,088 H Shares offered under the Partial Over-allocation Placing. The Second Partial Over-allocation Placing was in respect of 32,000,000 H Shares. A total of 774,498,000 H Shares were issued under the Placing and the Second Partial Over-allocation Placing.

Article 15 provides for the number of shares reduced by each of Beijing State-owned Assets Management Corporation Limited (“BSAM”), Post and Telecom Data Network Co., Ltd. (“Post and Telecom Data Network”) and China Financial Data Network Co., Ltd. (“China Financial Data Network”) (together, the “State Shareholders”) before exercise of the Over-allocation Option and the number of shares required to be reduced if the Over-allocation Option is exercised in full. However, the Over-allocation Option was only partially exercised.

Pursuant to the Regulations for the Reduction of State Shares, BSAM, Post and Telecom Data Network, and China Financial Data Network were required to reduce an aggregate of 70,408,909 Domestic Shares, comprising 67,339,081 Domestic Shares held by BSAM, 1,922,163 Domestic Shares held by Post and Telecom Data Network and 1,147,665 Domestic Shares held by China Financial Data Network, respectively. Therefore, the Board proposed to replace:

“Upon the approval of the State Council’s state-owned shares administration department, Beijing State-owned Assets Management Corporation Limited, Post and Telecom Data Network Co., Ltd. and China Financial Data Network Co., Ltd. allocated 61,738,261 shares, 1,762,186 shares and 1,057,272 shares in the Company (64,557,719 shares in total) (If the over-allotment option is exercised in full, they allocated 70,999,000 shares, 2,026,514 shares and 64,557,719 shares respectively (74,241,377 shares in total)) to the Council of the National Social Security Fund respectively. Upon the approval of the State Council securities regulatory department, such 64,557,719 shares (74,241,377 shares, if the over-allotment option is exercised in full) were sold to the public when the Company issued additional overseas listed foreign invested shares.

The Company increased its share capital by issuing additional ordinary shares in the form of 710,134,912 overseas listed foreign invested shares (including 64,557,719 overseas listed foreign invested shares converted from domestic invested shares) and by issuing, upon the exercise of an over-allotment option, overseas listed foreign invested shares not exceeding 816,655,149 shares (including 74,241,377 overseas listed foreign invested shares converted from domestic invested shares).”

with:

“Upon the approval of the State Council’s state-owned shares administration department, Beijing State-owned Assets Management Corporation Limited, Post and Telecom Data Network Co., Ltd. and China Financial Data Network Co., Ltd. allocated 67,339,081 shares, 1,922,163 shares and 1,147,665 shares in the Company (70,408,909 shares in total) to the Council of the National Social Security Fund respectively. Upon the approval of the State Council securities regulatory department, such 70,408,909 shares were sold to the public when the Company issued additional overseas listed foreign invested shares.

The Company increased its share capital by issuing additional ordinary shares in the form of 774,498,000 overseas listed foreign invested shares (including 70,408,909 overseas listed foreign invested shares converted from domestic invested shares).”; and

to delete the words “yuan”;

- b) Article 16 - Article 16 provides for the share capital structure of the Company after the Placing if the Over-allocation Option is not exercised and if it is exercised in full. As mentioned above, the Over-allocation Option was only partially exercised. In order to reflect the changes to the share capital structure of the Company as a result of the Placing and the Second Partial Over-allocation Placing, the Board proposed to delete Article 16 in its entirety and substitute therefor the following:

“After the Company increased its share capital by issuing additional ordinary shares as referred to in Article 15, the share capital structure of the Company is as follows: a total of 2,898,086,091 ordinary shares, of which 2,123,588,091 shares are in the form of domestic invested shares representing approximately 73.28 per cent. of the total ordinary shares issued by the Company, of which 1,783,631,919 shares are held by Beijing State-owned Assets Management Corporation Limited, 102,832,000 shares are held by Beijing Sino-Sky Radio, TV & Communication Technology Co., Ltd., 102,832,000 shares are held by Beijing Gehua Cable TV Network Co., Ltd., 50,909,837 shares are held by Post and Telecom Data Network Integration Development Center, 52,832,000 shares are held by Beijing Telecommunications Investment Co., Ltd., and 30,550,335 shares are held by China Financial Data Network Co, Ltd., all as promoters; 774,498,000 shares are in the form of overseas listed foreign invested shares held by foreign investors, representing approximately 26.72 per cent. of the total ordinary shares issued by the Company.”;

