
THIS SUPPLEMENTAL CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this supplemental circular or as to the action you should take, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Capinfo Company Limited***, you should at once hand this supplemental circular and the accompanying supplemental proxy form to the purchaser or transferee, or to the bank, licensed securities dealer or registered institution in securities through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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CAPINFO
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)

- (1) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;**
(2) PROPOSED CESSATION OF APPOINTMENT OF OVERSEAS AUDITOR;
AND
(3) SUPPLEMENTAL NOTICE OF EXTRAORDINARY GENERAL MEETING

A Supplemental Notice of the Extraordinary General Meeting is set out on pages 9 to 10 of this supplemental circular. The Extraordinary General Meeting will be held as scheduled on Friday, 22 December 2017 at 10:30 a.m. at Conference Room, 15th Floor, Quantum Silver Plaza, No. 23 Zhichun Road, Haidian District, Beijing, the People's Republic of China.

This supplemental circular and the accompanying supplemental proxy form applicable to the Extraordinary General Meeting have been posted on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the website of the Company (www.capinfo.com.cn).

7 December 2017

* For identification purpose only

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DEFINITIONS

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

“Articles of Association”	the articles of association of the Company as amended from time to time
“Board”	the board of Directors
“CASBE”	the China Accounting Standards for Business Enterprises (中國企業會計準則)
“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 the Main Board of the Stock Exchange
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	domestic share(s) of RMB0.10 each in the share capital of the Company
“EGM”	the extraordinary general meeting of the Company to be held on 22 December 2017, at 10:30 a.m. at Conference Room, 15th Floor, Quantum Silver Plaza, 23 Zhichun Road, Haidian District, Beijing, the PRC
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Notice of EGM”	notice of convening the EGM as set out in the circular dated 20 October 2017
“PRC”	the People’s Republic of China
“Revised 2017 Annual Cap”	has the meaning set forth under the circular of the Company date 20 October 2017
“Share(s)”	collectively, Domestic Shares and H Shares and (where applicable) any other foreign shares of the Company

DEFINITIONS

“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Notice of EGM”	the supplemental notice of the EGM dated 7 December 2017 as set out on pages 9 and 10 of this supplemental circular
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent

In this supplemental circular, the English names of the PRC entities are translations of their Chinese names and included herein for identification purposes only. In the event of any inconsistency, the Chinese names shall prevail.

LETTER FROM THE BOARD

CAPINFO
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)

Executive Directors:

Ms. Lin Yankun (*Chairman*)
Mr. Yu Donghui (*Chief Executive Officer*)

Non-executive Directors:

Dr. Feng Hao Cheng
Mr. Cao Jun
Mr. Zhou Weihua
Mr. Shan Yuhu
Ms. An Lili

Independent Non-executive Directors:

Mr. Gong Zhiqiang
Mr. Cheung, Wai Hung Boswell
Mr. Li He
Mr. Yang Xiaohui

Registered office:

No.11 Xi San Huan Zhong Road
Haidian District
Beijing 100036
The PRC

Principal place of business in Hong Kong:

Unit B, 1st Floor
Neich Tower
128 Gloucester Road
Wanchai
Hong Kong

Principal place of business in the PRC:

12th Floor
Quantum Silver Plaza
No.23 Zhi Chun Road
Haidian District
Beijing 100191
The PRC

To the Shareholders:

Dear Sir or Madam,

- (1) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;**
(2) PROPOSED CESSATION OF APPOINTMENT OF OVERSEAS AUDITOR;
AND
(3) SUPPLEMENTAL NOTICE OF EXTRAORDINARY GENERAL MEETING

1. INTRODUCTION

Reference is made to the announcement of the Company dated 24 November 2017 in relation to, among other things, the proposed amendments to the Articles of Association and proposed cessation of appointment of overseas auditors.

* For identification purpose only

LETTER FROM THE BOARD

The purpose of this circular is to provide the Shareholders with information on, among other things, considering and approving (a) the proposed amendments to the Articles of Association; and (b) the proposed cessation of appointment of overseas auditors.

2. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Proposed Change of Accounting Standard

Since the date on which the H Shares of the Company became listed on the Stock Exchange, the Company has been preparing its financial statements under both the CASBE and the HKFRSs.

