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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)
(Stock Code: 1075)

**PROPOSED AMENDMENTS OF THE ARTICLES OF ASSOCIATION AND
PROPOSED AMENDMENTS OF THE RULES AND PROCEDURE FOR
GENERAL MEETINGS, THE RULES AND PROCEDURES FOR MEETINGS
OF THE BOARD AND THE RULES AND PROCEDURES FOR MEETINGS
OF THE SUPERVISORY COMMITTEE**

PROPOSED AMENDMENTS OF THE ARTICLES OF ASSOCIATION

In accordance with the Several Opinions on Upholding the Party's Leadership and Strengthening the Party's Construction in Deepening the Reforms of State-owned Enterprises issued by the General Office of the CPC Central Committee and the Opinions on Comprehensively Deepening the Reform of Municipal State-owned Enterprises issued by CPC Beijing municipal committee and People's Government of Beijing Municipality, the Company is required to include the general requirements for party establishment in the Articles of Association. Also, in accordance with the Company Law of the People's Republic of China (the "Company Law") and other relevant laws, regulations and normative documents, and in light of the actual needs of the Company's operation and development, the Company proposes to make amendments to the Articles of Association. The proposed amendments of the Articles of Association are subject to approval by way of a special resolution regarding such amendments at the AGM.

**PROPOSED AMENDMENTS OF THE RULES AND PROCEDURE FOR GENERAL
MEETINGS, THE RULES AND PROCEDURES FOR MEETINGS OF THE BOARD AND
THE RULES AND PROCEDURES FOR MEETINGS OF THE SUPERVISORY
COMMITTEE**

According to the Company Law and the Articles of Associations and the actual situation of the Company, the Company proposes to amend the existing Rules and Procedure for General Meetings, the Rules and Procedures for Meetings of the Board and the Rules and Procedures for Meetings of the Supervisory Committee.

* *For identification purposes only*

The proposed amendments to the Rules and Procedure for General Meetings, the Rules and Procedures for Meetings of the Board and the Rules and Procedures for Meetings of the Supervisory Committee are subject to the approval of the Shareholders at the AGM by way of ordinary resolutions.

GENERAL

An AGM will be convened to consider and, if thought fit, the approval of the proposed amendments of the Articles of Association, the Rules and Procedure for General Meetings, the Rules and Procedures for Meetings of the Board and the Rules and Procedures for Meetings of the Supervisory Committee. A circular containing, among others, details of the proposed amendments of the Articles of Association, the Rules and Procedure for General Meetings, the Rules and Procedures for Meetings of the Board and the Rules and Procedures for Meetings of the Supervisory Committee together with a notice of the AGM will be despatched to the Shareholders as soon as practicable.

PROPOSED AMENDMENTS OF THE ARTICLES OF ASSOCIATION

In accordance with the Several Opinions on Upholding the Party's Leadership and Strengthening the Party's Construction in Deepening the Reforms of State-owned Enterprises issued by the General Office of the CPC Central Committee and the Opinions of Beijing on Comprehensively Deepening the Reform of Municipal State-owned Enterprises issued by CPC Beijing municipal committee and People's Government of Beijing Municipality, the Company is required to include the general requirements for party establishment in the Articles of Association. Also, in accordance with the Company Law of the People's Republic of China and other relevant laws, regulations and normative documents, and in light of the actual needs of the Company's operation and development, the Company proposes to make amendments to the Articles of Association. Accordingly, the contents of the Articles of Association are amended as follows:

	Existing Articles	Amended Articles
	<p>Article 1 The Company is a joint-stock company with limited liability established under “The Company Law of the People’s Republic of China” (the “Company Law”), “State Council’s Special Regulations on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies” (the “Special Regulations”), and other relevant laws and regulations of the People’s Republic of China (“PRC”).</p> <p>The Company, having been approved by the Beijing Municipal Government upon its Document Jing Zheng Han (2000) No. 74 and established by way of initiation on June 30, 2000, was registered with the Administration for Industry and Commerce of Beijing Municipality on July 14, 2000. The business license number of the Company is 1100000015123441.</p> <p>The initiators of the Company are Beijing State-owned Assets Management Corporation Limited, Beijing Sino-Sky Radio, TV & Communication Technology Co., Ltd., Beijing Gehua Cable TV Network Co., Ltd., Post and Telecom Data Network Integration Development Center, Beijing Telecommunications Investment Co., Ltd. and China Financial Data Network Co., Ltd.</p>	<p>Article 1 The Company is a joint-stock company with limited liability established under “The Company Law of the People’s Republic of China” (the “Company Law”), “State Council’s Special Regulations on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies” (the “Special Regulations”), and other relevant laws and regulations of the People’s Republic of China (“PRC”).</p> <p>The Articles of Association are formulated under the objective of safeguarding the legal interests of the Company, its shareholders and creditors and regulating the Company’s organization and behavior, in accordance with the Company Law, “The Securities Law of the People’s Republic of China”, “Constitution of the Communist Party of China”, the Special Regulations, the “Mandatory Provisions for Articles of Association of Companies to be Listed Overseas”, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and other relevant requirements.</p>

