
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China E-Information Technology Group Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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This circular, for which the directors of China E-Information Technology Group Limited 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 circular 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 circular misleading.



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)

**PROPOSED GRANTING OF GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE NEW SHARES
AND
PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS
AND
PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT
AND
NOTICE OF THE 2019 ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of China E-Information Technology Group Limited to be held at Unit 2609-10, 26/F, Office Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong on Wednesday, 26 June 2019 at 10:30 a.m. is set out on pages 18 to 22 of this circular. A form of proxy for use at the 2019 annual general meeting is also enclosed with this circular. Such form of proxy is also published on the websites of GEM of The Stock Exchange of Hong Kong Limited (www.hkgem.com) and the Company (www.irasia.com/listco/hk/chieinfotech).

Whether or not you are able to attend the 2019 annual general meeting, please complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the 2019 annual general meeting or any adjournment thereof (i.e. not later than 10:30 a.m. on Monday, 24 June 2019). Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the 2019 annual general meeting or any adjourned meeting thereof if they so wish.

This circular will remain on the GEM website at www.hkgem.com on the "Latest Company Announcements" page for at least 7 days from the date of publication.

References to time and dates in this circular are to Hong Kong time and dates.

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

GEM has been positioned as a market designed to accommodate 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. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, 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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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“2019 AGM”	an annual general meeting of the Company to be held at Unit 2609-10, 26/F, Office Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong on Wednesday, 26 June 2019 at 10:30 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 18 to 22 of this circular, or any adjournment thereof;
“Articles of Association”	the articles of association of the Company currently in force;
“Board”	the board of Directors;
“China” or “PRC”	The People’s Republic of China, which for the purpose of this circular and for geographical reference only, excludes Hong Kong, Macau and Taiwan;
“Company”	China E-Information Technology Group Limited 中國網絡信息科技集團有限公司, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on GEM;
“Director(s)”	the director(s) of the Company;
“GEM”	GEM of the Stock Exchange;
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM;
“Group”	the Company and its subsidiaries from time to time;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Issuance Mandate”	as defined in paragraph 2(b) of the Letter from the Board;
“Latest Practicable Date”	20 May 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;

DEFINITIONS

“Old Scheme”	the share option scheme adopted by the Company on 24 November 2001;
“Option(s)”	the option(s) to subscribe for Share(s) under the Company’s share option schemes;
“Participants”	full time executive directors or full time employees of the Company or any of its subsidiaries;
“Repurchase Mandate”	as defined in paragraph 2(a) of the Letter from the Board;
“Scheme Mandate Limit”	the maximum number of Shares which may be issued upon exercise of all Options granted/to be granted under the Share Option Scheme and all other Options under any other share option schemes of the Group;
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong;
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company;
“Share Option Scheme”	the share option scheme adopted by the Company on 23 May 2011;
“Shareholder(s)”	holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	The Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong (as amended from time to time); and
“%”	per cent.

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Yuan Wei
Ms. Zhang Jianxin
Mr. Zheng Zhijing
Ms. Lin Yan
Ms. Wong Hiu Pui

Registered Office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Independent Non-executive Directors:

Ms. Lu Xiaowei
Mr. Tang Jiuda
Ms. Yang Qingchun

Principal Place of Business

in Hong Kong:
Unit 2609-10, 26/F
Office Tower
Convention Plaza
1 Harbour Road, Wanchai
Hong Kong

27 May 2019

To the Shareholders

Dear Sir or Madam,

**PROPOSED GRANTING OF GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE NEW SHARES
AND
PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS
AND
PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT
AND
NOTICE OF THE 2019 ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of the certain resolutions to be proposed at the 2019 AGM for (i) the granting of the Repurchase Mandate to the Directors; (ii) the granting of the Issuance Mandate to the Directors; (iii) the extension of the Issuance Mandate by adding to it the aggregate number of Shares repurchased by the Company under the Repurchase Mandate; (iv) the re-election of the retiring Directors; and (v) the refreshment of the Scheme Mandate Limit.

