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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**  
**PROFIT WARNING ANNOUNCEMENT**

This announcement is made by Capinfo Company Limited\* (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, it is expected that the Group may record a loss attributable to the equity shareholders of the Company in the range of approximately RMB20,000,000 to RMB27,000,000 as of 30 June 2024. As compared to the corresponding period ended 30 June 2023, the profit attributable to the equity shareholders of the Company was RMB37,070,000.

The Group recorded a loss as of 30 June 2024, mainly due to:

- (i) In order to enhance its core competitiveness, the Group increased its investment in research and development, pushed forward the research and development and application of artificial intelligence technology, built the Capinfo Hongdi Large Model, continued to optimize its own software development platform (CCAF), and stepped up its efforts to build industry products, which, to a certain extent, affected the results for the period.
- (ii) During the period, the Group took the initiative to seek changes in the face of increasingly fierce market competition and comprehensively developed a nationwide strategy. In order to achieve the goal of rapidly capturing markets outside of Beijing, the cost of market expansion increased, the profitability level of incremental projects was reduced. Meanwhile, due to the

\* For identification purpose only

increase in labor and external costs, the cost of system guarantee projects increased, and there was a certain degree of decline in the overall gross profit margin of the projects as compared to the same period last year.

- (iii) The Company's profit for the period was also affected to a certain extent by investments and other income from operation.

Save for the above factors, the core business of the Company was basically stable, with a year-on-year increase in contract amount and operating revenue, and the Company has continued its efforts in market expansion.

The above figures of expected loss are only preliminary accounting data and have not been reviewed by the audit committee of the Company, and have not been reviewed or audited by certified public accountant. Detailed financial information and performance of the Group to be disclosed in the Company's 2024 Interim Report shall prevail.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.**

By Order of the Board  
**CAPINFO COMPANY LIMITED\***  
**YU Donghui**  
*Chairman*

Beijing, the PRC  
21 August 2024

*As at the date of this announcement, the executive directors of the Company are Mr. Yu Donghui and Mr. Zhang Yiqian; the non-executive directors of the Company are Mr. Zhou Weihua, Ms. Yan Yi, Mr. Xin Shuangbai, Ms. Zhao Shujie and Mr. Jiang Wei; and the independent non-executive directors of the Company are Mr. Gong Zhiqiang, Mr. Cheung, Wai Hung Boswell, Mr. Yang Xiaohui, Mr. Dong Jin and Mr. Li Jianqiang.*