	Existing Articles	Amended Articles
		<p>The Company, having been approved by the Beijing Municipal Government upon its Document Jing Zheng Han (2000) No. 74 and established by way of initiation on June 30, 2000, was registered with the Administration for Industry and Commerce of Beijing Municipality on July 14, 2000. The unified social credit code of the business license of the Company is 911100006336972074.</p> <p>The initiators of the Company are Beijing State-owned Assets Management Corporation Limited, Beijing Sino-Sky Radio, TV & Communication Technology Co., Ltd., Beijing Gehua Cable TV Network Co., Ltd., Post and Telecom Data Network Integration Development Center, Beijing Telecommunications Investment Co., Ltd. and China Financial Data Network Co., Ltd.</p>

	Existing Articles	Amended Articles
<p>Add new Article 9 after the existing Article 8</p> <p>The subsequent articles will be renumbered accordingly.</p>	N/A	<p>Article 9 In accordance with provisions of the Constitution of the Communist Party of China, the Company shall establish an organization under the Party, which is affiliated with the committee of Beijing State-owned Assets Management Co., Ltd. of the Communist Party of China. The Party Committee shall take a leading role of guiding the direction, managing the overall situation, ensuring implementation, and discussing and deciding on major issues of the Company in accordance with regulations. The Company shall establish a working organization for the Party so as to carry out party activities.</p> <p>The Company shall provide necessary conditions for the party organization to implement its normal activities, including the establishment of the Party organization and staffing of party members into the enterprise's management organization, staffing, and inclusion of the party organization's work funding into the Company's management budget.</p>
<p>Add new Article 10</p> <p>The subsequent articles will be renumbered accordingly.</p>	N/A	<p>Article 10 According to the Constitution of the People's Republic of China and other relevant laws, the Company exercises democratic management. The Company shall organize the trade union in accordance with the law, carry out trade union activities and safeguard the legal rights of employees. The Company shall provide necessary conditions for the activities of its trade union.</p>

	Existing Articles	Amended Articles
	<p>Article 16 The share capital structure of the Company is as follows: the Company has issued a total of 2,898,086,091 ordinary shares, of which 2,123,588,091 shares (73.28% of the total) are domestic invested shares and 774,498,000 shares (26.72% of the total) are overseas listed foreign invested shares. Of the domestic invested shares, 1,834,541,756 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., 52,832,000 shares are held by Beijing Telecommunications Investment Co., Ltd. and the rest 133,382,335 shares are held by other domestic shareholders. All overseas listed foreign invested shares are held by foreign investors.</p>	<p>Article 18 The share capital structure of the Company is as follows: the Company has issued a total of 2,898,086,091 ordinary shares, of which 2,123,588,091 shares (73.28% of the total) are domestic invested shares and 774,498,000 shares (26.72% of the total) are overseas listed foreign invested shares. Of the domestic invested shares, 1,834,541,756 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., 52,832,000 shares are held by Beijing Telecommunications Investment Co., Ltd. and the rest 133,382,335 shares are held by other domestic shareholders. All overseas listed foreign invested shares are held by foreign investors.</p>
	<p>Paragraphs 2 and 3 of Article 23</p> <p>The Company shall notify its creditors within ten (10) days of the date of the resolution authorising the reduction of capital, and publish a public notice in newspapers at least three (3) times within thirty (30) days of that date. Creditors shall, within thirty (30) days of receiving the notice or ninety (90) days of the first publication of the public notice (for those who have not received a notification), have a right to require the Company to settle its debts or to offer corresponding guarantees for their settlement.</p> <p>The registered capital of the Company following the reduction of capital shall not fall below the minimum statutory requirement.</p>	<p>Paragraph 2 of Article 25</p> <p>The Company shall notify its creditors within ten (10) days of the date of the resolution authorising the reduction of capital and publish an announcement in newspapers within thirty (30) days from the date of the resolution. Creditors shall, within thirty (30) days of receiving the notice or forty-five (45) days of the publication of the public notice (for those who have not received a notification), have a right to require the Company to settle its debts or to offer corresponding guarantees for their settlement. The registered capital of the Company following the reduction of capital shall not fall below the minimum statutory requirement.</p>

