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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)

DISCLOSEABLE TRANSACTIONS

(I) SUBSCRIPTIONS OF STRUCTURED DEPOSIT WITH CHINA MERCHANTS BANK; AND

(II) SUBSCRIPTIONS OF CORPORATE STRUCTURED DEPOSIT WITH CHINA EVERBRIGHT BANK

STRUCTURED DEPOSIT AGREEMENTS

The Company submitted the Structured Deposit Application Letter to China Merchants Bank (Beijing Xisanhuan Branch) on 10 August 2020 and Capinfo Technology, a subsidiary of the Company, entered into the Corporate Structured Deposit Contract with China Everbright Bank (Beijing Branch) on 9 August 2020, pursuant to which the Company and Capinfo Technology subscribed for structured deposits issued by China Merchants Bank (Beijing Xisanhuan Branch) and China Everbright Bank (Beijing Branch) for an aggregate principal amount of RMB240,000,000.

LISTING RULES IMPLICATIONS

As the financial products under the Structured Deposit Agreements are of similar nature, the transactions thereunder shall be aggregated for the purpose of computing the relevant percentage ratios pursuant to Rule 14.22 of the Listing Rules. As one or more of the applicable percentage ratios, on an aggregate basis, in respect of the transactions under the Structured Deposit Agreements exceed 5% but are less than 25%, such transactions constitute discloseable transactions of the Company and are therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

* *For identification purpose only*

BACKGROUND

The Company submitted the Structured Deposit Application Letter to China Merchants Bank (Beijing Xisanhuan Branch) on 10 August 2020 to subscribe for principal-guaranteed structured deposits with floating income issued by China Merchants Bank (Beijing Xisanhuan Branch) for an aggregate principal amount of RMB200,000,000. Capinfo Technology entered into the Corporate Structured Deposit Contract with China Everbright Bank (Beijing Branch) on 9 August 2020 to subscribe for principal-guaranteed structured deposits with floating income issued by China Everbright Bank (Beijing Branch) for an aggregate principal amount of RMB40,000,000.

STRUCTURED DEPOSIT APPLICATION LETTER

A summary of the principal terms of the Structured Deposit Application Letter is set out as follows:

Date	:	10 August 2020
Parties	:	(1) the Company; and (2) China Merchants Bank (Beijing Xisanhuan Branch)
Name of product	:	Gold-linked Three-tier 3 Months Structured Deposit of China Merchants Bank (Code: CBJ06456)
Type of return	:	Principal-guaranteed with floating income
Principal amount:	:	RMB200,000,000, funded by internal resources of the Group
Term	:	From 10 August 2020 to 10 November 2020 (92 days)
Subject linked to the product	:	Opening price: The XAU/USD fixing price at 14:00 Beijing time announced on the BFIX interface of Bloomberg Terminal on the interest commencement date. Gold price on the expiration observation date: The afternoon fixing price announced by the London Bullion Market Association on the deposit observation date.
Expiration observation date	:	The second London Working Day before the maturity date, i.e. 6 November 2020. The first fluctuation range refers to the range of the gold price from “opening price-USD415” to “opening price+USD180” (excluding the boundary).

Observation level and the way to determine the rate of return	:	<p>If the level of gold price on the expiration observation date fails to reach the first fluctuation range, the deposit maturity interest rate will be 2.95% (annualized);</p> <p>If the level of gold price on the expiration observation date exceeds the first fluctuation range, the deposit maturity interest rate will be 3.15% (annualized);</p> <p>If the level of gold price on the expiration observation date falls below the first fluctuation range, the deposit maturity interest rate will be 1.35% (annualized).</p>
Payment of due principal and return	:	China Merchants Bank will return 100% of the purchase amount and the interest due to the depositor on the maturity date of the deposit or the next day thereafter if such date is a public holiday.
Early Termination	:	During the period of deposit, neither the depositor nor China Merchants Bank has the right to early termination of the deposit.
Effectiveness of the Structured Deposit Application Letter	:	The transaction as stated in the Structure Deposit Application Letter shall be effective when (i) the Structure Deposit Application Letter is duly signed by the Company and submitted to China Merchants Bank for record, (ii) China Merchants Bank issues the transaction confirmation, and (iii) the Company transfers the principal amount in full (i.e. RMB200,000,000) to the designated structured deposit account of China Merchants Bank on or before 10 August 2020.