According to the “Consultation Conclusions on Acceptance of Mainland Accounting and Auditing Standards and Mainland Audit Firms for Mainland Incorporated Companies Listed in Hong Kong” (《有關接受在香港上市的內地註冊成立公司採用內地的會計及審計準則以及聘用內地會計師事務所的諮詢總結》) published by the Stock Exchange in December 2010, PRC incorporated issuers listed in Hong Kong are allowed to prepare their financial statements in accordance with the CASBE and PRC audit firms approved by the MOF and the CSRC are allowed to audit these financial statements prepared in accordance with the CASBE.

In view of such arrangement, the Board intends to prepare only one set of financial statements for the Company under the CASBE (the “**Proposed Change of Accounting Standard**”), thus the Board passed a resolution on 24 November 2017 to propose the amendments to the Articles of Association as below (the “**Proposed Amendments to the Articles of Association**”).

Subject to the approval of the Shareholders of the Proposed Amendments to the Articles of Association, it is expected that starting from the year ending 31 December 2017, the results of the Company will be prepared in accordance with the CASBE. The Board is of the view that the Proposed Change of Accounting Standard will improve the efficiency and reduce the cost of disclosure, and is in the best interest of the Company and the Shareholders as a whole. The Company believes that the Proposed Change of Accounting Standard will not materially and adversely affect the publication of annual results for the year ending 31 December 2017.

Proposed Amendments to the Articles of Association

In light of the Proposed Change of Accounting Standard, the Board passed a resolution on 24 November 2017 in relation to the Proposed Amendments to the Articles of Association. Please refer to Appendix I to this Circular for the full text of the Proposed Amendments to the Articles of Association.

The Proposed Amendments to the Articles of Association are subject to the approval of the Shareholders by passing a special resolution at the EGM. Save for the amendments as set out in the Proposed Amendments to the Articles of Association, the other provisions of the Articles of Association will remain unchanged. The Proposed Amendments to the Articles of Association will become effective upon the approval by the Shareholders at the EGM.

LETTER FROM THE BOARD

3. PROPOSED CESSATION OF APPOINTMENT OF OVERSEAS AUDITOR

Grant Thornton Hong Kong Limited has been engaged by the Company as the overseas auditor to audit the financial statements of the Company prepared in accordance with the HKFRSs. In light of the Proposed Change of Accounting Standard, the Board proposes to cease to appoint Grant Thornton Hong Kong Limited as the overseas auditor of the Company (the “**Proposed Cessation of Appointment**”), subject to the approval by the Shareholders at the EGM.

Grant Thornton (Special General Partnership) is an eligible PRC audit firm approved by the MOF and the CSRC to provide auditing services in accordance with the CASBE to PRC incorporated issuers. Upon approval of the Proposed Cessation of Appointment by the Shareholders at the EGM, Grant Thornton (Special General Partnership) will be the only auditor auditing the Company’s financial statements in accordance with the CASBE and undertake the role of overseas auditor in compliance with the Listing Rules.

Grant Thornton Hong Kong Limited has confirmed that there were no matters regarding the Proposed Cessation of Appointment that need to be brought to the attention of the Shareholders. The Board and the audit committee of the Company confirmed that there were no disagreement between the Company and Grant Thornton Hong Kong Limited regarding the Proposed Cessation of Appointment. The Board further confirmed that it is not aware of any matters regarding the Proposed Cessation of Appointment that needs to be brought to the attention of the Shareholders.

The Company believes that the Proposed Cessation of Appointment will not materially and adversely affect the publication of annual results for the year ending 31 December 2017.

4. EXTRAORDINARY GENERAL MEETING

The EGM will be held as originally scheduled at Conference Room, 15th Floor, Quantum Silver Plaza, 23 Zhichun Road, Haidian District, Beijing, the People’s Republic of China on Friday, 22 December 2017 at 10:30 a.m.

If any Shareholder has not yet submitted the original proxy form according to the instructions in the Notice of EGM and wishes to appoint a proxy to attend the EGM on his behalf, he is required to submit the accompanying supplemental proxy form. In this case, the Shareholder shall not submit the original proxy form.

To be valid, the supplemental proxy form together with any power of attorney (if any) or other authority (if any) which it is signed or a notarially certified copy thereof, must be deposited at the Company’s principal place of business in the PRC at 12th Floor, Quantum Silver Plaza, 23 Zhichun Road, Haidian District, Beijing, the People’s Republic of China (applicable to Domestic Shares) or to the Company’s H shares registrar and transfer office in Hong Kong, Hong Kong Registrars Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong (applicable to H Shares) as soon as possible and in any event not less than 24 hours before the time appointed for holding the EGM. Completion and return of the supplemental proxy forms will not preclude you from attending and voting in person at the EGM should you so wish.

