



**CHINA E-INFORMATION TECHNOLOGY GROUP LIMITED**

**中國網絡信息科技集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 08055)**

**2021 FIRST QUARTERLY RESULTS  
FOR THE THREE MONTHS ENDED 31 MARCH 2021**

**CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF  
HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

**GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.**

**Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.**

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*This announcement, for which the directors (the “Directors”) of China E-Information Technology Group Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

## RESULTS

The board (the “Board”) of directors (“Directors”) of China E-Information Technology Group Limited (the “Company”) is pleased to present the unaudited condensed consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the three months ended 31 March 2021, together with the comparative unaudited figures of the corresponding period in 2020, as follows:

### CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		<b>(Unaudited)</b>	
		<b>Three months ended</b>	
		<b>31 March</b>	
	<i>Note</i>	<b>2021</b>	<b>2020</b>
		<b>HK\$'000</b>	<b>HK\$'000</b>
<b>Revenue</b>	5	–	23,642
Cost of services rendered		–	(11,204)
		<hr/>	<hr/>
Gross profit		–	12,438
Other income	6	<b>1,069</b>	972
Other losses	7	<b>(173)</b>	(1,406)
Administrative expenses		<b>(7,620)</b>	(10,428)
		<hr/>	<hr/>
<b>Profit from operations</b>		<b>(6,724)</b>	1,576
Finance costs	8	<b>(168)</b>	(6,021)
Share of result of an associate		<b>(481)</b>	(303)
		<hr/>	<hr/>
<b>Loss before tax</b>		<b>(7,373)</b>	(4,748)
Income tax	9	–	–
		<hr/>	<hr/>
Loss for the period		<b>(7,373)</b>	(4,748)
		<hr/> <hr/>	<hr/> <hr/>
<b>Attributable to:</b>			
Owners of the Company		<b>(7,373)</b>	(10,317)
Non-controlling interests		–	5,569
		<hr/>	<hr/>
		<b>(7,373)</b>	(4,748)
		<hr/> <hr/>	<hr/> <hr/>
<b>Loss per share attributable to owners of the Company (HK cents)</b>	10		
– Basic		<b>(0.19)</b>	(0.28)
– Diluted		N/A	N/A
		<hr/> <hr/>	<hr/> <hr/>

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME**

	<b>(Unaudited)</b>	
	<b>Three months ended</b>	
	<b>31 March</b>	
	<b>2021</b>	<b>2020</b>
<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Loss for the period</b>	<b>(7,373)</b>	<b>(4,748)</b>
<b>Other comprehensive expense</b>		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Exchange differences arising on translation of foreign operations	<b>(1,573)</b>	<b>(738)</b>
Realisation of exchange fluctuation reserve on disposal of a subsidiary	<b>—</b>	<b>(74)</b>
	<hr/>	<hr/>
<b>Other comprehensive expense, net of tax</b>	<b>(1,573)</b>	<b>(812)</b>
	<hr/>	<hr/>
<b>Total comprehensive expense for the period</b>	<b>(8,946)</b>	<b>(5,560)</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>Attributable to:</b>		
Owners of the Company	<b>(8,946)</b>	<b>(11,129)</b>
Non-controlling interests	<b>—</b>	<b>5,569</b>
	<hr/>	<hr/>
	<b>(8,946)</b>	<b>(5,560)</b>
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## **NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

### **1. CORPORATE INFORMATION**

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands. The Company's shares have been listed on the GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company acts as an investment holding company. The Group is principally engaged in the provision of an internet platform for the facilitation of education program in Chinese medicine and other advisory and training programs.

### **2. BASIS OF PREPARATION AND GOING CONCERN**

These consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Report Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants. HKFRSs comprise Hong Kong Financial Reporting Standards ("HKFRS"); Hong Kong Accounting Standards ("HKAS"); and Interpretations. The consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the GEM of the Stock Exchange ("GEM Listing Rules") and with the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622).

The Hong Kong Institute of Certified Public Accountants has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these consolidated financial statements.

### **3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS**

During the three months ended 31 March 2021, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") issued by Hong Kong Institute of Certified Public Accountants that are relevant to its operations and effective for its accounting periods beginning on 1 January 2021. HKFRSs comprise of Hong Kong Financial Reporting Standards ("HKFRS"); Hong Kong Accounting Standards; and Interpretations. The adoption of these new and revised HKFRSs did not result in substantial changes to the Group's accounting policies and amounts reported for the three months ended 31 March 2021 and the same period in last year.

