

*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.*



**CHINA DATA  
BROADCASTING**

## **China Data Broadcasting Holdings Limited**

**(中華數據廣播控股有限公司)\***

*(incorporated in Bermuda with limited liability)*

**Stock code: 8016**

### **PROPOSED AMENDMENTS TO BYE-LAWS**

In view of certain amendments made to the GEM Listing Rules relating to corporate governance issues effective on 31 March 2004, the Board of the Company proposes to amend the Bye-Laws of the Company.

The proposed amendments to the Bye-Laws are subject to the approval of the shareholders of the Company by way of special resolution at the AGM. This announcement is made pursuant to Rule 17.50(1) of the GEM Listing Rules.

In view of certain amendments made to the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (“GEM Listing Rules”) relating to corporate governance issues which will become effective on 31 March 2004 subject to certain transitional arrangements, the Board of Directors (the “Board”) of China Data Broadcasting Holdings Limited (the “Company”) announces that at a meeting of the Board held on 29 March 2004, it was decided to propose to the shareholders of the Company for approval of the following amendments to the Bye-Laws of the Company:

(A) By inserting the following new definition of “associate” in Bye-law 1:

““associate” has the meaning attributed to it in the listing rules (as the same are amended from time to time) of the Designated Stock Exchange.”

(B) By deleting the words “Section 2 of the Securities and Futures (Clearing Houses) Ordinance of Hong Kong” in the definition of “clearing house” in Bye-law 1 and substituting therefor the following:

“Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)”;

\* For identification purpose only

(C) By inserting the following new definition of “subsidiaries” in Bye-law 1:

““subsidiary” has the meaning attributed to it in the listing rules (as the same are amended from time to time) of the Designated Stock Exchange.”

(D) By re-numbering the existing Bye-law 66 as Bye-law 66(1) and by inserting the following new Bye-law 66(2):

“66(2). Where any Member is, under the listing rules, where applicable, of the Designated Stock Exchange (as the same are amended from time to time), required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.”;

(E) By deleting the words “not less than seven (7) days before the date appointed for the meeting” in Bye-law 88 and inserting the following proviso at the end of the same Bye-law:

“provided that, in each case, such Notice must be lodged no earlier than the day after the dispatch of the notice of the general meeting appointed for such election and no later than seven (7) days prior to the date of such general meeting.”

(F) By substituting the existing Bye-law 102 with the following new Bye-law 102:

“102 A Director who, to his knowledge, is interested or any of his associate(s) is interested, in any way, whether directly or indirectly, in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest or the interest of his associate(s) at the meeting of the Board at which the question of entering into the contract or arrangement is first considered, if he knows his interest or the interest of his associate(s) then exists, or in any other case at the first meeting of the Board after he knows that he or his associate(s) is or has become so interested. For the purposes of this Bye-law, a general Notice of the Board by a Director to the effect that:

- (a) he or any of his associate(s) is a member or officer of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the Notice be made with that company or firm; or
- (b) he or any of his associate(s) is to be regarded as interested in any contract or arrangement which may after the date of the Notice be made with a specified person who is connected with him of any of his associates;

shall be deemed to be a sufficient declaration of interest under this Bye-law in relation to any such contract or arrangement, provided that no such Notice shall be effective unless either it is given at a meeting of the Board or the Directors takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.”

(G) By substituting the existing Bye-law 103 with the following new Bye-law 103:

- “103 (1) A director shall not vote (nor be counted in the quorum) on any resolution of the Board in respect of any contract or arrangement or any other proposal in which he or any of his associate is materially interested, but this prohibition shall not apply to any of the following matters, namely:
- (i) any contract or arrangement for the giving to such Director or any of his associate (s) any security or indemnity in respect of money lent by him or any of his associate (s) or obligations incurred or undertaken by him or any of his associate(s) at the request of or for the benefit of the Company or any of its subsidiaries;
  - (ii) any contract or arrangement for the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has himself/themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;
  - (iii) any contract or arrangement concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his associate(s) is/are or is/are to be interested as a participant(s) in the underwriting or sub-underwriting of the offer;
  - (iv) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company or any of its subsidiaries by virtue only of his/their interest in shares or debentures or other securities of the Company or any of its subsidiaries;
  - (v) any contract or arrangement concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director or his associate(s) is/are beneficially interested in shares of that company, provided that the Director and any of his associate(s) are not in aggregate beneficially interested in 5% or more of the issued shares of any class of such company (or of any third company through which his interest or that of any of his associate(s) is derived) or of the voting rights;
  - (vi) any proposal concerning the adoption, modification or operation of a share option scheme, a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to Directors, his associates(s) and employees of the Company or of any of its subsidiaries and does not provide in respect of any Director or his associate(s), as such any privilege or advantage not accorded to the employees to which such scheme or fund relates.

- (2) A company shall be deemed to be a company in which a Director and/or his associate(s) owns five (5) per cent, or more if and so long as (but only if and so long as) he and/or his associate(s) (as defined by the listing rules, where applicable, of the Designated Stock Exchange), (either directly or indirectly) are the holders of or beneficially interested in five (5) per cent, or more of any class of the equity share capital of such company or of the voting rights available to members of such company (or of any third company through which his/their interest is derived). For the purpose of this paragraph there shall be disregarded any shares held by a Director or his associate(s) as bare or custodian trustee and in which he or any of them has no beneficial interest, any shares comprised in a trust in which the Director's interest and/or the interest of his associate(s) is/are in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director or his associate(s) is/are interested only as a unit holder(s) and any shares which carry no voting right at general meetings and very restrictive dividend and return of capital right.
- (3) Where a company in which a Director together with his associate(s) (as defined by the listing rules, where applicable, of the Designated Stock Exchange) holds five (5) per cent, or more is/are materially interested in a transaction, then that Director shall also be deemed materially interested in such transaction.
- (4) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or that of his associate(s) or as to the entitlement of any Director (other than such chairman) to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director and/or his associates(s) concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting such question shall be decided by a resolution of the Board (for which purpose such chairman shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such chairman as known to such chairman has not been fairly disclosed to the Board;

and that the Directors of the Company be and are hereby authorised generally to do all such acts, deeds and things as they shall, in their absolute discretion, deem appropriate or necessary to effect, implement and complete any of the foregoing.”

The proposed amendments to the Bye-Laws are subject to the approval of the shareholders of the Company by way of special resolution at the annual general meeting (“AGM”) of the Company to be held at 2919 E. Philadelphia Street, Ontario, CA 91761, United States of America on Wednesday, 28 April 2004 at 4:00 p.m. (US time). A circular containing, among other things, particulars of the proposed amendments to the Bye-Laws will be despatched to the shareholders of the Company as soon as practicable.

On behalf of the Board  
**David Ji Long Fen**  
*Chairman*

Hong Kong, 29 March 2004

*This announcement, for which the Directors of China Data Broadcasting Holdings Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited 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 “Latest Company Announcements” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of its posting and on the website of the Company at [www.ck-lifesciences.com](http://www.ck-lifesciences.com).*