LETTER FROM THE BOARD

2. PROPOSED GRANTING OF THE REPURCHASE AND ISSUANCE MANDATES

At the annual general meeting of the Company held on 29 June 2018, general mandates were granted to the Directors to exercise the powers of the Company to repurchase Shares and to issue new Shares. Such mandates, to the extent not utilized, will lapse at the conclusion of the 2019 AGM.

At the 2019 AGM, ordinary resolutions will be proposed to approve the granting of new general mandates to the Directors:

- (a) to purchase Shares on GEM or on any other stock exchange recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange, not exceeding 10% of the total number of issued Shares as at the date of passing of such resolution (i.e. 375,129,703 Shares on the basis that the existing issued share capital of the Company of 3,751,297,033 Shares remains unchanged as at the date of the 2019 AGM) (the “**Repurchase Mandate**”);
- (b) to allot, issue or deal with Shares not exceeding 20% of the total number of issued Shares as at the date of passing of such resolution (i.e. 750,259,406 Shares on the basis that the existing issued share capital of the Company of 3,751,297,033 Shares remains unchanged as at the date of the 2019 AGM) (the “**Issuance Mandate**”); and
- (c) to extend the Issuance Mandate by an amount representing the number of Shares repurchased by the Company pursuant to and in accordance with the Repurchase Mandate.

The Repurchase Mandate and the Issuance Mandate will continue to be in force until the conclusion of the next annual general meeting of the Company held after the 2019 AGM or any earlier date as referred to in the proposed ordinary resolutions contained in items 8 and 9 of the notice of the 2019 AGM as set out on pages 18 to 22 of this circular.

In accordance with the requirements of the GEM Listing Rules, the Company is required to send to the Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the granting of the Repurchase Mandate. The explanatory statement as required by the GEM Listing Rules in connection with the Repurchase Mandate is set out in Appendix I to this circular.

3. PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS

Pursuant to Articles 86(3) and 87 of the Articles of Association, Ms. Zhang Jianxin, Mr. Zheng Zhijing, Ms. Wong Hiu Pui and Ms. Yang Qingchun shall retire at the 2019 AGM and, being eligible, all of them will offer themselves for re-election at the 2019 AGM.

LETTER FROM THE BOARD

In accordance with Rule 17.46A of the GEM Listing Rules, a listed issuer shall disclose the details required under Rule 17.50(2) of the GEM Listing Rules of any director(s) proposed to be re-elected or proposed new director in the notice or accompanying circular to its shareholders of the relevant general meeting, if such re-election or appointment is subject to shareholders' approval at that relevant general meeting. The requisite details of the above retiring Directors are set out in Appendix II to this circular.

4. PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT

At the annual general meeting of the Company held on 23 May 2011, the Company adopted a new Share Option Scheme and 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 the 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 Rules. As at the Latest Practicable Date, an aggregate of 14,936,322 Options under the Old Scheme were outstanding, representing approximately 0.40% of the Shares in issue as at the Latest Practicable Date.

The Board proposes to seek the approval of the Shareholders to refresh the existing Scheme Mandate Limit. Under the existing Scheme Mandate Limit, the Directors were authorized to grant 330,497,938 Options to subscribe for up to 330,497,938 Shares, representing 10% of the issued share capital of the Company as at the date of the Company's annual general meeting on 12 May 2017 at which the existing Scheme Mandate Limit was approved. On 17 May 2017, the Company granted 330,000,000 Options to Participants at an exercise price of HK\$0.285 for each Option. Among these 330,000,000 Options, 21,000,000 Options were granted to the Directors, 285,000,000 Options were granted to employees of the Group and 24,000,000 Options were granted to external consultants of the Company. Since the approval of the existing Scheme Mandate Limit on 12 May 2017 and up to the Latest Practicable Date, the Company has granted 330,000,000 Options under the existing Scheme Mandate Limit; 61,800,000 Options were exercised and no Option was lapsed or cancelled; 268,200,000 Options remained outstanding (representing approximately 7.15% of the Shares in issue as at the Latest Practicable Date) and 497,938 Options have not been granted. In addition to the above, up to the Latest Practicable Date, there are a total of 404,000,000 Options remained outstanding (representing approximately 10.77% of the Shares in issue as at the Latest Practicable Date) under the Scheme Mandate Limit approved in the Company's annual general meeting held on 9 June 2015 and extraordinary general meeting held on 12 December 2016, respectively.