- c) Article 19 - Article 19 provides for the registered share capital of the Company if the Over-allocation Option is not exercised and if it is exercised in full. In order to reflect the changes to the registered share capital of the Company as a result of the Placing and the Second Partial Over-allocation Placing, the Board proposed to delete Article 19 in its entirety and substitute therefor the following:

“After completion of the issue of the overseas listed foreign invested shares, the registered capital of the Company shall be approximately RMB 289,808,609.1. The Company shall register the amendment to its registered capital with the relevant PRC government authorities. The registered capital will be the exact number registered with the relevant PRC government authorities. The Company shall file such amendment with the department for the examination and approval of companies authorised by the State Council and the securities regulatory department of the State Council for record purposes.”;

- d) Article 53 - The Board proposed to enable the independent Directors to call an extraordinary general meeting by deleting the word “or” at the end of line 11 and inserting after the word “meeting” in line 14 “;or (5) where two or more independent Directors make a request to convene an extraordinary general meeting”;

- e) Article 87 - The Board currently comprises 13 Directors. The Board proposed to increase the number of Directors since BSAM proposed to appoint an extra Director to the Board in the next general meeting, to more accurately represent its shareholding in the Company. The Board also proposed to increase the number of Directors who do not hold any position within the Company. Therefore, “The Board of Directors shall comprise thirteen (13) Directors, which shall include one chairman and twelve (12) Directors.” was proposed to be replaced with

“The Board of Directors shall comprise fourteen (14) Directors, including at least two independent Directors. Independent Directors refer to Directors who are independent of the shareholders of the Company and do not hold any position within the Company. The Board of Directors shall include one chairman and thirteen (13) Directors.

The external Directors (external Directors refer to Directors who do not hold a position in the Company, including independent Directors) shall comprise one half or more of the Board of Directors.”;

- f) Article 92 - In order to enable the independent Directors to call a Board meeting in case of emergency (i.e. to improve corporate governance), the Board proposed to replace:

“Where there is an emergency, an extraordinary meeting of the Board of Directors may be convened at the suggestion of three (3) or more Directors or at the suggestion of the Company’s general manager.” with

“Where there is an emergency, an extraordinary meeting of the Board of Directors may be convened at the suggestion of three (3) or more Directors, two (2) or more independent Directors, or at the suggestion of the Company’s general manager.”;

- g) Article 95 - The Board proposed that the Directors be given the power to postpone Board meetings by adding to the end of Article 95 “If one quarter or more of the Directors or two or more of the external Directors believe that there is insufficient information or that the arguments are inconclusive, they may jointly propose that the Board meeting be postponed or that some of the matters to be discussed at the Board meeting be discussed at a later time. In such circumstances, the Board of Directors shall accept the proposal.”;
- h) Article 98 - The Board proposed to require the opinions of independent Directors be recorded in the Board resolutions (i.e. to improve corporate governance) by inserting “The opinions expressed by an independent Director shall be clearly recorded in the resolutions of the Board of Directors.” after the first sentence of Article 98; and
- i) Article 107 - The Board proposed to increase the number of external Supervisors in the Board of Supervisors (i.e. to improve corporate governance) and clarify the meaning of the same by adding “The external Supervisors (external Supervisors refer to Supervisors who do not hold a position in the Company) shall comprise one half or more of the Board of Supervisors.”.

The Company has been advised by its PRC legal advisors that apart from approval from its shareholders, no other approvals are required in respect of the proposed changes to the Articles set out above, including those from any PRC authorities (governmental or otherwise). The above proposed changes to the Articles are therefore expected to come into effect after the conclusion of the aforementioned next general meeting of the Company upon approval by shareholders. The Company will issue an announcement of the results of such general meeting.

The Company currently expects to issue the relevant notice for the aforementioned general meeting of the Company on or about 1 March 2002.

By Order of the Board
Chen Xinxiang
Chairman

Beijing, The People’s Republic of China

11 February 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.

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