LETTER FROM THE BOARD

At the EGM, special resolution will be proposed to approve to the Proposed Amendments to the Articles of Association; and ordinary resolutions will be proposed to approve (i) the Revised 2017 Annual Cap and (ii) Proposed Cessation of Appointment.

For any Shareholder who has submitted the original proxy form according to the instructions in the Notice of EGM, please note that:

- (i) if the Shareholder has not submitted the supplemental proxy form, the original proxy form (if properly completed) shall be deemed as a valid proxy form submitted by the Shareholder. The proxy appointed according to the original proxy form shall be entitled to vote according to the instructions given previously by the Shareholder or to vote at his discretion (if no such instructions were given) at the EGM on the resolution proposed in the Notice of EGM, and to vote at his discretion on the new resolutions set out in the Supplemental Notice of EGM;
- (ii) if the Shareholder has submitted the supplemental proxy form prior to the deadline set out in the Notice of EGM, then the supplemental proxy form (if properly completed) shall be deemed as a valid proxy form submitted by the Shareholder. The original proxy form shall be deemed to be revoked. The proxy appointed pursuant to the supplemental proxy form shall be entitled to vote according to the instructions given previously by the Shareholder or to vote at his discretion (if no such instructions were given) on any resolution (including the new resolution set out in the Supplemental Notice of EGM) proposed in an appropriate manner at the EGM; and
- (iii) if the Shareholder submitted the supplemental proxy form after the designated time, or the supplemental proxy form submitted is improperly completed, the supplemental proxy form will be invalid. The original proxy form, if properly completed, will be treated as a valid proxy form submitted by the Shareholder. The arrangement as mentioned in (i) above shall apply as if no supplemental proxy form was submitted.

Completion and delivery of the original proxy form and/or the supplemental proxy form will not preclude you from attending and voting at the meeting or any adjournment thereof if you so wish.

To the best of Directors' knowledge, information and belief, no Shareholder has material interest in the above mentioned resolutions at the EGM and no Shareholder is required to abstain from voting in such meetings.

5. VOTING BY WAY OF POLL

In accordance with the requirement of Rule 13.39(4) of the Listing Rules, all votes at the EGM will be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

LETTER FROM THE BOARD

6. RECOMMENDATION

The Directors believe that the resolutions in respect of (1) the Proposed Amendments to the Articles of Association; and (2) the Proposed Cessation of Appointment are fair and reasonable and in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that all the Shareholders should vote in favour of the resolutions at the EGM.

Please refer to the Notice of EGM for details about other resolutions to be submitted for consideration and approval at the EGM, eligibility of Shareholders to attend the EGM, appointment of proxies, registration procedures, closure of register of members and other matters.

Yours faithfully,
By Order of the Board
CAPINFO COMPANY LIMITED*
首都信息發展股份有限公司
Lin Yankun
Chairman

Beijing, the PRC, 7 December 2017

* *For identification purpose only*

LETTER FROM THE BOARD

APPENDIX – PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Original Provisions

Article 137

The Company's financial statements shall be prepared in accordance with PRC accounting standards and regulations as well as international accounting standards or the accounting standards of the place of overseas listing. If there are material differences in the financial statements prepared in accordance with these two sets of accounting standards, such differences shall be stated in an appendix to the financial statements. For the purpose of approving the distribution of after-tax profits, the amount shall be deemed to be the lesser of the amount determined in accordance with PRC accounting standards and regulations, and international accounting standards or the accounting standards of the place of overseas listing.

Article 138

Any interim results or financial information published or disclosed by the Company shall be prepared in accordance with PRC accounting standards and regulations as well as international accounting standards or the accounting standards of the place of overseas listing.

Amended Provisions

Article 137

The Company's financial statements shall be prepared in accordance with PRC accounting standards and regulations.

Article 138

Any interim results or financial information published or disclosed by the Company shall be prepared in accordance with PRC accounting standards and regulations.

SUPPLEMENTAL NOTICE OF EXTRAORDINARY GENERAL MEETING

CAPINFO

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)

SUPPLEMENTAL NOTICE OF EXTRAORDINARY GENERAL MEETING

Please refer to the notice (the “**Notice**”) of the Extraordinary General Meeting (the “**EGM**”) dated 20 October 2017 of Capinfo Company Limited (the “**Company**”) which sets out the date, time and place of the EGM as well as the resolution to be presented at the EGM for Shareholders’ consideration and approval.

