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**SINO-i TECHNOLOGY LIMITED**

**中國數碼信息有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 250)**

**CONTINUING CONNECTED TRANSACTIONS:  
SUPPLEMENTAL AGREEMENTS TO  
INFORMATION SERVICE FRAMEWORK AGREEMENTS**

**SUPPLEMENTAL AGREEMENT TO THE NAN HAI INFORMATION SERVICE  
FRAMEWORK AGREEMENT**

On 26 July 2021 (after trading hours), the Company and Nan Hai entered into a supplemental agreement to the Nan Hai Information Service Framework Agreement, pursuant to which the Company agreed to amend the scope of information products and services to be provided to Nan Hai Group by the Company and/or its subsidiaries and the annual caps under the Nan Hai Information Service Framework Agreement.

Reference is made to the announcement of the Company dated 31 December 2019 in relation to the Nan Hai Information Service Framework Agreement entered into between the Company and Nan Hai, pursuant to which the Company and/or its subsidiaries agreed to provide certain information products and services to Nan Hai Group from 1 January 2020 to 31 December 2022.

**SUPPLEMENTAL AGREEMENT TO THE GD CINEMA CIRCUIT  
INFORMATION SERVICE FRAMEWORK AGREEMENT**

On 26 July 2021 (after trading hours), the Company and GD Cinema Circuit also entered into a supplemental agreement to the GD Cinema Circuit Information Service Framework Agreement, pursuant to which the Company agreed to amend the scope of information products and services to be provided to GD Cinema Circuit Group by the Company and/or its subsidiaries and the annual caps under the GD Cinema Circuit Information Service Framework Agreement.

Reference is made to the announcement of the Company dated 31 December 2019 in relation to the GD Cinema Circuit Information Service Framework Agreement entered into between the Company and GD Cinema Circuit, pursuant to which the Company and/or its subsidiaries agreed to provide certain information products and services to GD Cinema Circuit Group from 1 January 2020 to 31 December 2022.

## **LISTING RULES IMPLICATIONS**

As Nan Hai is the holding company of the Company, Nan Hai is a connected person of the Company. Therefore, the transactions under the Nan Hai Information Service Framework Agreement and its supplemental agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As at the date of this announcement, Ms. Liu, a director of both the Company and Nan Hai, owns 80% interest of Dadi Century Beijing, which directly owns 82.49% equity interest of GD Cinema Circuit, and effectively controls 12.95% equity interest of GD Cinema Circuit through Dadi Legend, which is an associate of Ms. Liu. In addition, Mr. YCH, an associate of Mr. YPH (a director of both the Company and Nan Hai), owns 20% interest of Dadi Century Beijing. Given the foregoing, GD Cinema Circuit is a connected person of the Company and the GD Cinema Circuit Information Service Framework Agreement and its supplemental agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As Nan Hai and GD Cinema Circuit are connected with each other and the Nan Hai Information Service Framework Agreement and its supplemental agreement as well as the GD Cinema Circuit Information Service Framework Agreement and its supplemental agreement are of a similar nature, the annual caps for the continuing connected transactions under the above-mentioned agreements will be aggregated for the purpose of calculating the percentage ratios in accordance with Rule 14A.81 of the Listing Rules. As the applicable percentage ratios for the transactions contemplated under the Information Service Framework Agreements and the Supplemental Agreements exceed 0.1% but less than 5%, the transactions contemplated under the Nan Hai Information Service Framework Agreement and its supplemental agreement as well as the GD Cinema Circuit Information Service Framework Agreement and its supplemental agreement are subject to the reporting, annual review and announcement requirements but are exempt from the circular (including independent financial advice) and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

References are made to the announcements of the Company dated 22 December 2020, 24 February 2021, 11 May 2021, 4 June 2021, 20 July 2021 and 26 July 2021 as well as the circular dated 28 June 2021 in relation to the Sale and Purchase, which was completed on 26 July 2021. Upon completion of the Sale and Purchase, Digicine Oristar and its subsidiary will be consolidated into the consolidated financial statements of the Group effective from the date of completion. Digicine Oristar and its subsidiary will still be consolidated into the consolidated financial statements of Nan Hai Group and will continue to be the subsidiaries of Nan Hai following the completion.