	Existing Articles	Amended Articles
	<p>Article 53 Shareholders' general meetings can be annual general meetings or extraordinary general meetings. Shareholders' general meetings shall be convened by the Board of Directors. The annual shareholders' general meeting shall be convened once a year, and shall take place within six (6) months of the end of the previous financial year.</p> <p>The Board of Directors shall convene an extraordinary general meeting within two (2) months after the occurrence of any one of the following circumstances:</p> <ol style="list-style-type: none"> (1) where the number of Directors is less than the number stipulated in the Company Law or is no more than two-thirds (2/3) of the number required by the Articles; (2) where the accrued losses of the Company amount to one-third (1/3) of its total share capital; (3) where shareholders holding ten percent (10%) or more of the Company's issued shares carrying the right to vote make a request in writing to convene an extraordinary general meeting; (4) where the Board of Directors considers it necessary or the Board of Supervisors proposes to call for such a meeting; or (5) where two (2) or more independent Directors make a call for an extraordinary general meeting. 	<p>Article 55 Shareholders' general meetings can be annual general meetings or extraordinary general meetings. Shareholders' general meetings shall be convened by the Board of Directors. The annual shareholders' general meeting shall be convened once a year, and shall take place within six (6) months of the end of the previous financial year.</p> <p>The Board of Directors shall convene an extraordinary general meeting within two (2) months after the occurrence of any one of the following circumstances:</p> <ol style="list-style-type: none"> (1) where the number of Directors is less than the number stipulated in the Company Law or is no more than two-thirds (2/3) of the number required by the Articles; (2) where the accrued losses of the Company amount to one-third (1/3) of its total paid-up capital; (3) where shareholders holding ten percent (10%) or more of the Company's issued shares carrying the right to vote make a request in writing to convene an extraordinary general meeting; (4) where the Board of Directors considers it necessary or the Board of Supervisors proposes to call for such a meeting; or (5) where two (2) or more independent Directors make a call for an extraordinary general meeting.

	Existing Articles	Amended Articles
	<p>Article 55 In an annual general meeting of the Company, shareholders holding more than three percent (including 3%) of total voting shares of the Company are entitled to propose new resolutions in written form. The Company shall include those matters which are within the scope of duties of the general meeting into the agenda of such meeting.</p>	<p>Article 57 Shareholders holding more than three percent (including 3%) of total voting shares of the Company are entitled to propose a provisional proposal and submit it to the convener in writing ten (10) days before the date of the general meeting. In respect of proposals which relate to the scope of duties of the general meeting, the convener shall serve a supplementary notice of the general meeting within two (2) days after receiving the proposal and announce the content of the provisional proposal and include the proposal in the agenda of such meeting.</p>
	<p>Article 58 Notice of a shareholders' general meeting shall be served on each shareholder, whether or not entitled to vote thereat, by personal delivery or prepaid mail to the shareholder at his address, as shown in the register of shareholders. For holders of domestic invested shares, notices of shareholders' general meetings may be given by public announcement.</p> <p>The public announcement referred to in this Article shall be published in one or more newspapers with national circulation approved by the securities regulatory authority under State Council on any day from forty-five (45) to fifty (50) days prior to the meeting. Once the announcement has been published, all holders of domestic invested shares shall be deemed to have received notice of the relevant meeting.</p>	<p>Article 60 Notice of a shareholders' general meeting shall be served on each shareholder, whether or not entitled to vote thereat, by personal delivery or prepaid mail to the shareholder at his address, as shown in the register of shareholders. For holders of domestic invested shares, notices of shareholders' general meetings may be given by public announcement.</p> <p>The public announcement referred to in this Article shall be published in one or more newspapers with national circulation approved by the securities regulatory authority under State Council on any day from forty-five (45) to fifty (50) days prior to the meeting. Once the announcement has been published, all holders of domestic invested shares shall be deemed to have received notice of the relevant meeting.</p>

	Existing Articles	Amended Articles
		Notices of general meetings may be delivered to holders of overseas-listed foreign shares by way of announcement on the website of the stock exchange on which the shares of the Company are listed and the website of the Company. Upon announcement, the notices shall be deemed to have been served to all holders of overseas-listed foreign shares.
<p><i>It is proposed that the existing Article 70 be deleted in its entirety.</i></p> <p><i>The subsequent articles will be renumbered accordingly.</i></p>	<p>Article 70 In the case of an equality of votes, the chairman of the meeting shall be entitled to an additional vote.</p>	N/A
	<p>Article 74 A shareholders' general meeting shall be convened by the chairman of the Board of Directors who shall preside as chairman over the meeting. If the chairman of the Board of Directors cannot attend the meeting for any reasons, the chairman of the Board of Directors may designate a Director of the Company to convene and preside at the meeting as chairman on his behalf. If a chairman has not been designated, shareholders attending the meeting may elect a person to act as chairman. If for any reason the shareholders cannot elect a chairman, the shareholder with the greatest number of voting shares present at the meeting whether in person or by proxy shall act as chairman.</p>	<p>Article 76 A shareholders' general meeting shall be convened by the Board of Directors and presided over and chaired by the chairman of the Board. If the chairman of the Board cannot perform his duties thereof, he may designate a Director of the Company to chair the meeting. If the chairman of the Board fails to perform his duties, more than half of the directors may elect a director to preside over and chair the meeting. If a chairman has not been designated, shareholders attending the meeting may elect a person to act as chairman. If for any reason the shareholders cannot elect a chairman, the shareholder with the greatest number of voting shares present at the meeting whether in person or by proxy shall act as chairman.</p>