Accordingly, immediately prior to the refreshment of the existing Scheme Mandate Limit, a total of 687,136,322 Options granted under the Old Scheme and the Share Option Scheme to subscribe for 687,136,322 Shares remained outstanding, which represented 18.32% of the Shares in issue as at the Latest Practicable Date, since the adoption of the Old Scheme and the Share Option Scheme. Among these 687,136,322 Options, 84,908,550 Options were granted to Directors/former Directors, 377,227,772 Options were granted to employees/former employees of the Group and 225,000,000 Options were granted to consultants/former consultants of the Company.

LETTER FROM THE BOARD

In order to provide the Company with greater flexibility in granting Options to eligible persons (including but not limited to employees and Directors) of the Company under the Share Option Scheme as incentives or rewards for their contribution to the Company, the Board decided to seek the approval from the Shareholders to refresh the Scheme Mandate Limit at the 2019 AGM. The refreshment of the Scheme Mandate Limit is in line with the purpose of the Share Option Scheme. The Directors consider that such refreshment of the Scheme Mandate Limit is in the interest of the Company and the Shareholders as a whole.

Based on 3,751,297,033 Shares in issue as at the Latest Practicable Date and assuming no further Shares are repurchased and issued prior to the 2019 AGM, upon the approval of the refreshment of the Scheme Mandate Limit at the 2019 AGM, the Directors will, apart from the 687,136,322 Options which have already been granted and are still outstanding, be authorized to exercise the powers of the Company to issue 375,129,703 Options to subscribe for a total of 375,129,703 Shares, representing 10% of the total number of Shares in issue as at the 2019 AGM. Assuming that the refreshment of the Scheme Mandate Limit is approved at the 2019 AGM and taking into account the following:

- (i) the additional 375,129,703 Shares subject to the Scheme Mandate Limit (as refreshed); and
- (ii) the 687,136,322 Shares subject to the Options granted under the Old Scheme and the Share Option Scheme and yet to be exercised,

the number of the Shares that may be issued under the Options to be granted under the Scheme Mandate Limit (as refreshed) and to be issued under the Options granted under the Old Scheme and the Share Option Scheme and outstanding will be in aggregate of 1,062,266,025 Shares, representing approximately 28.32% of the Shares in issue as at the Latest Practicable Date and is within the 30% of Shares in issue as at the Latest Practicable Date. Under the GEM Listing Rules, the 30% scheme limit represents a limit of 30% of the Shares in issue from time to time which may be issued upon the exercise of all outstanding Options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Group.

Pursuant to Rule 23.03(4) of the GEM Listing Rules, the total number of securities issued and to be issued upon exercise of the options granted to each participant (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the relevant class of securities of the listed issuer (or the subsidiary) in issue. Where any further grant of options to a participant would result in the securities issued and to be issued upon exercise of all options granted and to be granted to such person (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the relevant class of securities in issue, such further grant must be separately approved by shareholders of the listed issuer in general meeting with such participant and his close associates (or his associates if the participant is a connected person) abstaining from voting. The total number of Shares issued and to be issued upon exercise of the Options granted to each Participant (including both exercised and outstanding Options) in any 12-month period must not exceed 1% of the issued Shares unless approved by the Shareholders in accordance with Rule 23.03(4) of the GEM Listing Rules.

LETTER FROM THE BOARD

The refreshment of the Scheme Mandate Limit of the Share Option Scheme is conditional upon:

- (i) the passing of an ordinary resolution at the 2019 AGM to approve the refreshment of the Scheme Mandate Limit by the Shareholders, to authorise the Directors to grant Options to subscribe for Shares under the Share Option Scheme and to allot and issue Shares pursuant to the exercise of any Options granted under the Share Option Scheme; and
- (ii) the GEM Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the new Shares to be issued pursuant to the exercise of any Options granted under the refreshed Scheme Mandate Limit.