The Group has not early applied new and revised HKFRSs that have been issued but are not yet effective for the financial year beginning 1 January 2021. The directors anticipate that the new and revised HKFRSs will be adopted in the Group's consolidated financial statements when they become effective. The Group is in the process of assessing, where applicable, the potential effect of all new and revised HKFRSs that will be effective in future periods but is not yet in a position to state whether these new and revised HKFRSs would have a material impact on its results of operations and financial position.

#### 4. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared under the historical cost convention except for certain financial instruments that are measured at fair value, at the end of each reporting period.

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

#### 5. REVENUE

During the period from 1 January 2021 to 31 March 2021, our Group has acquired Tianjin Mars Technology Co., Ltd. ("Tianjin Mars Technology") on 25 March 2021 as the disclosure in the annual report of 2020. Tianjin Mars Technology provides the services of database and data storage, as Tianjin Mars Technology became a wholly-owned subsidiary of the Group, its Turnover would be reflected the belonging from 1 April 2021.

Although other business of the Group is the provision of an internet platform for the facilitation of education program in Chinese medicine and other advisory and training programs, as announced on 2 July 2010 and the annual report of 2020, the Joint Construction Agreement has expired on 30 June 2020. Due to the corresponding epidemic prevention and isolation or blockade measures for the outbreak of COVID-19, the issue of the continuation of the agreement or liquidation of the Distance Education College between Hunan IIN Medical and Beijing University of Chinese Medicine is still under discussion in the negotiation, but the result of negotiation should be nearly completed and we will announce the result once we finalize the negotiation. Therefore, the Turnover does not reflect the income from continuation of the agreement or liquidation during this first quarter from 1 January 2021 to 31 March 2021.

#### 6. OTHER INCOME

	<b>(Unaudited)</b>	
	<b>Three months ended</b>	
	<b>31 March</b>	
	<b>2021</b>	2020
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Interest income	<b>896</b>	615
Sundry income	<b>173</b>	357
	<hr/>	<hr/>
	<b>1,069</b>	972
	<hr/> <hr/>	<hr/> <hr/>

## 7. OTHER LOSSES

	(Unaudited)	
	Three months ended	
	31 March	
	2021	2020
	<i>HK\$'000</i>	<i>HK\$'000</i>
Net unrealised loss on financial assets at fair value through profit or loss	70	500
Net realised loss on financial assets at fair value through profit or loss	–	758
Net exchange loss	103	–
Loss on disposal of a subsidiary	–	148
	<u>173</u>	<u>1,406</u>

## 8. FINANCE COSTS

	(Unaudited)	
	Three months ended	
	31 March	
	2021	2020
	<i>HK\$'000</i>	<i>HK\$'000</i>
Effective interest expense on convertible notes	–	5,975
Finance cost on lease liabilities	9	46
Other	159	–
	<u>168</u>	<u>6,021</u>

## 9. INCOME TAX

No provision for Hong Kong Profits Tax has been made as the Group did not generate any taxable profits in Hong Kong for both periods.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the respective jurisdictions. Under the Law of the People's Republic of China (the "PRC") on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both periods. No provision for PRC enterprise income tax has been made as the subsidiary that generated income for the period is a tax-exempted entity in the PRC.

## 10. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of the basic and diluted loss per share attributable to the owners of the Company is based on the following data:

	(Unaudited)	
	Three months ended	
	31 March	
	2021	2020
	<i>HK\$'000</i>	<i>HK\$'000</i>
Unaudited loss for the period for the purposes of basic and diluted loss per share	<u>(7,373)</u>	<u>(10,317)</u>

	(Unaudited)	
	Three months ended	
	31 March	
	2021	2020
	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purpose of basic loss per share	<u>3,934,856,576</u>	<u>3,751,297,033</u>
Weighted average number of ordinary shares for the purpose of diluted loss per share	<u>N/A</u>	<u>N/A</u>

No diluted loss per share has been presented for both periods ended 31 March 2021 and 2020 because the Company's outstanding shares options and convertible notes during the three months ended 31 March 2021 and 2020 have an anti-dilutive impact.

## 11. DIVIDEND

The Directors do not recommend payment of any dividend for the three months ended 31 March 2021 (2020: nil).