	Existing Articles	Amended Articles
	<p>Article 86 In addition to holders of other classes of shares, holders of domestic invested shares and overseas listed foreign invested shares are deemed to be shareholders of different classes.</p> <p>The special procedure for approval by class shareholders shall not apply:</p> <p>(1) where the Company issues, either separately or concurrently, domestic invested shares and overseas listed foreign invested shares in numbers not exceeding twenty percent (20%) of the number of domestic invested shares and overseas listed foreign invested shares then in issue respectively in any 12-month period as approved by a special resolution of a shareholders' general meeting; and</p> <p>(2) where the Company's plan for issuing domestic invested shares and overseas listed foreign invested shares upon its establishment is implemented within fifteen months (15) from the date of approval by the State Council securities regulatory department.</p>	<p>Article 88 In addition to holders of other classes of shares, holders of domestic invested shares and overseas listed foreign invested shares are deemed to be shareholders of different classes.</p> <p>The special procedure for approval by class shareholders shall not apply:</p> <p>(1) where the Company issues, either separately or concurrently, domestic invested shares and overseas listed foreign invested shares in numbers not exceeding twenty percent (20%) of the number of domestic invested shares and overseas listed foreign invested shares then in issue respectively in any 12-month period as approved by a special resolution of a shareholders' general meeting;</p> <p>(2) where the Company's plan for issuing domestic invested shares and overseas listed foreign invested shares upon its establishment is implemented within fifteen months (15) from the date of approval by the State Council securities regulatory department;</p> <p>(3) Where with the approval by the securities regulatory authorities of the State Council the shareholders cause the unlisted shares hold by them to be listed and dealt in on an overseas stock exchange.</p>

	Existing Articles	Amended Articles
<p>Add CHAPTER 10 after existing CHAPTER 9: SPECIAL PROCEDURES FOR VOTING BY CLASS SHAREHOLDERS.</p> <p>The subsequent chapters and articles will be renumbered accordingly.</p>	N/A	<p>CHAPTER 10 COMMITTEE OF THE PARTY</p>
	N/A	<p>Article 89 The Company shall established the committee of the Communist Party of China of Capinfo Company Limited (the “Party Committee”) and the Committee of the Communist Party of China for Discipline Inspection of Capinfo Company Limited (the “Discipline Committee”). In principle, the secretary of the Party Committee and the chairman of the Board shall be assumed by one person, and one full-time deputy secretary shall be designated in charge of party building work. Eligible members of the Party Committee can join the board of directors, the board of management through legal procedures, while eligible Party members of the board of directors, the board of management can also join the Party Committee in accordance with relevant rules and procedures.</p>

	Existing Articles	Amended Articles
		<p>The number of positions of secretary, deputy secretary and committee members of the Party Committee and the Discipline Committee shall be established in accordance with the reply given by the superior party committee, and members for all positions shall be selected by election. During the adjournment of the party representative congress, the superior party committee may appoint the secretary, deputy secretary of the Party Committee and the secretary of the Discipline Committee as necessary.</p>
	N/A	<p>Article 90 The Party Committee shall, in accordance with the Constitution of the Communist Party of China and other party rules, perform its duties:</p> <ol style="list-style-type: none"> (1) To strictly perform the primary duties of grassroots organization under Article 32 of Constitution of the Communist Party of China. (2) To ensure and supervise the thorough implementation of the guidelines and policies of the party and the state as well as the decisions and deployment made by the municipal party committee, the municipal government and the superior party committee throughout the Company.