Application will be made to the Stock Exchange by the Company for the approval of the listing of and permission to deal in the Shares to be issued upon the exercise of any Options that may be granted under the Share Option Scheme and any other schemes of the Company under the refreshed Scheme Mandate Limit.

An ordinary resolution will be proposed at the 2019 AGM to approve the refreshment of the Scheme Mandate Limit of the Share Option Scheme in the terms as set out in the notice of the 2019 AGM. In order that the Company could continue to grant Options to selected Participants as incentives or rewards for their contribution to the Company, the Directors recommend the Shareholders to vote in favor of the resolution.

5. 2019 AGM AND PROXY ARRANGEMENT

The notice of the 2019 AGM is set out on pages 18 to 22 of this circular. At the 2019 AGM, resolutions will be proposed to approve, inter alia, the granting of the Repurchase Mandate and the Issuance Mandate, the extension of the Issuance Mandate by the addition thereto of the number of Shares repurchased by the Company pursuant to the Repurchase Mandate, the re-election of the retiring Directors and the refreshment of the Scheme Mandate Limit.

Pursuant to the GEM Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Accordingly, all the proposed resolutions will be put to vote by way of poll at the 2019 AGM. An announcement on the poll vote results will be published by the Company after the 2019 AGM in the manner prescribed under Rule 17.47(5) of the GEM Listing Rules.

LETTER FROM THE BOARD

A form of proxy for use at the 2019 AGM is enclosed with this circular and such form of proxy is also published on the GEM website (www.hkgem.com) and the Company's website (www.irasia.com/listco/hk/chieinfotech). Whether or not you are able to attend the 2019 AGM, please complete and sign the form of proxy in accordance with the instructions printed thereon and return it, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority, to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the 2019 AGM or any adjournment thereof (i.e. not later than 10:30 a.m. on Monday, 24 June 2019). Completion and delivery of the form of proxy will not preclude you from attending and voting at the 2019 AGM or any adjournment thereof if you so wish and in such event, the proxy form shall be deemed to be revoked.

6. RECOMMENDATION

The Directors consider that the granting of the Repurchase Mandate, the granting/extension of the Issuance Mandate, the re-election of the retiring Directors and the refreshment of the Scheme Mandate Limit are in the interests of the Company, the Group and the Shareholders. Accordingly, the Directors recommend Shareholders to vote in favour of the resolutions to be proposed at the 2019 AGM.

7. GENERAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular: Appendix I – Explanatory Statement on the Repurchase Mandate; and Appendix II – Details of the Directors Proposed to be Re-elected at the 2019 AGM.

Yours faithfully,
On behalf of the Board
China E-Information Technology Group Limited
Yuan Wei
Executive Director

This Appendix serves as an explanatory statement, as required by the GEM Listing Rules, to be sent to the Shareholders to enable them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the 2019 AGM in relation to the granting of the Repurchase Mandate.

1. REASONS FOR REPURCHASE OF SHARES

The Directors believe that the proposed granting of the Repurchase Mandate is in the interests of the Company and the Shareholders.

Repurchases of the Shares may, depending on market conditions and funding arrangements at the time, result in an enhancement of the net asset value per Share and/or earnings per Share. The Directors are seeking the granting of the Repurchase Mandate to give the Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

2. SHARE CAPITAL

As at the Latest Practicable Date, there were a total of 3,751,297,033 Shares in issue.

Subject to the passing of the ordinary resolution set out in item 8 of the notice of the 2019 AGM in respect of the granting of the Repurchase Mandate and on the basis that the Shares in issue remains unchanged as at the date of the 2019 AGM, i.e. being 3,751,297,033 as at the Latest Practicable Date, the Directors would be authorized under the Repurchase Mandate to repurchase, during the period in which the Repurchase Mandate remains in force, a total of 375,129,703 Shares, representing 10% of the total number of Shares in issue as at the date of the 2019 AGM.

