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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)**

**INSIDE INFORMATION**

- (1) PROPOSED CHANGE OF ACCOUNTING STANDARD;**  
**(2) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;**  
**AND**  
**(3) PROPOSED CESSATION OF APPOINTMENT OF OVERSEAS AUDITOR**

This announcement is made by the Company pursuant to Rule 13.09(2) of the Listing Rules and Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

**I. 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 described in section II below (the “**Proposed Amendments to the Articles of Association**”).

\* For identification purposes only

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.

## **II. 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 announcement 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.

## **III. 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.

#### IV. GENERAL

A circular containing, amongst others, further details of (1) the Proposed Amendments to the Articles of Association and (2) the Proposed Cessation of Appointment, together with a notice convening the EGM, will be despatched to the Shareholders in due course.

#### V. DEFINITIONS

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

“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 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)
“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 convened to approve the Proposed Amendments to the Articles of Association and the Proposed Cessation of Appointment
“Group”	the Company and its subsidiaries

“H Share(s)”	overseas listed foreign share(s) of RMB0.10 each in the share capital of the Company
“HKFRSs”	Hong Kong Financial Reporting Standards
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MOF”	Ministry of Finance of the PRC (中國財政部)
“PRC”	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
“Share(s)”	collectively, Domestic Shares and H Shares and (where applicable) any other foreign shares of the Company
“Shareholder(s)”	the holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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

Beijing, the People’s Republic of China  
24 November 2017

*As at the date of this announcement, the executive director 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.*

## APPENDIX I – 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.