	Existing Articles	Amended Articles
		<p>(3) To adhere to the principle of the Party exercising leadership over officials, the selection of operating managers by the board of directors, and the exercise of power as regards the right of officials' appointment by the operating managers in accordance with laws. To consider and decide on the appointment, removal or recommendation of management cadres. The Party Committee shall observe and appoint or remove party cadres; recommend nominees to the Board of Directors and general manager, or deliberate and give opinions on the candidates nominated by the Board of Directors and general manager; together with the Board of Directors, observe the proposed candidates and discuss jointly to provide opinions and suggestions thereon. To fulfil the duties of managing talents and adopt the strategy of strengthening the Company through talent.</p> <p>(4) To study and discuss stable reform and development as well as material issues related to the interests of our staff, and provide advice and recommendations in this regard.</p>

	Existing Articles	Amended Articles
		<p>(5) To assume full responsibility to comprehensively strengthen party discipline. To promote party building in respect of politics, ideology, organization, working style and discipline and run through it into system construction, fight against corruption and improve the scientific standard of party building. To lead mass organization such as the trade union and the Communist Youth League. To support the Discipline Committee in fulfilling its responsibility of supervision in practice.</p> <p>(6) Other duties prescribed by the superior party organization.</p>
	<p>The last paragraph of Article 89</p> <p>The Board of Directors shall be independent of the controlling shareholder of the Company and shall not be controlled by the board of directors of the controlling shareholder.</p>	<p>The last paragraph of Article 93</p> <p>The Board of Directors shall be independent of the controlling shareholder of the Company and shall not be controlled by the board of directors of the controlling shareholder.</p> <p>Where the above duties involve any of the significant events or issues referred to under Article 90, it shall be decided by the Board of Directors after deliberation by the Party Committee.</p>

	Existing Articles	Amended Articles
	<p>Article 92 Board meetings are required to be held at least four (4) times every year. A board meeting shall be convened by the chairman of the board and a relevant notice shall be given to all directors fourteen (14) days before the meeting date. In case of emergency matters, an extraordinary board meeting may be proposed by shareholders representing more than one tenth of the voting rights, three (3) or more directors, two (2) or more independent directors, the supervisory committee, the chairman of the board or the general manager of the Company. Such fourteen (14)-day notice can be waived where half of all the directors of the Company consent to the extraordinary board meeting, and such meeting may, in accordance to the needs, be held by way of a timely board meeting or by written resolutions.</p>	<p>Article 96 Board meetings are required to be held at least four (4) times every year. A board meeting shall be convened by the chairman of the board and a relevant notice shall be given to all directors fourteen (14) days before the meeting date. In case of emergency matters, an extraordinary board meeting may be proposed by shareholders representing more than one tenth of the voting rights, three (3) or more directors, two (2) or more independent directors, the Party Committee of the Company, the supervisory committee, the chairman of the board or the general manager of the Company. Such fourteen (14)-day notice can be waived where half of all the directors of the Company consent to the extraordinary board meeting, and such meeting may, in accordance to the needs, be held by way of a timely board meeting or by written resolutions.</p>

	Existing Articles	Amended Articles
	<p>Article 95 Meetings of the Board of Directors may be held only if half or more of the Directors or their representatives are in attendance.</p> <p>Each Director shall have the right to one vote. Unless otherwise required by the Articles, the Board may pass resolutions only upon a majority vote; in the case of an equality of votes, the chairman of the Board shall have an additional vote.</p> <p>If one quarter (1/4) or more of the Directors or two (2) or more of the external Directors believe that there is insufficient information or that the argument 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.</p>	<p>Article 99 Meetings of the Board of Directors may be held only if half or more of the Directors or their representatives are in attendance.</p> <p>Each Director shall have the right to one vote. The Unless otherwise required by the Articles, the Board may pass resolutions only upon a majority vote; in the case of an equality of votes, the chairman of the Board shall have an additional vote. If one quarter (1/4) or more of the Directors or two (2) or more of the external Directors believe that there is insufficient information or that the argument 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.</p>
	<p>Article 103 The Company's general manager shall be accountable to the Board of Directors and shall exercise the following functions and powers:</p> <p>(1) to be in charge of production, operation and management of the Company, and to organise the implementation of the resolutions of the Board of Directors;</p> <p>(2) to organise the implementation of the Company's annual business plans and investment plans;</p>	<p>Article 107 The Company's general manager shall be accountable to the Board of Directors and shall exercise the following functions and powers:</p> <p>(1) to be in charge of production, operation and management of the Company, and to organise the implementation of the resolutions of the Board of Directors;</p> <p>(2) to organise the implementation of the Company's annual business plans and investment plans;</p>