## 12. MOVEMENT OF RESERVES (UNAUDITED)

	Share premium <i>HK\$'000</i>	Share- based payment reserve <i>HK\$'000</i>	Exchange fluctuation reserve <i>HK\$'000</i>	Convertible notes equity reserve <i>HK\$'000</i>	PRC staff award fund reserve <i>HK\$'000</i>	Accumulated losses <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 1 January 2020	382,487	90,562	(614)	35,706	11,730	(811,993)	(292,122)
Loss for the period	–	–	–	–	–	(10,317)	(10,317)
Other comprehensive expense							
Exchange differences on translating foreign operations	–	–	(738)	–	–	–	(738)
Realisation of exchange fluctuation reserve upon disposal of a subsidiary	–	–	(74)	–	–	–	(74)
Total comprehensive expense for the period	–	–	(812)	–	–	(10,317)	(11,129)
At 31 March 2020	<u>382,487</u>	<u>90,562</u>	<u>(1,426)</u>	<u>35,706</u>	<u>11,730</u>	<u>(822,310)</u>	<u>(303,251)</u>
At 1 January 2021	<u>438,762</u>	<u>90,562</u>	<u>2,078</u>	<u>–</u>	<u>11,730</u>	<u>(858,342)</u>	<u>(315,210)</u>
Loss for the period	–	–	–	–	–	(7,373)	(7,373)
Other comprehensive expense							
Exchange differences on translating foreign operations	–	–	(1,573)	–	–	–	(1,573)
Total comprehensive expense for the period	–	–	(1,573)	–	–	(7,373)	(8,946)
At 31 March 2021	<u>438,762</u>	<u>90,562</u>	<u>505</u>	<u>–</u>	<u>11,730</u>	<u>(865,715)</u>	<u>(324,156)</u>

## 13. ACQUISITION OF A SUBSIDIARY

On 25 March 2021, the wholly owned subsidiary of the Company completed the acquisition of the entire equity interest in Tianjin Mars Technology Co., Limited at a consideration of RMB5,000,000, the detailed information of the acquisition as shown in the announcement dated 18 December 2020 and 29 December 2020.

The Company has engaged Access Partner Professional Services Limited, an independent valuer to measure the fair value of the purchase price allocation of the investee company as at the acquisition date. The valuation report is expected to be delivered to the Company before issuance of Interim Results Announcement for the period ended 30 June 2021.



The net assets of Tianjin Mars Technology Co., Limited at the date of acquisition are as follows:

	<i>HK\$'000</i>
Consideration satisfied by	
Promissory Notes	2,966
Deferred consideration	2,966
	<hr/>
	5,932
	<hr/> <hr/>
 Net assets/(liabilities) acquired:	
	 <i>HK\$'000</i>
Property, plant and equipment	163
Right-of-use assets	1,438
Cash and cash equivalents	841
Other receivables	10,720
Inventories	6,143
Tax recoverable	42
Trade payables	(8,388)
Other payables	(6,467)
	<hr/>
Total identifiable net assets acquired	4,492
 Goodwill	 1,440
	<hr/>
Total consideration	5,932
	<hr/> <hr/>
 Net cashflow arising on acquisition:	
Cash consideration paid	—
Cash and cash equivalent acquired	841
	<hr/>
	841
	<hr/> <hr/>

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS OVERVIEW

The Group's revenue for the three months' period was nil that was due to the corresponding epidemic prevention and isolation or blockade measures for the outbreak of COVID-19 those effected the negotiation of the continuation of the agreement or liquidation of the Distance Education College between Hunan IIN Medical and Beijing University of Chinese Medicine. Moreover, due to the acquisition of Tianjin Mars Technology was completed on 25 March 2021, therefore, the turnover of Tianjin Mars Technology does not be reflected in the three months' period. Besides the medical education, the database storage businesses would be the one of core businesses of the Group.

### FINANCIAL REVIEW

As above mention, for the three months ended 31 March 2021, the Group recorded revenue was HK\$Nil (2020: HK\$23,642,000) and the Gross Profit was HK\$Nil (2020: HK\$12,438,000).

During the period, the cost of services rendered was HK\$Nil (2020: HK\$11,204,000)

Other income for the period under review amounted to approximately HK\$1,069,000 (2020: HK\$972,000), representing an interest income of approximately HK\$896,000 (2020: HK\$615,000) and sundry income of approximately HK\$173,000 (2020: HK\$357,000).