CORPORATE STRUCTURED DEPOSIT CONTRACT

A summary of the principal terms of the Corporate Structured Deposit Contract is set out as follows:

Date	:	9 August 2020
Parties	:	<p>(1) Capinfo Technology, a subsidiary of the Company; and</p> <p>(2) China Everbright Bank (Beijing Branch)</p>
Name of product	:	2020 Phase VIII Product Customized for Currency Linked Corporate Structured Deposit 91 (Code: 2020101046413)

Type of return	:	Principal-guaranteed with floating income
Principal amount	:	RMB40,000,000, funded by internal resources of the Group
Term	:	From 10 August 2020 to 30 September 2020
Cooling-off period	:	The customer has the right to apply for cancellation within 24 hours after signing the Corporate Structured Deposit Contract. China Everbright Bank will cancel the signed contract after receiving the application for cancellation from the customer.
Subject linked to the product	:	BFIX EURUSD spot exchange rate announced by Bloomberg at 11:00 Tokyo time
Observation level and the way to determine the rate of return	:	<p>If the exchange rate is below or equal to N-0.082 on the date of observation, the product return rate would be 1.000%;</p> <p>If the exchange rate is higher than N-0.082 but below N+0.0550 on the date of observation, the return rate would be 2.550%;</p> <p>If the exchange rate is higher than or equal to N+0.0550 on the date of observation, the return rate would be 2.650%. N represents the exchange rate of the linked subject T+1 days after the effective date.</p>
Product observation period	:	Three working days prior to the maturity date of the product
Calculation of product return	:	Interest is calculated using the 30/360 method: 30 days per month and 360 days per year; actual return is calculated based on simple interest
Interest payment and principal repayment	:	Interest shall be repaid together with the principal
Early Termination	:	Only China Everbright Bank has the right of early termination but not the investor.

INFORMATION ABOUT THE PARTIES

The Company

The Company is a joint stock limited company established in the PRC with limited liability and its business mainly includes software development and service, system integration, data processing service and information professional service, etc.

Capinfo Technology

Capinfo Technology Development Co., Ltd. is a subsidiary of the Company and its business mainly includes database management, information and network integration, technical development of communication software and hardware products, etc.

China Everbright Bank

China Everbright Bank is a licensed bank incorporated under the laws of the PRC and its principal businesses include the provision of corporate and retail services, investment banking, assets management, brokerage as well as other financial services.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, each of China Everbright Bank and its ultimate beneficial owners as publicly disclosed by China Everbright Bank are third parties independent of the Company and its connected persons.

China Merchants Bank

China Merchants Bank is a licensed bank incorporated under the laws of the PRC. Its principal businesses include the provision of corporate and retail services, investment banking, assets management, brokerage as well as other financial services.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, each of China Merchants Bank and its ultimate beneficial owners as publicly disclosed by China Merchants Bank are third parties independent of the Company and its connected persons.

REASONS FOR AND BENEFITS OF ENTERING INTO THE STRUCTURED DEPOSIT AGREEMENTS

The Group intends to maximize the return of capital by subscribing for the structured deposits under the Structured Deposit Agreements. The return obtained from the Structured Deposit Agreements is more lucrative than that of current deposit or term deposit. In addition, the Structured Deposit Agreements contain the term of guarantee on principal. Therefore, the Directors consider that, the risk arising from the Structured Deposit Agreements undertaken by the Group is insignificant, and the terms and conditions of the Structured Deposit Agreements are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As the financial products under the Structured Deposit Agreements are of similar nature, the transactions thereunder shall be aggregated for the purpose of computing the relevant percentage ratios pursuant to Rule 14.22 of the Listing Rules. As one or more of the applicable percentage ratios, on an aggregate basis, in respect of the transactions under the Structured Deposit Agreements exceed 5% but are less than 25%, such transactions constitute discloseable transactions of the Company and are therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

Unless the context otherwise requires, the following terms used herein have the following meanings:

“Board”	the board of directors of the Company
“Capinfo Technology”	首都信息科技發展有限公司 (Capinfo Technology Development Co., Ltd.*), a limited company incorporated under the laws of the PRC and a subsidiary of the Company
“China Everbright Bank”	China Everbright Bank Company Limited, a licensed bank incorporated under the laws of the PRC and is listed on the Stock Exchange and Shanghai Stock Exchange (Stock Code: 6818.HK and 601818.SH)
“China Merchants Bank”	China Merchants Bank Co. Ltd., a joint stock company incorporated in the People’s Republic of China with limited liability, the shares of which are listed on the Stock Exchange (stock code: 3968.HK)
“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.HK)
“Corporate Structured Deposit Contract”	the corporate structured deposit contract entered into between Capinfo Technology, a subsidiary of the Company, and China Everbright Bank (Beijing Branch) on 9 August 2020, the principal amount of which was RMB40,000,000
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC” or “China”	the People’s Republic of China which, for the purpose of this announcement, excludes 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
“Structured Deposit Agreements”	collectively, the Structured Deposit Application Letter and the Corporate Structured Deposit Contract
“Structured Deposit Application Letter”	the structured deposit business application letter executed by the Company and submitted to China Merchants Bank (Beijing Xisanhuan Branch) on 10 August 2020, the principal amount of which was RMB200,000,000
“USD”	the United States dollar, the lawful currency of the United States
“%”	percent

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

Beijing, the People’s Republic of China, 10 August 2020

As at the date of this announcement, the executive directors of the Company are Ms. Lin Yankun, Mr. Yu Donghui and Mr. Zong Zhaoxing; the non-executive directors of the Company are Mr. Zhou Weihua, Mr. Shan Yuhu, Mr. Hu Yong, 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.

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