3. FUNDING OF REPURCHASES

Repurchases of Shares will be funded from the Company's internal resources, which shall be funds legally available for such purposes in accordance with the Company's Memorandum and Articles of Association, the GEM Listing Rules, the laws of the Cayman Islands and/or any other applicable laws, as the case may be.

4. IMPACT OF REPURCHASES

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2018) in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. TAKEOVERS CODE

If, on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code for all the Shares not already owned by such Shareholder or group of Shareholders.

As at the Latest Practicable Date, according to the disclosure of interests notice filed, China Shipbuilding Capital Limited was interested in 524,952,000 issued Shares (in which 493,088,000 Shares were directly held by China Shipbuilding Capital Limited and 31,864,000 Shares were held through its controlled corporation, CSIC Investment One Limited), representing approximately 13.99% of the total number of Shares. On the basis that (i) the total number of Shares in issue (being 3,751,297,033 Shares) remains unchanged as at the date of the 2019 AGM and (ii) the above shareholding interest of China Shipbuilding Capital Limited in the Company remains unchanged immediately after the full exercise of the Repurchase Mandate, in the event that the Directors exercise in full the power to repurchase Shares in accordance with the terms of the relevant ordinary resolution to be proposed at the 2019 AGM (presuming that apart from the decrease of the number of Shares in issue arising from the said full exercise of the Repurchase Mandate, there is no other change in the number of Shares in issue), the shareholding interest of China Shipbuilding Capital Limited in the issued Shares would be increased to approximately 15.55% of the total Shares in issue. As far as the Directors are aware, no Shareholder, other than China Shipbuilding Capital Limited, owns interests of 10% or more in the issued Shares as at the Latest Practicable Date.

The Directors are not aware of any consequences, which will arise under the Takeovers Code as a result of any repurchases to be made under the Repurchase Mandate.

In addition, the GEM Listing Rules prohibit a company from making repurchase of its shares on the Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the company's issued share capital would be in public hands. The Directors do not propose to repurchase Shares, which would result in less than the prescribed minimum percentage of Shares in public hands.

6. GENERAL

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates (as defined in the GEM Listing Rules), have any present intention to sell any Shares to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the GEM Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases of Shares pursuant to the Repurchase Mandate in accordance with the GEM Listing Rules and the applicable laws of the Cayman Islands.

7. REPURCHASES OF SHARES MADE BY THE COMPANY

No repurchase of Shares has been made by the Company during the previous six months (whether on the GEM or otherwise).

8. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which the Shares have traded on the GEM during each of the following months were as follows:

Month	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2018		
May	0.325	0.270
June	0.300	0.255
July	0.285	0.245
August	0.255	0.216
September	0.255	0.211
October	0.230	0.190
November	0.230	0.190
December	0.265	0.121
2019		
January	0.275	0.200
February	0.260	0.221
March	0.275	0.213
April	0.226	0.180
May (up to the Latest Practicable Date)	0.195	0.150

Pursuant to the GEM Listing Rules, the details of the Directors, who will offer themselves for re-election at the 2019 AGM according to the Articles of Association, are provided below:

(1) MS. ZHANG JIANXIN

Position & experience

Ms. Zhang Jianxin (“**Ms. Zhang**”), aged 51, was appointed as an executive Director on 13 July 2016. She was graduated from the Central Radio and Television University in accounting in 2003, and obtained the Senior International Finance Manager Qualification Certificate from International Financial Management Association and China Association of Chief Financial Officers in 2008. From July 2007 to August 2013, Ms. Zhang was the financial controller of Beijing Hua Tuo Education Technology Company Limited, a wholly owned subsidiary of the Company. Since September 2013, Ms. Zhang has been the director of Hunan IIN Medical Network Technology Development Company Limited* (湖南國訊醫藥網絡科技開發有限公司), a wholly owned subsidiary of the Company. She is also the director of Distance Education College of Beijing University of Chinese Medicine (北京中醫藥大學遠程教育學院), a non-wholly owned subsidiary of the Company.