A SUPPLEMENTAL NOTICE IS HEREBY GIVEN THAT the EGM will be held as scheduled at Conference Room, 15th Floor, Quantum Silver Plaza, 23 Zhichun Road, Haidian District, Beijing, the People’s Republic of China on Friday, 22 December 2017 at 10:30 a.m. at which, in addition to the resolution contained in the Notice, the following resolutions, will also be considered and approved at discretion:

AS SPECIAL RESOLUTION

1. To consider and approve the proposed amendments to the Articles of Association (details of which have been set out in the Appendix I – “Proposed Amendments to the Articles of Association” to the supplemental circular dated 7 December 2017).

AS ORDINARY RESOLUTION

2. To consider and approve the cessation of the appointment of Grant Thornton Hong Kong Limited as the overseas auditor of the Company.

Yours faithfully,
By Order of the Board
CAPINFO COMPANY LIMITED*
首都信息發展股份有限公司
Lin Yankun
Chairman

Beijing, the People’s Republic of China, 7 December 2017

Notes:

1. Details about the above resolutions are contained in the supplemental circular (the “**Supplemental Circular**”) of the Company dated 7 December 2017. Unless the context requires otherwise, the terms used in this Supplemental Notice of EGM shall have the meanings same as those used in the Supplemental Circular.

* *For identification purpose only*

SUPPLEMENTAL NOTICE OF EXTRAORDINARY GENERAL MEETING

2. Since the proxy form (the “**Original Proxy Form**”) issued with the circular dated 20 October 2017 does not contain the new resolutions in the Supplemental Notice of EGM, a new proxy form (the “**Supplemental Proxy Form**”) is issued with this Supplemental Circular.
3. If any Shareholder has not yet submitted the Original Proxy Form according to the instructions in the Notice of EGM and wishes to appoint a proxy to attend the EGM on his behalf, he is required to submit the Supplemental Proxy Form. In this case, the Shareholder shall not submit the Original Proxy Form.
4. To be valid, this Supplemental Proxy Form, together with any power of attorney (if any) or other authority (if any) under which it is signed or a notarially certified copy thereof, must be deposited at the Company’s H share registrar and transfer office in Hong Kong, Hong Kong Registrars Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong (in the case of H shares) or the office of the Company at 12th Floor, Quantum Silver Plaza, 23 Zhichun Road, Haidian District, Beijing, the People’s Republic of China (in the case of domestic shares) not less than 24 hours before the time scheduled for the meeting or any adjournment thereof.
5. For any Shareholder who has submitted the Original Proxy Form according to the instructions set out in the Notice of EGM, please note that:
 - (i) if the Shareholder has not submitted the Supplemental Proxy Form, the Original Proxy Form (if properly completed) shall be deemed as a valid proxy form submitted by the Shareholder. The proxy appointed according to the Original Proxy Form shall be entitled to vote according to the instructions given previously by the Shareholder or to vote at his discretion (if no such instructions were given) at the EGM on the resolutions proposed in the Notice of EGM, and to vote at his discretion on the new resolution set out in the Supplemental Notice of EGM;
 - (ii) if the Shareholder has submitted the Supplemental Proxy Form prior to the deadline set out in the Notice of EGM, then the Supplemental Proxy Form (if properly completed) shall be deemed as a valid proxy form submitted by the Shareholder. The Original Proxy Form shall be deemed to be revoked. The proxy appointed pursuant to the Supplemental Proxy Form shall be entitled to vote according to the instructions given previously by the Shareholder or to vote at his discretion (if no such instructions were given) on any resolution (including the new resolution set out in the Supplemental Notice of EGM) proposed in an appropriate manner at the EGM; and
 - (iii) if the Shareholder submitted the Supplemental Proxy Form after the designated time, or the Supplemental Proxy Form submitted is improperly completed, the Supplemental Proxy Form will be invalid. The Original Proxy Form, if properly completed, will be treated as a valid proxy form submitted by the Shareholder. The arrangement as mentioned in (i) above shall apply as if no Supplemental Proxy Form was submitted.
6. Completion and delivery of the Original Proxy Form and/or the Supplemental Proxy Form will not preclude you from attending and voting at the meeting or any adjournment thereof if you so wish.
7. Please refer to the Notice of EGM for details about other resolution to be submitted for consideration and approval at the EGM, eligibility of Shareholders to attend the EGM, appointment of proxies, registration procedures, closure of register of members and other matters.
8. As at the date of this notice, 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.