	Existing Articles	Amended Articles
	<p>(3) to draft the plan for establishment of the Company’s internal management organization;</p> <p>(4) to draft the Company’s basic management system;</p> <p>(5) to formulate the basic rules and regulations of the Company;</p> <p>(6) to request the appointment or dismissal of the Company’s deputy general manager (or deputy general managers) and other senior officers (including the chief financial officer(s));</p> <p>(7) to appoint or dismiss management personnel other than those to be appointed or dismissed by the Board of Directors; and</p> <p>(8) to exercise other functions and powers conferred by the Board of Directors and the Articles.</p>	<p>(3) to draft the plan for establishment of the Company’s internal management organization;</p> <p>(4) to draft the Company’s basic management system;</p> <p>(5) to formulate the basic rules and regulations of the Company;</p> <p>(6) to request the appointment or dismissal of the Company’s deputy general manager (or deputy general managers) and other senior officers (including the chief financial officer(s));</p> <p>(7) to appoint or dismiss management personnel other than those to be appointed or dismissed by the Board of Directors; and</p> <p>(8) to exercise other functions and powers conferred by the Board of Directors and the Articles.</p> <p>Where the above duties involve any of the significant events or issues referred to under Article 90, it shall be decided by the Board of Directors after deliberation by the Party Committee.</p>
	<p>Article 109 The Company’s Directors, general manager and head of financial department shall not serve concurrently as Supervisors.</p>	<p>Article 113 The Company’s Directors and senior management shall not serve concurrently as Supervisors.</p>

	Existing Articles	Amended Articles
	<p>Article 160 Merger of companies may take the forms of merger and consolidation.</p> <p>Where there is a company merger, the parties to the merger shall enter into a merger agreement, and prepare balance sheets and lists of property. The Company shall notify its creditors within a period of ten (10) days from the date of the resolution approving the merger and make at least three newspaper announcements of the merger within thirty (30) days of that date.</p> <p>After the merger, the company which is survived or newly established shall succeed to the claims and debts of all the parties to the merger.</p>	<p>Article 164 Merger of companies may take the forms of merger and consolidation.</p> <p>Where there is a company merger, the parties to the merger shall enter into a merger agreement, and prepare balance sheets and lists of property. The Company shall notify its creditors within a period of ten (10) days from the date of the resolution approving the merger and make newspaper announcements of the merger within thirty (30) days of that date. The creditors who have received such notice shall, within thirty (30) days thereafter, and those creditors who have not received such notice shall, within forty-five (45) days from the date the notice is first published, be entitled to require the Company to repay the debt or to provide appropriate alternative guarantees for the debt.</p> <p>After the merger, the company which is survived or newly established shall succeed to the claims and debts of all the parties to the merger.</p>

	Existing Articles	Amended Articles
	<p>Article 161 Where there is a company division, its property shall be divided accordingly.</p> <p>Where there is a company division, the parties to the division shall enter into a division agreement, and prepare balance sheets and lists of property. The Company shall notify its creditors within a period of ten (10) days from the date of the resolution approving the division and make at least three (3) newspaper announcements of the division within thirty (30) days from that date.</p> <p>Debts owing by the Company before the division shall be borne by the companies after the division in accordance with the relevant division agreement.</p>	<p>Article 165 Where there is a company division, its property shall be divided accordingly.</p> <p>Where there is a company division, the parties to the division shall enter into a division agreement, and prepare balance sheets and lists of property. The Company shall notify its creditors within a period of ten (10) days from the date of the resolution approving the division and make at least three (3) newspaper announcements of the division within thirty (30) days from that date.</p> <p>Debts owing by the Company before the division shall be borne by the companies after the division, except when the Company has reached a written agreement on debt settlement with the creditors before the division.</p>

PROPOSED AMENDMENTS OF THE RULES AND PROCEDURE FOR GENERAL MEETINGS, THE RULES AND PROCEDURES FOR MEETINGS OF THE BOARD AND THE RULES AND PROCEDURES FOR MEETINGS OF THE SUPERVISORY COMMITTEE

According to the Company Law and the Articles of Association and the actual situation of the Company, the Company proposes to amend the existing Rules and Procedure for General Meetings, the Rules and Procedures for Meetings of the Board and the Rules and Procedures for Meetings of the Supervisory Committee.

The proposed amendments to the Rules and Procedure for General Meetings are set out as below:

Existing Articles	Amended Articles
<p>7.3 Shareholders individually or collectively holding 3% or more of the Company’s shares may submit an extempore proposal to the convener in writing 10 days prior to the date of convening the general meeting. Within 5 days after the receipt of the proposal, the convener shall issue supplementary notice of the general meeting in this regard. If this notice is received less than 25 days prior to the date of the general meeting of the Company, the Company shall consider adjourning the general meeting to comply with the period of 14 days notice of resolution as required by the Rules Governing the Listing of Securities.</p>	<p>7.3 Shareholders individually or collectively holding 3% or more of the Company’s shares may submit an extempore proposal to the convener in writing 10 days prior to the date of convening the general meeting. Within 2 days after the receipt of the proposal, the convener shall issue supplementary notice of the general meeting in this regard. If this notice is received less than 25 days prior to the date of the general meeting of the Company, the Company shall consider adjourning the general meeting to comply with the period of 14 days notice of resolution as required by the Rules Governing the Listing of Securities.</p>