As Digicine Oristar and its subsidiary intend to conduct similar transactions from time to time with Nan Hai Group and GD Cinema Circuit Group after 26 July 2021, the Company entered into the supplemental agreement to the Nan Hai Information Service Framework Agreement with Nan Hai and the supplemental agreement to the GD Cinema Circuit Information Service Framework Agreement with GD Cinema Circuit, respectively.

## I. SUPPLEMENTAL AGREEMENT TO THE NAN HAI INFORMATION SERVICE FRAMEWORK AGREEMENT

On 26 July 2021 (after trading hours), the Company and Nan Hai entered into a supplemental agreement to the Nan Hai Information Service Framework Agreement to amend the scope of information products and services to be provided to Nan Hai Group by the Company and/or its subsidiaries and the annual caps under the Nan Hai Information Service Framework Agreement, details of the amendments are set out below:

### Information Products and Services

Pursuant to the Nan Hai Information Service Framework Agreement and its supplemental agreement, the Company agreed to provide (or procure its subsidiaries to provide) certain information products and services to Nan Hai Group, including enterprise postal services, office internet connection services, server co-location, ISP (internet service provider), IDC (internet data center) related services, cloud services and cloud value-added services, software technology and development, digital solutions for the cinema industry and other technical services. The Company and/or its subsidiaries will enter into individual information service agreements with members of Nan Hai Group, setting out specific terms including term, consideration for the information products and services and payment terms. Such terms will be consistent with the principles and terms of the Nan Hai Information Service Framework Agreement and its supplemental agreement.

### Historical Figures and Annual Caps

The following table sets out the historical information products and services fees paid by Nan Hai Group to the Group (other than Digicine Oristar and its subsidiaries) for the period from 1 January 2018 to 26 July 2021:

	For the year ended 31 December			For the
	2018	2019	2020	period ended
	HK\$'000	HK\$'000	HK\$'000	26 July 2021
				HK\$'000
Total consideration	14,585	6,200	5,786	2,878 <sup>Note 1</sup>

*Note 1:* Since the audited figures for the information products and services fees paid by Nan Hai Group to the Group (other than Digicine Oristar and its subsidiaries) for the period ended 26 July 2021 are not yet available, it is only an estimated figure.

The following table sets out the historical information products and services fees paid by Nan Hai Group (other than Digicine Oristar and its subsidiaries) to Digicine Oristar and its subsidiaries for the period from 1 January 2018 to 26 July 2021.

	<b>For the year ended 31 December</b>			<b>For the</b>
	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>period ended</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<b>26 July 2021</b>
				<i>HK\$'000</i>
Total consideration	24,621	1,079	641	11,328 <sup>Note 2</sup>

*Note 2:* Since the audited figures for the information products and services fees paid by Nan Hai Group (other than Digicine Oristar and its subsidiaries) to Digicine Oristar and its subsidiaries for the period ended 26 July 2021 are not yet available, it is only an estimated figure.

The following table sets out the amended annual caps for the transaction amounts in respect of the information products and services to be provided to Nan Hai Group by the Company and/or its subsidiaries (including Digicine Oristar and its subsidiary) under the Nan Hai Information Service Framework Agreement and its supplemental agreement:

	<b>For the year ending</b>	
	<b>31 December</b>	
	<b>2021</b>	<b>2022</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>
Total consideration	24,000	37,500

The amended annual caps are determined with reference to:

1. the historical transaction amounts for the information products and services between the Group (including Digicine Oristar and its subsidiary) and Nan Hai Group in the past;
2. the type of information products and services to be provided by the Group (including Digicine Oristar and its subsidiary) to Nan Hai Group; and
3. the estimated demand of Nan Hai Group for information products and services.

