

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

CONNECTED TRANSACTIONS
ENTRUSTED TASKS AGREEMENT

On 25 July 2019, the Company and Beijing University of Technology entered into the Entrusted Tasks Agreement with NSSP. Pursuant to the Entrusted Tasks Agreement, the Company and Beijing University of Technology agreed to jointly implement for “research and development of key technologies and demonstration services for National Speed Skating Pavilion Smart Stadium” project of NSSP.

NSSP is owned as to approximately 49% by BSAM, the controlling shareholder of the Company and NSSP is therefore a connected person of the Company and the transactions contemplated under the Entrusted Tasks Agreement constitute connected transactions of the Company. As the applicable percentage ratios in respect of the transactions contemplated under the Entrusted Tasks Agreement when aggregated with those transactions between the Group and NSSP in the preceding 12-month period under Rule 14A.81 of the Listing Rules are more than 0.1% but less than 5%, the Entrusted Tasks Agreement and the transaction contemplated thereunder are subject to the reporting and announcement requirements but exempt from the Independent Shareholders’ approval requirement under Chapter 14A of the Listing Rules.

I. INTRODUCTION

On 25 July 2019, the Company and Beijing University of Technology entered into the Entrusted Tasks Agreement with NSSP. Pursuant to the Entrusted Tasks Agreement, the Company and Beijing University of Technology agreed to jointly implement (the “**Project**”) for “research and development of key technologies and demonstration services for National Speed Skating Pavilion Smart Stadium” project of NSSP.

II. THE ENTRUSTED TASKS AGREEMENT

Details of the Entrusted Tasks Agreement are set out as below:

* *For identification purpose only*

Date of Agreement:	25 July 2019
Parties:	NSSP, a connected person the Company; and Beijing University of Technology, an Independent Third Party
Content of Project:	<p>The Company will act as the leading party and be responsible for overall arrangement, organisation, coordination, ensure the work progress and quality and coordinate with Beijing University of Technology to complete the Project.</p> <p>The Company and Beijing University of Technology will jointly be responsible for developing a system framework and standard system for the National Speed Skating Pavilion Smart Stadium, building an integrated support platform and application service system, and providing bases for technological innovation and additional new applications before the 2022 Beijing Winter Olympic Games and the Winter Paralympic Games, so as to provide a variety of intelligent services for audiences, athletes, managers and other parties and continuously improve user experience through integration of multiple data.</p>
Consideration and Payment arrangements:	<p>The total consideration under the Entrusted Tasks Agreement is RMB7.51 million, including RMB6.01million payable to the Company (the “Consideration”) and RMB1.5million payable to Beijing University of Technology by NSSP. The Consideration shall be paid to the Company in the following manner:</p> <ul style="list-style-type: none"> • 50% of the Consideration shall be paid by NSSP to the Company within 15 days upon signing of the Entrusted Tasks Agreement as a deposit; • 45% of the Consideration shall be paid by NSSP to the Company immediately following completion of auditing of the Project expenses and final acceptance; • The remaining 5% of the Consideration shall be paid by NSSP to the Company after the 2022 Winter Olympics.

Basis of Consideration: The total consideration under the Entrusted Task Agreement was determined pursuant to the tender documents in relation to the Project published by NSSP. The consideration payable to each of the Company and Beijing University of Technology by NSSP was determined pursuant to their respective work tasks for the Project.

Contract term: The Company and Beijing University of Technology shall complete the Project in the following manners:

- completion of research and development of the software platform and relevant hardware layout and commissioning by August 2020
- completion of the Project and conduct acceptance check by October 2020
- completion of auditing of the Project expenses and final acceptance by December 2020

Ownership of Intellectual property rights: The intellectual property rights (categories including but not limited to copyrights, patent rights) of all final project achievements and results formed during the Project implementation shall be shared by all parties.

Application for patent registration or software registration shall be submitted jointly by all parties. Where any application is made by a party, all parties shall have the right to authorship as joint applicants.

For the intellectual property rights owned jointly, prior consent shall be obtained from NSSP and the Beijing Municipal Science of Technology Commission of the PRC if the Company and Beijing University of Technology intend to transfer them to a third party.