Existing Articles	Amended Articles
<p>8.1 Where the Company convenes a general meeting, a written notice shall be given by hand or by pre-paid mail to all the shareholders whose names appear on the register of members in accordance with their addresses as shown in the register of members 45 days prior to the date of the meeting, to notify shareholders of the matters to be considered at the meeting and the date and venue of the meeting. In the event that a notice of meeting is accidentally omitted to be sent to a person who is entitled to receive the notice or where such person has not received the notice of meeting, the meeting and any resolutions made therein shall not become void accordingly.</p> <p>Unless otherwise required by applicable laws, the duration of the 45 days notice aforesaid is inclusive of the date on which the notice is issued and exclusive of the date of the general meeting.</p>	<p>8.1 Where the Company convenes a general meeting, a written notice shall be given by hand or by pre-paid mail to all the shareholders whose names appear on the register of members in accordance with their addresses as shown in the register of members 45 days prior to the date of the meeting, to notify shareholders of the matters to be considered at the meeting and the date and venue of the meeting. In the event that a notice of meeting is accidentally omitted to be sent to a person who is entitled to receive the notice or where such person has not received the notice of meeting, the meeting and any resolutions made therein shall not become void accordingly.</p> <p>Unless otherwise required by applicable laws, the duration of the 45 days notice aforesaid is inclusive of the date on which the notice is issued and exclusive of the date of the general meeting.</p> <p>Notices of general meetings may be delivered to holders of overseas-listed foreign shares by way of announcement on the website of the stock exchange on which the shares of the Company are listed and the website of the Company. Upon announcement, the notices shall be deemed to have been served to all holders of overseas-listed foreign shares.</p>
<p>9.12 On a poll, each shareholder (including his proxies) entitled to two or more votes need not cast all his votes in the same way for affirmative votes or dissenting votes.</p> <p>In the event of an equality of votes, the chairman of the meeting shall be entitled to an additional vote.</p>	<p>9.12 On a poll, each shareholder (including his proxies) entitled to two or more votes need not cast all his votes in the same way for affirmative votes or dissenting votes.</p> <p>In the event of an equality of votes, the chairman of the meeting shall be entitled to an additional vote.</p>

Existing Articles	Amended Articles
<p>14.1 In addition to shareholders of shares of other classes, the holders of domestic shares and holders of overseas listed foreign shares are deemed to be shareholders of different classes.</p> <p>The special procedures for voting by class shareholders shall not apply in the following circumstances:</p> <p>(1) Where the Company issues, upon approval by a special resolution at a general meeting, domestic shares and overseas listed foreign shares once every 12 months, either separately or concurrently, and the number of domestic shares and overseas listed foreign shares proposed to be issued does not exceed 20% of each of the issued domestic shares and overseas listed foreign shares respectively; and</p> <p>(2) Where the Company’s plan to issue domestic shares and overseas listed foreign shares at the time of incorporation has been completed within 15 months from the date of approval by the authority in charge of securities under the State Council.</p>	<p>14.1 In addition to shareholders of shares of other classes, the holders of domestic shares and holders of overseas listed foreign shares are deemed to be shareholders of different classes.</p> <p>The special procedures for voting by class shareholders shall not apply in the following circumstances:</p> <p>(1) Where the Company issues, upon approval by a special resolution at a general meeting, domestic shares and overseas listed foreign shares once every 12 months, either separately or concurrently, and the number of domestic shares and overseas listed foreign shares proposed to be issued does not exceed 20% of each of the issued domestic shares and overseas listed foreign shares respectively;</p> <p>(2) Where the Company’s plan to issue domestic shares and overseas listed foreign shares at the time of incorporation has been completed within 15 months from the date of approval by the authority in charge of securities under the State Council; and</p> <p>(3) Where with the approval by the securities regulatory authorities of the State Council, the shareholders cause the unlisted shares held by them to be listed and dealt in on an overseas stock exchange.</p>

The proposed amendments to the Rules and Procedures for Meeting of the Board are set out as below:

