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CHINA DATA BROADCASTING HOLDINGS LIMITED

中華數據廣播控股有限公司*
(incorporated in Bermuda with limited liability)

ANNOUNCEMENT

Summary

— The Directors are pleased to announce that on 21st February, 2000, the Company entered into a distribution agreement (“Financial TV Set Top Box Distribution Agreement”) with Heilongjiang Securities Company Limited (黑龍江省證券有限公司) (“Heilongjiang Securities”) pursuant to which the Company engages Heilongjiang Securities as the sole authorised distributor of the Group’s financial TV set top box in the region of Heilongjiang Province, the PRC, and Heilongjiang Securities undertakes to distribute 10,000 units of the Group’s financial TV set top box during a period of one year from the date of the agreement.

Unless otherwise defined herein, the terms used in this announcement have the same meanings as those defined in the prospectus dated 17th January, 2000 (the “Prospectus”) issued by China Data Broadcasting Holdings Limited (the “Company”).

FINANCIAL TV SET TOP BOX DISTRIBUTION AGREEMENT DATED 21ST FEBRUARY, 2000

Parties to the agreement

- (1) the Company
- (2) Heilongjiang Securities, a company established in the PRC which is not connected with any of the Directors, chief executives, substantial Shareholders and Management Shareholders of the Company or any of their respective associates for the purpose of the GEM Listing Rules. Heilongjiang Securities is engaged in securities brokering in Heilongjiang Province, the PRC.

Authorised Distribution

Pursuant to the Financial TV Set Top Box Distribution Agreement, the Company engages Heilongjiang Securities as the Group’s sole authorised distributor for the Group’s financial TV set top box in the region of Heilongjiang Province, the PRC. The Group will provide the necessary technical training, consultancy and technical support to Heilongjiang Securities for its data broadcasting services. Heilongjiang Securities undertakes to distribute 10,000 units of the Group’s financial TV set top boxes for a period of one year from the date of the agreement. The price of financial TV set top box offered by the Group to Heilongjiang Securities will be set by reference to the prevailing market price from time to time. The market price for the Group’s financial TV set top box currently ranges from approximately RMB1,100 to RMB1,200 per unit. The Financial TV Set Top Box Distribution Agreement does not provide for any compensation clause if Heilongjiang Securities fails to distribute 10,000 units of financial TV set top box as agreed.

GENERAL

The Group is principally engaged in the business of data broadcasting in the PRC and its main activities include the research, development and sale of data broadcasting hardware and software, the related system integration, technical support and consultancy service, the planning, sourcing and production of multimedia contents for data broadcasting, and the sale of software.

As disclosed in the Prospectus, it is one of the Group's business objectives to engage new authorised distributors so as to enhance the Group's sales and marketing efforts. The Directors consider that the entering into the Financial TV Set Top Box Distribution Agreement is a major step to market the Group's Financial TV set top box.

By Order of the Board
China Data Broadcasting Holdings Limited
Professor Kou Jisong
Chairman

Hong Kong, 22nd February, 2000

**For identification purpose only*

This announcement, for which the directors of the Company 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 of the Company, 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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