Save as disclosed above, Ms. Zhang does not hold any position with the Group. She has not held other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Ms. Zhang has entered into service contract with the Company for a term of 3 years and is subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Articles of Association.

Interests in shares

As far as the Directors are aware, as at the Latest Practicable Date, Ms. Zhang held 10,000,000 share options granted by the Company, entitling her to subscribe for 10,000,000 Shares. Save as disclosed above, Ms. Zhang was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Relationships

As far as the Directors are aware, Ms. Zhang does not have any relationships with other Directors, senior management, substantial Shareholders (as defined in the GEM Listing Rules), or controlling Shareholders (as defined in the GEM Listing Rules) of the Company.

Director's emoluments

Ms. Zhang is entitled to receive a director's fee and other benefits and a discretionary performance bonus, which are determined by the Board. For the year ended 31 December 2018, Ms. Zhang's total remuneration was HK\$600,000.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Ms. Zhang to be disclosed pursuant to any of the requirements under paragraphs 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules; and there are no other matters concerning Ms. Zhang that need to be brought to the attention of the Shareholders.

(2) MR. ZHENG ZHIJING**Position & experience**

Mr. Zheng Zhijing ("Mr. Zheng"), aged 56, was appointed as an executive Director on 16 May 2017. He obtained Economics Law degree from Beijing College Finance and Commerce (北京財貿學院). Mr. Zheng has extensive experience in the management field.

Mr. Zheng has not held other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Mr. Zheng has not been appointed for any fixed term but is subject to retirement and re-election at annual general meeting of the Company in accordance with the Articles of Association.

Interests in shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Zheng held 10,000,000 share options granted by the Company, entitling him to subscribe for 10,000,000 Shares. Save as disclosed above, Mr. Zheng was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Relationships

As far as the Directors are aware, Mr. Zheng does not have any relationships with other Directors, senior management, substantial Shareholders (as defined in the GEM Listing Rules), or controlling Shareholders (as defined in the GEM Listing Rules) of the Company.

Director's emoluments

Mr. Zheng is entitled to receive a director's fee and other benefits and a discretionary performance bonus, which are determined by the Board. For the year ended 31 December 2018, Mr. Zheng's total remuneration was HK\$600,000.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Mr. Zheng to be disclosed pursuant to any of the requirements under paragraphs 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules; and there are no other matters concerning Mr. Zheng that need to be brought to the attention of the Shareholders.

(3) MS. WONG HIU PUI**Position & experience**

Ms. Wong Hiu Pui ("**Ms. Wong**"), aged 30, was appointed as an executive Director on 31 August 2017. She obtained a Master of Corporate Communication degree from The Chinese University of Hong Kong and a Bachelor of Advertising degree from Renmin University of China. Ms. Wong has been working in the Corporate Banking Division of China Construction Bank (Asia) Corporation Limited since September 2014. Prior to that, she worked in financial institutions, assisting in human resources duties and providing financial services and solutions to clients.

Ms. Wong has not held other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Ms. Wong has not been appointed for any fixed term but is subject to retirement and re-election at annual general meeting of the Company in accordance with the Articles of Association.

Interests in shares

As far as the Directors are aware, as at the Latest Practicable Date, Ms. Wong was interested in 120,000 Shares. Save as disclosed above, Ms. Wong was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Relationships

As far as the Directors are aware, Ms. Wong does not have any relationships with other Directors, senior management, substantial Shareholders (as defined in the GEM Listing Rules), or controlling Shareholders (as defined in the GEM Listing Rules) of the Company.

Director's emoluments

Ms. Wong is entitled to receive a director's fee and other benefits and a discretionary performance bonus, which are determined by the Board. For the year ended 31 December 2018, Ms. Wong's total remuneration was HK\$600,000.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Ms. Wong to be disclosed pursuant to any of the requirements under paragraphs 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules; and there are no other matters concerning Ms. Wong that need to be brought to the attention of the Shareholders.