The Directors (including the independent non-executive Directors) consider that the above amended annual caps under the supplemental agreement to the Nan Hai Information Service Framework Agreement are fair and reasonable.

## II. SUPPLEMENTAL AGREEMENT TO THE GD CINEMA CIRCUIT INFORMATION SERVICE FRAMEWORK AGREEMENT

On 26 July 2021 (after trading hours), the Company and GD Cinema Circuit entered into a supplemental agreement to the GD Cinema Circuit Information Service Framework Agreement to amend the scope of information products and services to be provided to GD Cinema Circuit Group by the Company and/or its subsidiaries and the annual caps under the GD Cinema Circuit Information Services Framework Agreement, details of the amendments are set out below:

### Information Products and Services

Pursuant to the GD Cinema Circuit Information Service Framework Agreement and its supplemental agreement, the Company agreed to provide (or procure its subsidiaries to provide) certain information products and services to GD Cinema Circuit Group, including enterprise postal services, office internet connection services, server co-location, ISP (internet service provider), IDC (internet data center) related services, cloud services and cloud value-added services, software technology and development, digital solutions for the cinema industry and other technical services. The Company and/or its subsidiaries will enter into individual information service agreements with members of GD Cinema Circuit Group, setting out specific terms including term, consideration for the information products and services and payment terms. Such terms will be consistent with the principles and terms of the GD Cinema Circuit Information Service Framework Agreement and its supplemental agreement.

### Historical Figures and Annual Caps

The following table sets out the historical information products and services fees paid by GD Cinema Circuit Group to the Group (other than Digicine Oristar and its subsidiaries) for the period from 1 January 2018 to 26 July 2021:

	For the year ended 31 December			For the
	2018	2019	2020	period ended
	HK\$'000	HK\$'000	HK\$'000	26 July 2021
				HK\$'000
Total consideration	260	429	161	80 <sup>Note 3</sup>

*Note 3:* Since the audited figures for the information products and services fees paid by GD Cinema Circuit Group to the Group (other than Digicine Oristar and its subsidiaries) for the period ended 26 July 2021 are not yet available, it is only an estimated figure.

The following table sets out the historical information products and services fees paid by GD Cinema Circuit Group to Digicine Oristar and its subsidiaries for the period from 1 January 2018 to 26 July 2021.

	<b>For the year ended 31 December</b>			<b>For the</b>
	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>period ended</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<b>26 July 2021</b>
				<i>HK\$'000</i>
Total consideration	221	423	259	0 <sup>Note 4</sup>

*Note 4:* Since the audited figures for the information products and services fees paid by GD Cinema Circuit Group to Digicine Oristar and its subsidiaries for the period ended 26 July 2021 are not yet available, it is only an estimated figure.

The following table sets out the amended annual caps for the transaction amounts in respect of the information products and services to be provided to GD Cinema Circuit Group by the Company and/or its subsidiaries (including Digicine Oristar and its subsidiary) under the GD Cinema Circuit Information Service Framework Agreement and its supplemental agreement:

	<b>For the year ending</b>	
	<b>31 December</b>	
	<b>2021</b>	<b>2022</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>
Total consideration	4,000	7,500

The amended annual caps are determined with reference to:

1. the historical transaction amounts for the information products and services provided by the Group (including Digicine Oristar and its subsidiary) to GD Cinema Circuit Group in the past;
2. the type of information products and services to be provided by the Group (including Digicine Oristar and its subsidiary) to GD Cinema Circuit Group; and
3. the estimated demand of GD Cinema Circuit Group for information products and services.

The Directors (including the independent non-executive Directors) consider that the above amended annual caps under the supplemental agreement to the GD Cinema Circuit Information Service Framework Agreement are fair and reasonable.

