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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 Conference Room, 12th Floor, Quantum Silver Plaza, 23 Zhichun Road, Haidian District, Beijing, The People’s Republic of China on Monday, 22 December 2003 at 9:30 a.m. to consider and if thought fit, to pass the following resolutions:

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 technical support and leasing of equipment to Capnet Company Limited (北京首信網創網絡信息服務有限責任公司) (“Network Company”) by the Company pursuant to the comprehensive services agreement dated 20 October 2003 (the “Comprehensive Services Agreement”) entered into between the Company and Network Company (a copy of which was marked “A” and signed by the chairman of the meeting for identification purpose), with the fee payable by Network Company to the Company thereunder subject to respective cap of RMB4.4 million, RMB5.6 million and RMB7.4 million respectively for the three financial years ending 31 December 2004, 2005 and 2006 be and are hereby approved;
- (b) the Directors be and are hereby authorised to take all steps necessary or expedient to implement and/or give effect to the Comprehensive Services Agreement.”

2. **“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 telephone related services (inclusive of telephone line services and asymmetrical digital subscriber lines (“ADSL”)) by CNC Beijing Communication Corporation (中國網通集團北京市通信公司) (“BCC”) to the Company, with the fee payable to BCC thereunder subject to annual cap of, in respect of telephone line services and incidental services, RMB1.6 million, RMB1.8 million

and RMB2 million, and in respect of ADSL, RMB7.3 million, RMB14.1 million and RMB21 million, for the three financial years ending 31 December 2004, 2005 and 2006, be and are hereby approved; and

- (b) the Directors be and are hereby authorised to take all steps necessary or expedient to implement and/or give effect to the Telephone Related Services.”

SPECIAL RESOLUTION

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

- (1) By deleting the words “Telephone: 010 8809-2266 Facsimile: 010 8809-1315” in Article 3 of the Articles;
- (2) By deleting Article 16 in its entirety and substituting therefor the following Article:

‘After the increase in the share capital of the Company 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 and 774,498,000 shares are in the form of overseas listed foreign invested shares representing approximately 73.28 per cent. and 26.72 per cent respectively of the total ordinary shares issued by the Company. After the transfer of domestic invested shares by three promoters, namely Beijing Gehua Cable TV Network Co., Ltd., Post and Telecom Data Network Integration Development Centre and China Financial Data Network Co., Ltd., out of the 2,123,588,091 domestic invested shares, 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 Beiguang Investment Development Center, 50,909,837 shares are held by China Telecommunications Corporation, 52,832,000 shares are held by Beijing Telecommunication Investment Co., Ltd., and 30,550,335 shares are held by China Financial Computerization Corporation; all the overseas listed foreign invested shares are held by foreign investors’ and to adopt corresponding changes to the Articles in Chinese as the Directors deem fit.”

By order of the Board
CAPINFO COMPANY LIMITED*
Dr. Chen Xinxiang
Chairman

Beijing, the People’s Republic of China, 6 November 2003

Notes:

1. The register of shareholders of the Company will be closed from 22 November 2003 to 22 December 2003 (both days inclusive), during which no transfer of H Shares will be effected. The holders of Shares whose names appear on the register of shareholders of the Company at 4:00 p.m. on 21 November 2003 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. Votings for ordinary resolutions Nos.1 and 2 set out in this notice will be taken by poll.
4. The instrument appointing a proxy shall be deposited to the Company's H Shares registrar in Hong Kong Registrars Limited at Rooms 1901-5, 19/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (in respect of H Shares), and to the Company's principal place of business in the PRC (in respect of domestic shares) 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 Rooms 1901-5, 19/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (in respect of H Shares), and to the Company's principal place of business in the PRC (in respect of domestic shares) on or before 2 December 2003. The reply slip may be delivered by hand or by post.

This announcement, for which the directors (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, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: 1. the information contained in this announcement is accurate and complete in all material respects and not misleading; 2. there are no other matters the omission of which would make any statement in this announcement misleading; and 3. 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 7 days from the date of its posting.

* *For identification purposes only*