Other losses for the period under review amounted to approximately HK\$173,000 (2020: HK\$1,406,000) representing net unrealised loss on financial assets at fair value through profit or loss of approximately HK\$70,000 (2020: HK\$500,000), net realised loss on financial assets at fair value through profit or loss was HK\$Nil (2020: HK\$758,000), net exchange loss of approximately HK\$103,000 (2020: HK\$Nil) and loss on disposal of a subsidiary was HK\$Nil (2020: HK\$148,000).

Administrative expenses for the period under review were approximately HK\$7,620,000 representing a decrease of approximately 26.9% from approximately HK\$10,428,000 for the corresponding period of last year.

During the period, the share of loss of an associate of approximately HK\$481,000 (2020: share of loss of HK\$303,000) is contributed by an associate, Beijing Youli Lianxu Technology Co., Ltd., ("Beijing Youli") which was acquired in April 2017.

Finance costs during the period were approximately HK\$168,000 (2020: HK\$6,021,000), and the consolidated loss for the period was approximately HK\$7,373,000 (2020: HK\$4,748,000).

## **OUTLOOK**

On top of the existing e-learning business, the Group has also tapped into the database and data storage service business through the acquisition of Tianjin Mars Technology. As the Group has just successfully acquired Tianjin Mars Technology on 25 March 2021, it was temporarily unable to reflect the revenue for the three months ended 31 March 2021 in the revenue of the Group, but the revenue of Tianjin Mars Technology shall be incorporated into the revenue of the Group from 1 April 2021.

As mentioned above, the issue of the continuation of the Joint Construction Agreement or the liquidation of the Distance Education College between Hunan IIN Medical, a subsidiary of the Group, and Beijing University of Chinese Medicine is still under discussion in the negotiation, but the result of negotiation should be nearly completed, and we will announce the result once we finalize the negotiation.

Moreover, the Group has also been negotiating a new Chinese medicine e-learning co-operation project with universities from other provinces of PRC, which including the qualification to be certified as traditional Chinese medicine practitioners in Singapore. As the related discussions are still under negotiation, the Group will also make relevant announcement upon the implementation of the details.

As for the cooperation on the development of a traditional Chinese medicine recuperation and tourism development project in Jurong Lake District, Singapore, the Group and Oriental Arts Holdings Private Limited (東方藝術控股私人有限公司) have held discussions on the development details of the project with the Singapore Tourism Board. At this stage, the Group is waiting for the local government to issue a formal approval document for the development of Jurong Lake. Thereafter, the Group will recruit other partners for the development project to jointly develop Jurong Lake District.

The Company will continue to look for other attractive investments in the PRC, Singapore and locally in an attempt to diversify into different business areas to reduce the reliance upon existing e-learning and database businesses and strengthen the positive cash flow and earnings for the Group in the long run.

## **Share capital**

As at both 1 January 2021 and 31 March 2021, the authorised share capital of the Company was HK\$5,000,000,000 divided into 50,000,000,000 shares of HK\$0.10 each and the issued share capital of the Company was HK\$393,485,657 divided into 3,934,856,576 shares of HK\$0.10 each.

## **Articles of Association**

There was no change to the Articles of Association to the Company during the period ended 31 March 2021.

## **Foreign exchange exposure**

Most of the Group's assets, liabilities and transactions are denominated in Hong Kong dollars and Renminbi. As the exchange rate between Hong Kong dollars and Renminbi is relatively stable and the expenditure in the PRC was covered by the sales in the PRC, the management considers that the Group has no significant foreign exchange exposures. Foreign exchange risk arising from the normal course of operations is considered to be minimal. As at 31 March 2021, the Group has no foreign currency borrowings and has not used any financial instrument for hedging the foreign exchange risk.

## **Significant investments**

There were no significant investments during the period ended 31 March 2021.

## **Charges on the Group's assets**

There were no material charges on the Group's assets as at 31 March 2021.

## **SHARE OPTIONS SCHEME**

At annual general meeting of the Company held on 23 May 2011, the Company adopted a new share option scheme ("Share Option Scheme") and the share option scheme adopted on 24 November 2001 (the "Old Scheme") became terminated therefrom. The Share Option Scheme became effective on 23 May 2011 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date. Upon termination of Old Scheme, no further Options under the Old Scheme can be granted but the Options which have been granted during the life of the Old Scheme shall continue to be exercisable in accordance with their terms of issue and the provisions of Chapter 23 of the GEM Listing.