### **III. REASONS FOR AND BENEFITS OF ENTERING INTO SUPPLEMENTAL AGREEMENTS TO THE INFORMATION SERVICE FRAMEWORK AGREEMENTS**

References are made to the announcements of the Company dated 22 December 2020, 24 February 2021, 11 May 2021, 4 June 2021, 20 July 2021 and 26 July 2021 as well as the circular dated 28 June 2021 in relation to the Sale and Purchase, which was completed on 26 July 2021. Upon completion of the Sale and Purchase, Digicine Oristar and its subsidiary will be consolidated into the consolidated financial statements of the Group effective from the date of completion. Digicine Oristar and its subsidiary will still be consolidated into the consolidated financial statements of Nan Hai Group and will continue to be the subsidiaries of Nan Hai following the completion.

As Digicine Oristar and its subsidiary intend to conduct transactions such as digital solutions for the cinema industry and other technical services from time to time with Nan Hai Group and GD Cinema Circuit Group after 26 July 2021, the Company entered into the supplemental agreement to the Nan Hai Information Service Framework Agreement with Nan Hai and the supplemental agreement to the GD Cinema Circuit Information Service Framework Agreement with GD Cinema Circuit respectively.

The respective terms of the Supplemental Agreements have been agreed upon after arm's length negotiations between the Company and Nan Hai and between the Company and GD Cinema Circuit, respectively.

The Directors (including the independent non-executive Directors) are of the view that (i) the continuing connected transactions contemplated under the terms of the supplemental agreements to the Information Service Framework Agreements are on normal commercial terms or better and in the ordinary and usual course of business of the Group; (ii) the terms of the supplemental agreements to the Information Service Framework Agreements are fair and reasonable and in the interests of the Company and the Shareholders as a whole; and (iii) the proposed annual caps for the transactions contemplated under the supplemental agreements to the Information Service Framework Agreements are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### **IV. INTERNAL CONTROL MEASURES FOR CONTINUING CONNECTED TRANSACTIONS**

To safeguard the interests of the Group, the Group will adopt the following internal control measures:

1. the relevant personnel of the Group will closely monitor all transactions of the Group under the Information Service Framework Agreements and the Supplemental Agreements to ensure that the total consideration does not exceed the stipulated annual caps;
2. prior to entering into an information service agreement contemplated under the Information Service Framework Agreements and the Supplemental Agreements, the relevant personnel of the Group will ensure the products and services fees are

negotiated on arm's length basis, with reference to the prevailing products and services fees of comparable information products and services provided to independent third parties during the same period;

3. the management of the Company and/or its subsidiaries, with reference to the terms of agreements in respect of comparable information products and services provided to other independent third parties, will examine each information product and service agreement entered into with Nan Hai Group and GD Cinema Circuit Group, and ensure the products and services fees are fair and reasonable, on normal commercial terms and on terms not less favourable than those entered into with independent third parties;
4. the relevant personnel of the Group will conduct regular checks to review and assess whether the transactions contemplated under the relevant continuing connected transactions are conducted in accordance with the terms set out in the respective Information Service Framework Agreements and the Supplemental Agreements and whether the considerations for the transactions are fair and reasonable and in accordance with the pricing policies set out in the Information Service Framework Agreements and the Supplemental Agreements;
5. the Company's external auditors will conduct an annual review of the transactions entered into under the Information Service Framework Agreements and the Supplemental Agreements to ensure the transactions amount are within the annual caps and the transactions are conducted in accordance with the terms set out in the Information Service Framework Agreements and the Supplemental Agreements; and
6. the Company's independent non-executive Directors will conduct an annual review of the status of the information products and services provided by the Group to ensure the Group has complied with internal approval process, the terms of the Information Service Framework Agreements and the Supplemental Agreements and the relevant Listing Rules.

## **V. INFORMATION ON THE PARTIES**

### **The Company**

The Company is an investment holding company, the securities of which are listed and traded on the Main Board of the Stock Exchange. The Group is principally engaged in the provision of enterprise cloud services.