Existing Articles	Amended Articles
<p>Article 8 The Board of Directors shall be responsible to the general meetings and exercise the following functions and powers: (1) to (13) ...</p>	<p>Article 8 The Board of Directors shall be responsible to the general meetings and exercise the following functions and powers: (1) to (13) ...</p> <p>Where the above duties involve any of the significant events or issues referred to under the Articles of Association, it shall be decided by the Board of Directors after deliberation by the Party Committee.</p>
<p>Article 11 The Board meetings of the Company shall include regular meetings and extraordinary meetings. Board meetings shall be convened at least four times each year. Under any of the following circumstances, an extraordinary Board meeting may be convened:</p> <p>(1) as deemed necessary by the chairman of the Board;</p> <p>(2) as proposed by shareholder(s) representing 10% or more of the voting rights;</p> <p>(3) as proposed by three or more Directors;</p> <p>(4) as proposed by two or more independent Directors;</p> <p>(5) as proposed by the supervisory committee of the Company;</p> <p>(6) as proposed by the president of the Company.</p>	<p>Article 11 The Board meetings of the Company shall include regular meetings and extraordinary meetings. Board meetings shall be convened at least four times each year. Under any of the following circumstances, an extraordinary Board meeting may be convened:</p> <p>(1) as deemed necessary by the chairman of the Board;</p> <p>(2) as proposed by shareholder(s) representing 10% or more of the voting rights;</p> <p>(3) as proposed by three or more Directors;</p> <p>(4) as proposed by two or more independent Directors;</p> <p>(5) as proposed by the Party Committee of the Company;</p> <p>(6) as proposed by the supervisory committee of the Company;</p> <p>(7) as proposed by the president of the Company.</p>

The proposed amendments to the Rules and Procedures for Meetings of the Supervisory Committee are set out as below:

Existing Articles	Amended Articles
<p>Article 4 The Supervisory Committee is comprised of three members, two of whom are representatives of shareholders, who shall be elected and removed by the general meeting, and one is a representative of staff of the Company, who shall be elected and removed democratically by staff of the Company. Directors, president and financial director of the Company shall not act as a supervisor</p>	<p>Article 4 The Supervisory Committee is comprised of three members, two of whom are representatives of shareholders, who shall be elected and removed by the general meeting, and one is a representative of staff of the Company, who shall be elected and removed democratically by staff of the Company. Directors, president and financial director senior management of the Company shall not act as a supervisor</p>

The existing articles will be renumbered accordingly upon the proposed amendments to the Articles of Association, the Rules and Procedure for General Meetings, the Rules and Procedures for Meetings of the Board and the Rules and Procedures for Meetings of the Supervisory Committee. The proposed amendments to the Articles of Association, the Rules and Procedure for General Meetings, the Rules and Procedures for Meeting of the Board and the Rules and Procedures for Meetings of the Supervisory Committee are written in Chinese and English. Both language versions are valid. In the case of discrepancy, the Chinese version shall prevail.

The proposed amendments to the Articles of Association are subject to the approval of the Shareholders at the AGM by way of special resolution. The proposed amendments to the Rules and Procedure for General Meetings, the Rules and Procedures for Meetings of the Board and the Rules and Procedures for Meetings of the Supervisory Committee are subject to the approval of the Shareholders at the AGM by way of ordinary resolutions.

DEFINITIONS

In this announcement, unless the context otherwise requires, the terms below shall have the following meanings when used herein:

“AGM”	the annual general meeting of the Company to be held on 19 June 2018, at 10:00 a.m. at Conference Room, 15th Floor, Quantum Silver Plaza, 23 Zhichun Road, Haidian District, Beijing, the PRC
“Articles of Association”	the Articles of Association of the Company
“Board”	the board of directors

“Company”	首都信息發展股份有限公司 (Capinfo Company Limited*), a joint stock limited company incorporated in the PRC, the H Shares of which are listed on Main Board of the Stock Exchange
“Directors”	the directors of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Rules and Procedures for General Meetings”	the rules and procedures governing the general meetings of the Company (股東大會議事規則)
“Rules and Procedures for Meetings of the Board”	the rules and procedures governing the Board meetings of the Company (董事會議事規則)
“Rules and Procedures for Meetings of the Supervisory Committee”	the rules and procedures governing the Supervisors meeting (監事會議事規則)
“Shareholder(s)”	holder(s) of the share(s) of the Company

By Order of the Board
CAPINFO COMPANY LIMITED*
LIN Yankun
Chairman

Beijing, the People’s Republic of China, 20 April 2018

As of the date of this announcement, the executive directors of the Company are Ms. Lin Yankun and Mr. Yu Donghui; the non-executive directors of the Company are Dr. Feng Hao Cheng, Mr. Cao Jun, Mr. Zhou Weihua, Mr. Shan Yuhu and Ms. An Lili; and the independent non-executive directors of the Company are Mr. Gong Zhiqiang, Mr. Cheung, Wai Hung Boswell, Mr. Li He and Mr. Yang Xiaohui.

* *For identification purposes only*