The purpose of the Share Option Scheme is to provide the Company with a flexible means of giving incentive to, rewarding, remunerating, compensating and/or providing benefits to the participants and for such other purposes as the Board may approved from time to time.

Pursuant to Share Option Scheme, the Board may grant Options to any participants, including full time and part time employees, directors (including non-executive directors and independent non-executive directors), consultants, advisors, suppliers and customers of the Group, and the Invested Entity and other persons who, at the sole determination of the Board, have made contributions or will contribute to the Group, to subscribe for shares of the Company at a price determined by the Board and shall be no less than the highest of (i) the closing price of the shares as stated in the daily quotations sheets issued by the Stock Exchange on the date of offer of the Option which must be a business day, (ii) the average closing price of the shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of offer of the Options; and (iii) the nominal value of a share on the date of offer of the Options.

An offer of Option shall remain open for acceptance by the participant to whom an offer is made for a period from the offer date to such date as the Board may determine and specify in the offer letter (both days inclusive), provided that no such offer shall be open for acceptance after the 10th anniversary from the adoption date of the Share Option Scheme or after the Share Option Scheme has been terminated in accordance with the provisions hereof, whichever is earlier. A nominal consideration of HK\$1 is payable on acceptance of the offer of an Option.

The total number of shares which may be issued upon exercise of all Options to be granted under the Share Option Scheme and any other share option scheme of the Company shall not in aggregate exceed 10% of the total number of shares of the Company in issue at as the date of approval of the limit. The maximum number of shares issuable under the Option to each eligible participant in the Scheme Option Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time.

Any grant of Options to a participant who is a director, chief executive or substantial shareholder of the Company or their respective associates must be approved by the independent non-executive directors (excluding independent non-executive director who is grantee). In addition, any Options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time and with an aggregate value (based on the closing price of the Company's shares at the date of the grant) in excess of HK\$5,000,000, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

The movements in the Options during the period ended 31 March 2021 are shown in the following table:

Name of the participant	Date of grant	Exercise period and vesting period	Exercise price per share HK\$	At 1 January 2021	Granted during the period	Exercised during the period	Lapsed/Cancelled during the period	At 31 March 2021
<b>Directors</b>								
Yuan Wei	09/09/2015	09/09/2015 – 08/09/2025	0.28	20,000,000	–	–	–	20,000,000
	15/12/2016	15/12/2016 – 14/12/2026	0.311	10,000,000	–	–	–	10,000,000
	17/05/2017	17/05/2017 – 16/05/2027	0.285	3,000,000	–	–	–	3,000,000
	02/07/2019	02/07/2019 – 01/07/2029	0.155	30,600,000	–	–	–	30,600,000
Zhang Jianxin	09/09/2015	09/09/2015 – 08/09/2025	0.28	5,000,000	–	–	–	5,000,000
	15/12/2016	15/12/2016 – 14/12/2026	0.311	5,000,000	–	–	–	5,000,000
	02/07/2019	02/07/2019 – 01/07/2029	0.155	5,000,000	–	–	–	5,000,000
Zheng Zhijing	17/05/2017	17/05/2017 – 16/05/2027	0.285	10,000,000	–	–	–	10,000,000
Yang Qingchun	02/07/2019	02/07/2019 – 01/07/2029	0.155	2,000,000	–	–	–	2,000,000
Tang Jiuda	02/07/2019	02/07/2019 – 01/07/2029	0.155	2,000,000	–	–	–	2,000,000
Lu Xiaowei	02/07/2019	02/07/2019 – 01/07/2029	0.155	2,000,000	–	–	–	2,000,000
<b>Deputy Chief Executive Officer</b>								
Wang Hui	02/07/2019	02/07/2019 – 01/07/2029	0.155	5,000,000	–	–	–	5,000,000
Subtotal				<u>99,600,000</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>99,600,000</u>
<b>Others</b>								
In aggregate	09/09/2015	09/09/2015 – 08/09/2025	0.28	81,000,000	–	–	–	81,000,000
In aggregate	15/12/2016	15/12/2016 – 14/12/2026	0.311	283,000,000	–	–	–	283,000,000
In aggregate	17/05/2017	17/05/2017 – 16/05/2027	0.285	255,200,000	–	–	–	255,200,000
In aggregate	02/07/2019	02/07/2019 – 01/07/2029	0.155	328,500,000	–	–	–	328,500,000
				<u>947,700,000</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>947,700,000</u>
Exercisable at the end of the period								<u>1,047,300,000</u>
Weighted average exercise price				<u>HKD0.245</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>HKD0.245</u>