### **Nan Hai**

Nan Hai is an investment holding company, the securities of which are listed and traded on the Main Board of the Stock Exchange. Nan Hai Group is principally engaged in (i) culture and media services (mainly in cinemas business on a nationwide basis in the PRC and other media related businesses); (ii) property development; and (iii) enterprise cloud services (through the Group). In the meantime, Nan Hai Group has also tapped



into the business sectors in news media and innovative business. As at the date of this announcement, Nan Hai, through a number of wholly-owned subsidiaries, holds approximately 59.11% of the issued share capital of the Company.

### **GD Cinema Circuit**

To the best information, knowledge and belief of the Board, GD Cinema Circuit is a company incorporated in the PRC with limited liability. Its business scope includes motion picture distribution (cinema circuit); advertising agency; sales, installation and maintenance of motion picture projection equipment and other cinema operation facilities; motion picture projection technical services; and leasing of equipment and premises. GD Cinema Circuit has obtained a permit of cross-province cinema circuit issued by the relevant authority.

## **VI. LISTING RULES IMPLICATIONS**

As Nan Hai is the holding company of the Company, Nan Hai is a connected person of the Company. Therefore, the transactions under the Nan Hai Information Service Framework Agreement and its supplemental agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As at the date of this announcement, Ms. Liu, a director of both the Company and Nan Hai, owns 80% interest of Dadi Century Beijing, which directly owns 82.49% equity interest of GD Cinema Circuit, and effectively controls 12.95% equity interest of GD Cinema Circuit through Dadi Legend, which is an associate of Ms. Liu. In addition, Mr. YCH, an associate of Mr. YPH (a director of both the Company and Nan Hai), owns 20% interest of Dadi Century Beijing. Given the foregoing, GD Cinema Circuit is a connected person of the Company and the GD Cinema Circuit Information Service Framework Agreement and its supplemental agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As Nan Hai and GD Cinema Circuit are connected with each other and the Nan Hai Information Service Framework Agreement and its supplemental agreement as well as the GD Cinema Circuit Information Service Framework Agreement and its supplemental agreement are of a similar nature, the annual caps for the continuing connected transactions under the above-mentioned agreements will be aggregated for the purpose of calculating the percentage ratios in accordance with Rule 14A.81 of the Listing Rules. As the applicable percentage ratios for the transactions contemplated under the Information Service Framework Agreements and the Supplemental Agreements exceed 0.1% but less than 5%, the transactions contemplated under the Information Service Framework Agreements and the Supplemental Agreements are subject to the reporting, annual review and announcement requirements but are exempt from the circular (including independent financial advice) and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

## VII. APPROVAL BY THE BOARD

The Board has approved the supplemental agreement to the Nan Hai Information Service Framework Agreement. Since Mr. YPH has a material interest in the supplemental agreement to the Nan Hai Information Service Framework Agreement, he has abstained from voting on the Board resolution to approve the supplemental agreement to the Nan Hai Information Service Framework Agreement.

The Board has also approved the supplemental agreement to the GD Cinema Circuit Information Service Framework Agreement. Since Ms. Liu has a material interest in GD Cinema Circuit, she has abstained from voting on the Board resolution to approve the supplemental agreement to the GD Cinema Circuit Information Service Framework Agreement. For good corporate governance purposes, Mr. YPH has also abstained from voting on the Board resolution to approve the supplemental agreement to the GD Cinema Circuit Information Service Framework Agreement.

