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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)

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting (“**EGM**”) of Capinfo Company Limited (the “**Company**”) will be held at B1 Floor, Beijing Ocean Plaza, 158 Fuxingmen Nei Da Jie, Xicheng District, Beijing, The People’s Republic of China on Friday, 10th May, 2002 immediately following the conclusion of the annual general meeting of the Company to be held at the same place on the same day at 2:00 p.m. for the following purposes:

ORDINARY RESOLUTIONS

1. “**THAT:**

- (a) the non-exempt continuing connected transactions (as defined in the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited) in relation to the provision of dedicated circuit leasing service by the business department of Beijing Telecom Group Beijing Corporation (北京市電信公司營業局) (“**BB-BTC**”) to the Company pursuant to the agreement dated 14 December 2001 (the “**Renewal Agreement**”) between the Company and BB-BTC to extend the term of the agreement dated 4 April 2001 between the same parties (copies of which have been produced to this meeting marked “A” and “B” respectively and signed by the chairman of the meeting for identification purpose), with the fee payable thereunder subject to an annual cap of RMB12 million, be and are hereby approved;
- (b) the entering of the Renewal Agreement by the directors (the “**Directors**”) of the Company and the transactions thereunder be and are hereby approved, confirmed and ratified; and
- (c) the Directors be and are hereby authorised to take all steps necessary or expedient to implement and/or give effect to the Renewal Agreement.”

2. “**THAT**, subject to the passing of the resolution No. 3 set out in the notice convening this Meeting, Mr. Ou Qun be appointed as a non-executive director of the Company with immediate effect for a term of 3 years.”

* *For identification purposes only*

SPECIAL RESOLUTION

3. **“THAT** the Articles of Association the Company (the “Articles”) be and are hereby amended as follows with immediate effect

- (a) In Article 15, 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-allocation 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 of the Articles be deleted in its entirety and substituted 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 of the Articles be deleted in its entirety and substituted therefor the following:

“After completion of the issue of the overseas listed foreign invested shares, the registered capital of the Company shall be approximately RMB289,808,609.1. 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 of the Articles be amended 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 of the Articles be amended by replacing “The Board of Directors shall comprise thirteen (13) Directors, which shall include one chairman and twelve (12) Directors.” 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 of the Articles be amended by replacing “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 of the Articles be amended 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 of the Articles be amended 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 of the Articles be amended 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.” to the end of Articles 107.

By order of the Board
CAPINFO COMPANY LIMITED
Chen Xinxiang
Chairman

Beijing, the People’s Republic of China, 22 March, 2002

Notes:

1. The H Shares register of shareholders of the Company will be closed from 9th April, 2002 to 10th May, 2002 (both days inclusive), during which no transfer of H Shares will be effected. The holders of Shares whose name appears on the register of shareholders of the Company at 4:00 p.m. on 8th April, 2002 will be entitled to attend and vote at the EGM.
2. Any holder of Shares entitled to attend and vote at the EGM convened by the above notice is entitled to appoint in written form one or more proxies to attend and vote at the EGM on his behalf. A proxy need not be a shareholder of the Company.
3. A voting proxy form for the EGM is enclosed. In order to be valid, the instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorized in writing or, if the appointor is a legal person, it shall be under seal or under the hand of a Director or attorney duly authorized.
4. The instrument appointing a proxy shall be deposited to the Company’s H Shares registrar in Hong Kong Registrars Limited at 2nd Floor, Vicwood Plaza, 199 Des Voeux Road Central, Hong Kong not less than 24 hours before the time appointed for holding the EGM or any adjournment thereof.
5. Holders of Shares who intend to attend the EGM should complete the enclosed reply slip for the EGM and return it to the Company’s H Shares registrar in Hong Kong Registrars Limited at 2nd Floor, Vicwood Plaza, 199 Des Voeux Road Central, Hong Kong on or before Friday, 19th April, 2002. The reply slip may be delivered by hand or by post.

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 on the “Latest Company Announcements” page for at least 7 days from the date of its posting.