## DIRECTORS' INTERESTS IN SHARES AND SHARE OPTIONS

As at 31 March 2021, the interests and short positions of the Directors or chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; or (b) pursuant to Section 352 of the SFO, to be recorded in the register referred therein; or (c) pursuant to Rule 5.46 of the GEM Listing Rules to be notified to the Company and the Stock Exchange, were as follows:

### Long positions in shares or underlying shares of the Company

Name of Directors and chief executive	Capacity	Number of shares or underlying shares held			Percentage of issued share capital
		Ordinary Share	Shares Options	Total	
Yuan Wei (Executive Director and Chief Executive Officer)	Beneficial owner	–	63,600,000	63,600,000	1.62%
Zhang Jianxin (Executive Director)	Beneficial owner	–	15,000,000	15,000,000	0.38%
Wong Hiu Pui (Executive Director)	Beneficial owner	120,000	–	120,000	0.003%
Zheng Zhijing (Executive Director)	Beneficial owner	–	10,000,000	10,000,000	0.25%
Lin Yan (Executive Director)	Beneficial owner	126,000,000	–	126,000,000	3.20%
Lin Ruiping (Executive Director)	Beneficial owner	151,936,000	–	151,936,000	3.86%
Yang Qingchun (Independent Non-executive Director)	Beneficial owner	536,000	2,000,000	2,536,000	0.06%
Lu Xiaowei (Independent Non-executive Director)	Beneficial owner	1,000,000	2,000,000	3,000,000	0.08%
Tang Jiuda (Independent Non-executive Director)	Beneficial owner	–	2,000,000	2,000,000	0.05%
Wang Hui (Deputy Chief Executive Officer)	Beneficial owner	–	5,000,000	5,000,000	0.13%

Save as disclosed above, as at 31 March 2021, none of the other Directors or chief executive of the Company had any interest or short position in shares, debentures or underlying shares of the Company and its associated corporations which was required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; or (b) pursuant to Section 352 of the SFO, to be recorded in the register referred therein; or (c) pursuant to Rule 5.46 of the GEM Listing Rules to be notified to the Company and the Stock Exchange.

## INTERESTS DISCLOSEABLE UNDER THE SFO AND SUBSTANTIAL SHAREHOLDERS

As at 31 March 2021, so far as known to any Director or chief executive of the Company, the following persons (other than the Directors and chief executive of the Company) had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept under Section 336 of the SFO:

### Long position in shares or underlying shares of the Company

Name of Shareholder	Capacity	Number of shares or underlying shares held	Percentage of issued share capital
Atlantis Capital Holdings Limited ( <i>note 1</i> )	Investment manager	286,256,000	7.27%
Liu Yang ( <i>notes 1 and 2</i> )	Interest of a controlled corporation	286,256,000	7.27%
Atlantis Investment Management (Hong Kong) Limited ( <i>note 1</i> )	Investment manager	286,256,000	7.27%
Atlantis Investment Management (Ireland) Limited ( <i>note 1</i> )	Investment manager	126,256,000	3.21%
Riverwood Asset Management (Cayman) Ltd. ( <i>note 2</i> )	Investment manager	160,000,000	4.07%
China Shipbuilding Industry Corporation ( <i>note 3</i> )	Investment manager	524,952,000	13.34%
China Shipbuilding Capital Limited ( <i>note 3</i> )	Interest of a controlled corporation	524,952,000	13.34%
Summit Blue Limited ( <i>note 4</i> )	Beneficial owner	384,794,117	9.78%
Wang Peng ( <i>note 4</i> )	Interest of a controlled corporation	384,794,117	9.78%