(4) MS. YANG QINGCHUN**Position & experience**

Ms. Yang Qingchun (“**Ms. Yang**”), aged 49, was appointed as an independent non-executive Director on 2 August 2018. Ms. Yang is also a member of each of the audit committee, the nomination committee and the remuneration committee of the Company. She obtained a college diploma in industrial enterprise management from Shaanxi Radio and Television University in July 1991, a bachelor’s degree in economics from the Open College of the Central Communist Party School in December 1994, and an advanced professional qualification certificate in financial management from University of Cambridge in May 2013. Ms. Yang is currently a member of The Association of Chartered Certified Accountants and the Certified Practising Accountant Australia, a certified intermediate accountant in the PRC, a certified tax agent in the PRC and a certified tax planner in the PRC. Ms. Yang has been engaged in financial work for 28 years and has the ability to engage in financial management work, domestic and overseas tax planning and financial risk assessment and review for all kinds of companies. In addition, Ms. Yang has also accumulated extensive experience in investment, financing, mergers and acquisitions and listing. From 1991 to 1994, Ms. Yang worked at the stateowned Qinling Electric Appliance Company under the Aerospace Ministry of the PRC (中國航空航天部國營秦嶺電器公司), where she was responsible for managing its financial matters. From 1994 to 2002, Ms. Yang worked at Shenzhen Tianji Technical Tracing Co., Ltd. (深圳市天極科貿有限公司) as financial manager. Ms. Yang established Shenzhen Saibao Financial Agency Co., Ltd. (深圳市賽寶財務代理有限公司) in 2002 and served as its authorised representative, responsible for its operation and providing financial and taxation services to clients. From 2004 to 2007, Ms. Yang worked at Shenzhen Bohai Registered Tax Agent Co., Ltd. (深圳市博海稅務師事務所有限公司) as partner, responsible for providing taxation, accounting and assessment services to clients. Ms. Yang has been a headquarters partner of Asia-Pacific PengSheng CTA Co., Ltd. (亞太鵬盛稅務師事務所股份有限公司) since 2007, responsible for its operation and providing tax related services to clients.

Ms. Yang has not held other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Ms. Yang has not been appointed for any fixed term but is subject to retirement and re-election at annual general meeting of the Company in accordance with the Articles of Association.

Interests in shares

As far as the Directors are aware, as at the Latest Practicable Date, Ms. Yang was interested in 536,000 Shares. Save as disclosed above, Ms. Yang was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Relationships

As far as the Directors are aware, Ms. Yang does not have any relationships with other Directors, senior management, substantial Shareholders (as defined in the GEM Listing Rules), or controlling Shareholders (as defined in the GEM Listing Rules) of the Company.

Director's emoluments

The remuneration of Ms. Yang is HK\$100,000 per annum, which was determined with reference to her duties and responsibilities.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Ms. Yang to be disclosed pursuant to any of the requirements under paragraphs 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules; and there are no other matters concerning Ms. Yang that need to be brought to the attention of the Shareholders.

* *For identification purpose only*

NOTICE OF THE 2019 AGM



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)

NOTICE IS HEREBY GIVEN that an annual general meeting (the “**Meeting**”) of China E-Information Technology Group Limited 中國網絡信息科技集團有限公司 (the “**Company**”) will be held at Unit 2609-10, 26/F, Office Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong on Wednesday, 26 June 2019 at 10:30 a.m. for the following purposes:

1. To consider and adopt the audited consolidated financial statements of the Company and the reports of the directors and auditor for the year ended 31 December 2018;
2. To re-elect Ms. Zhang Jianxin as an executive director of the Company;
3. To re-elect Mr. Zheng Zhijing as an executive director of the Company;
4. To re-elect Ms. Wong Hiu Pui as an executive director of the Company;
5. To re-elect Ms. Yang Qingchun as an independent non-executive director of the Company;
6. To authorize the board of directors of the Company to fix the respective directors’ remuneration;
7. To re-appoint GI CPA Limited as auditor of the Company and to authorize the board of directors of the Company to fix auditor’s remuneration;
8. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (b) below, the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as defined below) of all the powers of the Company to purchase its shares on GEM of The Stock Exchange of Hong Kong Limited or any other stock exchange recognized by the Securities and Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited, subject to and in accordance with the applicable laws, be and is hereby generally and unconditionally approved;