## VIII. DEFINITIONS

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

“associate(s)”	has the meaning given to it under the Listing Rules
“Board”	the board of Directors
“Company”	Sino-i Technology Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed and traded on the Main Board of the Stock Exchange (stock code: 250)
“connected person(s)”	has the meaning given to it under the Listing Rules
“Dadi Century Beijing”	大地時代文化傳播(北京)有限公司 (Dadi Century Culture Media (Beijing) Company Limited*), a company incorporated in the PRC, which is an associate of Ms. Liu (an executive Director) and holds 82.49% equity interest of GD Cinema Circuit
“Dadi Legend”	北京大地傳奇投資合夥企業(有限合夥) (Beijing Dadi Legend Investment Partnership (Limited Partnership)*), a limited partnership incorporated in the PRC, which is an associate of Ms. Liu (an executive Director) and holds 12.95% equity interest of GD Cinema Circuit
“Digicine Oristar”	數碼辰星科技發展(北京)有限公司 (Digicine Oristar Technology Development (Beijing) Company Limited*), a company incorporated in the PRC with limited liability and a subsidiary of Nan Hai and the Company

\* For identification purposes only

“Director(s)”	the director(s) of the Company
“GD Cinema Circuit”	廣東大地電影院線股份有限公司 (GD Cinema Circuit Company Limited*), a company incorporated in the PRC, and is a connected person of the Company
“GD Cinema Circuit Group”	GD Cinema Circuit, its shareholders, and its subsidiaries
“GD Cinema Circuit Information Service Framework Agreement”	the information service framework agreement entered into between the Company and GD Cinema Circuit on 31 December 2019, pursuant to which the Company and/or its subsidiaries shall provide certain information products and services to GD Cinema Circuit Group in accordance with the terms thereunder in 2020, 2021 and 2022
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“independent third party(ies)”	any person(s) or companies and their respective ultimate beneficial owner(s) whom, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, is/are third party(ies) independent of the Company and its connected persons
“Information Service Framework Agreements”	the Nan Hai Information Service Framework Agreement and the GD Cinema Circuit Information Service Framework Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. YCH”	Mr. Yu Cheung Hoi (于常海先生), elder brother of Mr. YPH, who is not a substantial shareholder or director or chief executive of the Company or any of its subsidiaries
“Mr. YPH”	Mr. Yu Pun Hoi (于品海先生), a controlling shareholder of the Company and the chairman and executive director of Nan Hai and the executive Director of the Company
“Ms. Liu”	Ms. Liu Rong (劉榮女士), the chairlady and executive director of the Company and an executive director of Nan Hai, who is not a substantial shareholder of the Company and its subsidiaries

\* For identification purposes only

“Nan Hai”	Nan Hai Corporation Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed and traded on the Main Board of the Stock Exchange (stock code: 680), and is the holding company and a connected person of the Company
“Nan Hai Group”	Nan Hai and its subsidiaries (excluding the Group)
“Nan Hai Information Service Framework Agreement”	the information service framework agreement entered into between the Company and Nan Hai on 31 December 2019, pursuant to which the Company and/or its subsidiaries shall provide certain information products and services to Nan Hai Group in accordance with the terms thereunder in 2020, 2021 and 2022
“PRC”	the People’s Republic of China, for the purposes of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Sale and Purchase”	the disposal of the 100% equity interest in Digicine Oristar by Nan Hai to the Company pursuant to the terms of the sale and purchase agreement dated 22 December 2020 and its supplemental agreement dated 4 June 2021 which was completed on 26 July 2021
“Share(s)”	ordinary share(s) of the Company
“Shareholder(s)”	the holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Agreements”	the supplemental agreement to the Nan Hai Information Service Framework Agreement dated 26 July 2021 and the supplemental agreement to the GD Cinema Circuit Information Service Framework Agreement dated 26 July 2021

By Order of the Board  
**Sino-i Technology Limited**  
**Liu Rong**  
*Chairlady*

Hong Kong, 26 July 2021

*As at the date of this announcement, the directors of the Company are as follows:*

<i>Executive Directors:</i>	<i>Non-executive Directors:</i>	<i>Independent non-executive Directors:</i>
Ms. Liu Rong	Mr. Lam Bing Kwan	Mr. Fung Wing Lap
Mr. Yu Pun Hoi	Mr. Cheng Chih-Hung	Mr. Xiao Sui Ning
Mr. Chen Ming Fei		Mr. Ho Yeung Nang