III. REASONS FOR AND BENEFITS OF ENTERING INTO THE ENTRUSTED TASKS AGREEMENT

The Group is principally engaged in the installation of network systems, network design, consultancy and related technical services, and sales of computers, related accessories and equipment and self-developed computer software.

As part of the normal and ordinary course of business of the Group, the Group has been providing network systems development, installation, design and related consultancy services and other information technology services to independent third parties. With the cooperation opportunity with NSSP, the Group will actively promote the research and development on smart stadium series products, so as to apply on and provide service to the 2022 Olympic and the Paralympic Winter Games in Beijing, which will further enhance the Group's market competitiveness and positive influence to the Group's brand building.

The Directors (including the independent non-executive Directors) are of the view that the Entrusted Tasks Agreement was entered into (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms or better after arm's length negotiation; and (iii) on terms that are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

Mr. Cao Huaizhi, being an employee of Beijing Industrial Investment and who is a Director, had abstained from voting on the Board resolutions approving the Entrusted Tasks Agreement. Save as disclosed above, none of the Directors has any material interest in the Entrusted Tasks Agreement.

IV. INFORMATION ON THE PARTIES

Information on the Company

The Company is joint stock limited company established in the PRC on 23 January 1998 with limited liability, which is principally engaged in the installation of network systems, network design, consultancy and related technical services, and sales of computers, related accessories and equipment.

Information on NSSP

NSSP is a company established in the PRC on 24 February 2018 which is principally engaged in sports management, sports project management, sports equipment and facilities leasing, hosting exhibitions, organising cultural and artistic exchange activities (excluding performance) etc.

Information on Beijing University of Technology

Beijing University of Technology is a key institute of higher education. Its smart city research department, which is dedicated to the application of basic research in smart cities, will be cooperated with the Company in the Project. It possesses a solid foundation, extensive experience and technical innovation in the research content of the Project.

LISTING RULES IMPLICATIONS

NSSP is owned as to approximately 49% by BSAM, the controlling shareholder of the Company and NSSP is therefore a connected person of the Company and the transactions contemplated under the Entrusted Tasks Agreement constitute connected transactions of the Company.

As the applicable percentage ratios in respect of the transactions contemplated under the Entrusted Tasks Agreement when aggregated with those transactions between the Group and NSSP in the preceding 12-month period under Rule 14A.81 of the Listing Rules are more than 0.1% but less than 5%, the Entrusted Tasks Agreement and the transaction contemplated thereunder are subject to the reporting and announcement requirements but exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

V. DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

“Beijing Industrial Investment”	北京工業發展投資管理有限公司 (Beijing Industrial Developing Investment Management Co., Ltd*), a company established in the PRC and a wholly-owned subsidiary of BSAM
“Beijing University of Technology”	北京工業大學 (Beijing University of Technology*), an Independent Third Party
“Board”	the board of directors of the Company
“BSAM”	北京市國有資產經營有限責任公司 (Beijing State-Owned Assets Management Corporation Limited*), a company established in the PRC and is wholly-owned by the Beijing Municipal Government, being the controlling shareholder of the Company
“Company”	首都信息發展股份有限公司 (Capinfo Company Limited*), a joint stock limited company established in the PRC, the overseas listed foreign share(s) of RMB0.10 each in the share capital of the Company are listed on the Main Board of the Stock Exchange (Stock code: 1075)
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules and the word “connected” shall be construed accordingly

“Entrusted Tasks Agreement”	the entrusted tasks agreement entered into between NSSP, the Company and Beijing University of Technology on 25 July 2019
“controlling shareholder”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Independent Third Party”	independent third parties independent of the Company and the connected persons of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“NSSP”	國家速滑館經營有限責任公司 (National Speed Skating Pavilion Management Co., Ltd.*), a company established in the PRC
“PRC” or “China”	the People’s Republic of China which, for the purposes of this announcement, excludes the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of the Share(s)
“Shares”	ordinary share(s) of RMB0.10 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	Percent

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

Beijing, the PRC, 25 July 2019

As of the date of this announcement, the executive directors of the Company are Ms. Lin Yankun and Mr. Yu Donghui and Mr. Zong Zhaoxing; the non-executive directors of the Company are Mr. Zhou Weihua, Mr. Shan Yuhu, Mr. Cao Huaizhi, Mr. Ma Linxiang and Mr. Feng Jianxun, 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.