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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 APPOINTMENT AGREEMENT

This announcement is made pursuant to Rule 17.10 of the GEM Listing Rules.

Further to the agreement reached with the Shanghai SE as disclosed in the announcement dated 19th December, 2000, the Directors are pleased to announce that the Group's 70% owned operating subsidiary Tiancai Network has also been appointed by the Shenzhen SE under a non-exclusive agreement to assist them to develop their securities information business operations through the Group's data broadcasting technologies in the PRC.

This announcement is made pursuant to Rule 17.10 of the GEM Listing Rules.

Background

The major sources of the Group's revenue include the sales of reception modules, stock analysis software and share of income derived from data broadcasting service subscription with strategically allied TV network operators. Substantial parts of these products and services are provided by the Group to enable end customers to receive real-time stock quotation disseminated by the two stock exchanges in the PRC, namely the Shanghai SE and the Shenzhen SE (together the "PRC Exchanges") via the Group's data broadcasting technologies.

At present, the proprietary rights of the stock quotations disseminated by the two stock exchanges are not straightly enforced. Pirating activities in relation to stock quotations by financial information providers are not uncommon in the PRC.

It is expected that the PRC Exchanges together with the China Securities Regulatory Commission will implement new regulations on the Rules Governing the Business Activities of Stock Exchanges (證券交易所管理辦法). Upon the promulgation of such new regulations, it is expected that the respective proprietary rights of the PRC Exchanges on their stock quotations will be reinforced and that all future pirate use of stock quotations originally disseminated by the PRC Exchanges will be prosecuted.

Impact on the data broadcasting industry

Data broadcasting technology is widely used by the TV network operators in the PRC for their provision of stock quotation to their customers. Upon the implementation of the new regulations, it is expected that a substantial number of TV network operators will look for a licensed source for their stock quotation services and that the number of TV network operators relying on unauthenticated source will be significantly reduced.

Appointment by The Shenzhen Stock Exchange

Further to the agreement reached with the Shanghai SE as disclosed in the announcement dated 19th December, 2000, the Directors are pleased to announce that the Group's 70% owned operating subsidiary Tiancai Network has also been appointed by the Shenzhen SE under a non-exclusive agreement for a period of one year from 1st January, 2001 to assist them to develop their securities information business operations through the Group's data broadcasting technologies in the PRC. The principal terms of the appointment are set out as follows:—

1. act as the representative of the Shenzhen SE for the marketing of their securities information and assisting them in the negotiations and liaison with TV network operators in relation to the development of information business activities;
2. assist the Shenzhen SE to investigate any unauthorized use of their stock quotation information and the prevention of pirate activities with the Group's transmission and reception technologies;

3. quantify the number of end users of the TV network operators on a regular basis in accordance with the requirements of the Shenzhen SE; and
4. the remuneration to the Group will be based on the sharing of net service fee earned from the end customers, which will be paid to the Group on a monthly basis.

The appointment by the Shenzhen SE, together with the appointment by the Shanghai SE, have further enhanced the Group's business operations in the PRC in that not only can the Group secure authenticated sources of the stock quotation from both the Shanghai SE and the Shenzhen SE for its existing allied TV network operators it will also accelerate the number of the TV network operator alliance, and hence its market share. The Directors believe that the appointments also reconfirm the Group's position as the leading player in the data broadcasting industry in the PRC.

Terms used in this Announcement

“Company”	China Data Broadcasting Holdings Limited
“Directors”	directors of the Company
“GEM Listing Rules”	the Rules Governing the Listing of Securities on Growth Enterprise Market
“Group”	the Company and its subsidiaries
“PRC”	The People's Republic of China
“Shanghai SE”	The Shanghai Stock Exchange
“Shenzhen SE”	The Shenzhen Stock Exchange
“Tiancai Network”	Tianjin Tiancai Network Software Company Limited (天津天財網絡軟件有限公司), Sino-foreign cooperative joint venture enterprise established in the PRC, owned as to 70% by the Group. Tiancai Network is engaged in the provision of data broadcasting services and the sale of the related hardware and software in the PRC
“TV network operators”	TV broadcasters and operators of TV stations and networks in the PRC

By Order of the Board
Professor Kou Jisong
Chairman

Hong Kong, 9th January, 2001

** 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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