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- (b) the total number of shares of the Company to be purchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution and the said approval shall be limited accordingly, and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be repurchased under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and
 - (c) for the purposes of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the revocation or variation of the authority given under this resolution by an ordinary resolution passed by the Company’s shareholders in a general meetings; and
 - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held.”;
9. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with authorized and unissued shares in the capital of the Company and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorize the Directors to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) during the Relevant Period which would or might require the exercise of such powers during or after the end of the Relevant Period;

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- (c) the aggregate number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
- (i) a Rights Issue (as defined below);
 - (ii) the exercise of the outstanding conversion rights attaching to any convertible securities issued by the Company, which are convertible into shares of the Company;
 - (iii) the exercise of options granted under share option scheme(s) of the Company; and
 - (iv) any scrip dividend scheme or similar arrangement providing for the allotment of shares in the Company in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company,

shall not exceed 20% of the total number of issued shares of the Company as at the date of passing of this resolution and the said approval shall be limited accordingly, and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be issued under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and

- (d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the revocation or variation of the authority given under this resolution by an ordinary resolution passed by the Company’s shareholders in general meetings; and
- (iii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and

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“Rights Issue” means an offer of shares of the Company open for a period fixed by the Directors to holders of shares of the Company or any class thereof on the Company’s register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange).”;

10. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of resolutions set out in items 8 and 9 of the notice convening the Meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 9 of the Notice be and is hereby extended by the addition to the aggregate number of shares of the Company which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the Directors pursuant to such general mandate of an amount representing the aggregate number of shares of the Company purchased by the Company pursuant to the general mandate referred to in the resolution set out in item 8 of the Notice, provided that such amount shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution.”; and

11. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** subject to and conditional upon the Listing Committee of the GEM of The Stock Exchange of Hong Kong Limited granting the listing of and permission to deal in the Company’s shares to be issued upon exercise of any options to be granted under the Refreshed Limit (as defined below) pursuant to the share option scheme adopted by the Company on 23 May 2011 (the “**Share Option Scheme**”), the existing scheme mandate limit under the Share Option Scheme be refreshed so that the total number of shares of the Company to be allotted and issued upon exercise of any options to be granted under the Share Option Scheme (excluding options previously granted, outstanding, cancelled, lapsed or exercised in accordance with the Company’s share option schemes) shall not exceed 10% of the aggregate number of the Company’s shares in issue as at the date of passing of this resolution (the “**Refreshed Limit**”) and that the Directors be and are hereby authorized to grant options up to the Refreshed Limit and to exercise all the powers of the Company to allot, issue and deal with shares of the Company pursuant to the exercise of such options.”.

On behalf of the Board
China E-Information Technology Group Limited
Yuan Wei
Executive Director

Hong Kong, 27 May 2019

NOTICE OF THE 2019 AGM

Notes:

- (a) Any shareholder of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of him/her/it. A proxy need not be a member of the Company. A member who is the holder of two or more shares of the Company may appoint more than one proxy to represent him/her/it to attend and vote on his/her/its behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
- (b) In order to be valid, a form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority, must be deposited at the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Meeting or any adjournment thereof (i.e. not later than 10:30 a.m. on Monday, 24 June 2019). Delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the Meeting and, in such event, the form of proxy shall be deemed to be revoked.
- (c) To ascertain shareholders' eligibility to attend and vote at the Meeting, the register of members of the Company will be closed from Friday, 21 June 2019 to Wednesday, 26 June 2019 (both days inclusive), during which period no share transfer will be effected. In order to qualify for attending and voting at the Meeting, unregistered holders of shares of the Company should ensure that all completed transfer forms accompanied by the relevant share certificates are lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited (at its address shown in Note (b) above) for registration no later than 4:30 p.m., on Thursday, 20 June 2019.
- (d) References to time and dates in this notice are to Hong Kong time and dates.