

CITIC 21CN
中信 21世紀
CITIC 21CN COMPANY LIMITED

中信 21世紀有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 241)

Notice to Holders of the
US\$55,000,000 and US\$15,000,000
Zero Coupon Convertible Bonds Due 2010
Adjustment to Conversion Price

The Directors wish to announce that the Conversion Price of the Convertible Bonds has been adjusted from HK\$1.1121 per Share to HK\$0.83 per Share on 21 December 2007.

Reference is made to the circular (the “**Circular**”) of CITIC 21CN COMPANY LIMITED (the “**Company**”) dated 23 December 2005 regarding the terms and conditions (the “**Terms and Conditions**”) of the US\$55 million and US\$15 million zero coupon convertible bonds (the “**Convertible Bonds**”) issued on 21 December 2005 and 11 January 2006 respectively. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as defined in the Circular.

As stated in the Circular, the initial conversion price is HK\$1.36 per Share and the Conversion Price shall be adjusted downwards on each Reset Date, which shall be each of the first, second, third and fourth anniversary date of the Issue Date, to the Reset Reference Price if the applicable Reset Reference Price is less than the Conversion Price in effect on the relevant Reset Date (taking into account any Other Conversion Adjustments which may have occurred prior to the Reset Date). As stated in the announcement of the Company dated 21 December 2006, the Conversion Price had been adjusted to HK\$1.1121 per Share on the first Reset Date, being 21 December 2006.

In accordance with the Terms and Conditions, as the Reset Reference Price on the second Reset Date, being 21 December 2007, is less than the Conversion Price of HK\$1.1121 per Share, the Conversion Price has been adjusted from HK\$1.1121 per Share to HK\$0.83 per Share effective on the second Reset Date. The above adjustment in relation to the Conversion Price has been computed by the Company in accordance with the Terms and Conditions, and save as disclosed, all other Terms and Conditions remain unchanged.

As at the date of this announcement, the Board comprises nine directors, of which (i) six are executive directors, namely Mr. Wang Jun, Ms. Chen Xiao Ying, Mr. Luo Ning, Mr. Sun Yalei, Mr. Zhang Lian Yang and Ms. Xia Guilan; and (ii) three are independent non-executive directors, namely Dr. Hui Ho Ming, Herbert, JP, Mr. Zhang Jian Ming and Mr. Liu Hongru.

By order of the Board
CITIC 21CN COMPANY LIMITED
Chen Xiao Ying
Executive Vice Chairman

Hong Kong, 21 December 2007

* *For identification purposes only*