- Notes:*
1. According to the disclosure of interests notices filed by each of Ms. Liu Yang and Atlantis Capital Holdings Limited, Atlantis Investment Management (Hong Kong) Limited (“Atlantis (Hong Kong)”) and Atlantis Investment Management (Ireland) Limited (“Atlantis (Ireland)”) were disclosed as having interest in 286,256,000 shares and 126,256,000 shares of the Company respectively. Atlantis (Hong Kong) and Atlantis (Ireland) are indirect wholly-owned and direct wholly-owned by Ms. Liu Yang and Atlantis Capital Holdings Limited respectively. Therefore, Ms. Liu Yang and Atlantis Capital Holdings Limited are deemed to be interested in the shares held by Atlantis (Hong Kong) and Atlantis (Ireland).
  2. According to the disclosure of interests notices filed by Riverwood Asset Management (Cayman) Ltd, Riverwood Asset Management (Cayman) Ltd was disclosed as having interest in 160,000,000 shares of the Company and was wholly owned by Ms. Liu Yang. Therefore, Ms. Liu Yang is deemed to be interested in the shares held by Riverwood Asset Management (Cayman) Ltd.
  3. China Shipbuilding Capital Limited was a wholly-owned subsidiary of China Shipbuilding Industry Corporation. China Shipbuilding Capital Limited was the beneficial owner of 493,088,000 shares of the Company and also held 60% shareholding in CSIC Investment One Limited, a company which was the beneficial owner of 31,864,000 shares of the Company.
  4. Summit Blue Limited held 384,794,117 shares of the Company and Mr. Wang Peng held 70% shareholding in Summit Blue Limited. Therefore, Mr. Wang Peng is deemed to be interested in the shares held by Summit Blue Limited under the SFO.

Save as disclosed above, as at 31 March 2021, the Directors were not aware of any other persons (other than the Directors and chief executive of the Company) who had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept under Section 336 of the SFO.

## **CORPORATE GOVERNANCE**

For the period under review, the Company has complied with the Code on Corporate Governance Practices as set out in Appendix 15 in the GEM Listing Rules.

## **DIRECTORS’ INTEREST IN COMPETING BUSINESS**

During the period under review, none of the Directors, substantial shareholders of the Company and their respective associates had any interest in any business that directly or indirectly competed or might compete with the business of the Group.

## **PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY**

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed Securities during the three months ended 31 March 2021.

## **CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company also made specific enquiry with all Directors, and the Company was not aware of any non-compliance with the required standard of dealings and its code of conduct regarding securities transactions by Directors during the period under review.

## **AUDIT COMMITTEE**

The Company has established an audit committee with written terms of reference for the purpose of reviewing and supervising the Company's financial reporting and internal control procedures. As at 31 March 2021, the committee comprised three independent non-executive Directors, namely, Ms. Yang Qingchun, Mr. Tang Jiuda and Ms. Lu Xiaowei.

The Group's unaudited condensed consolidated financial statements for the three months ended 31 March 2021 have been reviewed by the audit committee, which was of the opinion that such statements have complied with the applicable accounting standards and that adequate disclosures have been made.

## **REMUNERATION COMMITTEE**

The remuneration committee of the Company was established on 23 March 2005 with major functions of (i) making recommendations to the Board on the Company's policies and structure for the remuneration of Directors and senior management of the Group; and (ii) determining the remuneration packages of all Directors and senior management of the Group; and (iii) reviewing and approving the performance-based remuneration. The remuneration committee of the Company is chaired by Mr. Yuan Wei. Other members include Ms. Yang Qingchun and Mr. Tang Jiuda. The majority of the members of the remuneration committee are independent non-executive directors.

## **NOMINATION COMMITTEE**

The nomination committee of the Company was established on 23 March 2012. The function of the nomination committee is to identify individual suitably qualified to become director and make recommendation to the Board on the appointment, re-appointment and re-resignation of directors. The nomination committee of the Company is chaired by Mr. Yuan Wei. Other members include Ms. Yang Qingchun and Ms. Lu Xiaowei. The majority of the members of the nomination committee are independent non-executive directors.

By order of the Board  
**China E-Information Technology Group Limited**  
**Yuan Wei**  
*Executive Director*

Hong Kong, 14 May 2021

*As at the date of this announcement, the Board comprises six executive Directors, namely Mr. Yuan Wei, Ms. Zhang Jianxin, Mr. Zheng Zhijing, Ms. Lin Yan, Ms. Wong Hiu Pui and Mr. Lin Ruiping; and three independent non-executive Directors, namely Ms. Yang Qingchun, Mr. Tang Jiuda and Ms. Lu Xiaowei.*

*This announcement will remain on the GEM website at [www.hkgem.com](http://www.hkgem.com) on the “Latest Listed Company Information” page and the website of the Company at [www.irasia.com/listco/hk/chieinfotech/](http://www.irasia.com/listco/hk/chieinfotech/) for at least 7 days from the date of its publication.*