

# **CHINA INTELLIGENCE INFORMATION SYSTEMS, INC.**

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**15c2-11 Documentation**

**December 31, 2016**

**CHINA INTELLIGENCE INFORMATION SYSTEMS, INC.**

**INFORMATION STATEMENT**

**For Broker-Dealer Due Diligence**

**Pursuant to Rule 15c2-11**

**under the Securities Exchange Act of 1934**

**December 31, 2016**

(Date of this Information Statement)

**China Intelligence Information Systems, Inc.**  
(Exact name of issuer as specified in its charter)

**NEVADA**  
(State of other jurisdiction of  
incorporation or organization)

**98-0509797**  
Federal ID Number

**Radlicka 663-28**  
**Praha, Czech Republic**  
(Address of Principal Executive Office)

**5**  
(Zip Code)

The number of shares outstanding of each of the Registrant’s classes of common equity,  
as of the date of this Information Statement, are as follows:

**Common Stock, \$.001 par value**  
(Class of Securities Quoted)

**1,374,412,705**  
(Number of Shares Outstanding)

**16946G107**  
(CUSIP Number)

CURRENT INFORMATION REGARDING

CHINA INTELLIGENCE INFORMATION SYSTEMS, INC.

The following information is furnished to assist with "due diligence" compliance. The information is furnished pursuant to Rule 15c2-11 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended: The items and attachments generally follow the format set forth in Rule 15c2-11.

1. Exact name of Company and its predecessor (If any)

The exact name of the issuer is China Intelligence Information Systems, Inc. (herein sometimes called the "Company" or the "Issuer"). We were incorporated as Crawford Lake Mining, Inc. on October 18, 2004, in the State of Nevada for the purpose of is the acquisition and exploration of mineral resource. On November 7, 2006, the company changed its name to China VoIP & Digital Telecom, Inc. to reflect a change in direction. China VoIP & Digital Telecom Inc. acquired on August 17, 2006, all of the outstanding capital stock of Jinan YinQuan Technology Co. Ltd. ("Jinan YinQuan") in exchange for the issuance of 40,000,000 shares of our common stock to the Jinan Shareholders and \$200,000. Such shares are restricted in accordance with Rule 144 of the 1933 Securities Act. In addition, as further consideration for the acquisition, Apollo Corporation, the principal shareholder of the Company, agreed to cancel 11,750,000 post-split shares of its outstanding common stock. Based upon same, Jinan YinQuan became our wholly-owned subsidiary. Jinan YinQuan was established in JiNan in the People’s Republic of China ("the PRC") in 2001. The exchange of shares with Jinan YinQuan has been accounted for as a reverse acquisition under the purchase method of accounting since the stockholders of the Jinan YinQuan obtained control of the consolidated entity. On May 7, 2008 (the "Closing Date"), Jinan Yinquan completed the acquisition of 80% of Beijing Power Unique Technologies Co., Ltd. ("BPUT"), a company incorporated under the laws of the People’s Republic of China, in accordance with the Investment Agreement. On July 5, 2008, Jinan Yinquan acquired another 20% ownership of BPUT. BPUT therefore became 100% owned subsidiary of Jinan Yinquan on the same date. The Company’s principal activities are developing and sales of computer software and hardware, digital video pictures system; and developing and sales of computer network and network audio devices. Before July 2009, the Company was focused on the Voice Over Internet Phone ("VOIP") technology related business. In July 2009, the VOIP business was discontinued by China government and the company transitioned to focus on providing virtualization solutions and services. On November 10, 2010 the company changed its name to China Intelligence Information Systems Inc. and was focused on cloud based technology in the Republic of China. On May 29, 2017, the company through a merger with IICN Acquisition, Inc., a Nevada corporation, acquired the shares of Liglass Trading Cz s.r.o., a Czech Republic limited liability company located in Prague, Czech republic wholly owned subsidiary. On May 29, 2017, Liglass Trading Cz, s.r.o. transferred all of its assets and liabilities to IICN Acquisition, Inc., our wholly owned subsidiary.

2. Address of its principal executive office

A. Company Headquarters

11th Floor Tower B1, Yike Industrial Base, Shunhua Rd, High-tech Industrial Development Zone, Jinan, China 250101	86-(531) 55585742
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<u>B. Investor Relations Contact</u>	

**3. Security Information**

A. The Company's Amended Articles of Incorporation authorize it to issue up to Two Hundred Fifty Million (250,000,000) common shares with a par value of one-tenth of one cent (\$0.001) per share.

Trading Symbol:	IICN
Exact Title & Class of Securities Outstanding:	Common
CUSIP:	16950N 10 5
Par or Stated Value:	\$0.001 per Share
Total Shares Authorized	250,000,000
Total Shares Outstanding	68,791,489

B. Transfer Agent

Integrity Stock Transfer  
3265 E. Warm Springs Road  
Las Vegas, NV 89120  
702-317-7757  
www.integritynevada.net  
stock@integritynevada.net

C. List Any Restrictions on the Transfer of the Securities

None.

D. Describe Any Trading Suspension Orders Issued by the SEC in the Past 12 Months

None.

E. List Any Stock Split, Stock Dividend, Recapitalization, Merger, Acquisition, Spin-Off or Reorganization either Currently Anticipated or that Occurred within the Past 12 Months.

None

**Issuance History.**

As of the date of this Information Statement, there are 68,791,489 shares of the Company's common stock issued and outstanding as of December 31<sup>st</sup> 2015.

**4. Financial Statements**

See Exhibits.

**5. Describe the Issuer's Business, Products and Services**

A. Description of the Issuer's Business Operations

The Company's main businesses are:

1. Development and Promotion of Server Virtualization Technology;
2. Virtual Desktop Infrastructures (VDI);
3. Disaster Tolerance Backup and Management Technology under Virtualization Infrastructure;
4. Information Technology Outsourcing services of virtualization products and technology (ITO);
5. Info-security Storage Products;
6. Development and Promotion of Cloud Computing Platform;
7. Cloud Computing products and consultation, solution services for large-scale enterprises and government departments;
8. Cloud Computing services for SME and individuals.

B. Date and State (or Jurisdiction) of Incorporation

The Company was originally incorporated July 26, 2010 in the State of Nevada under the name of China Information Intelligence Systems, Inc.

C. The Issuers Fiscal Year End

December 31.

D. The Issuer's Principal Products or Services, and Their Markets.

The virtualization platform is built on a business-ready architecture. Use virtualization software to transform or “virtualize” the hardware resources of an x86-based computer—including the CPU, RAM, hard disk and network controller—to create a fully functional virtual machine that can run its own operating system and applications just like a “real” computer. Each virtual machine contains a complete system, eliminating potential conflicts. Multiple operating systems run concurrently on a single physical computer and share hardware resources with each other. By encapsulating an entire machine, including CPU, memory, operating system, and network devices, and a virtual machine is completely compatible with all standard x86 operating systems, applications, and device drivers. You can safely run several operating systems and applications at the same time on a single computer, with each having access to the resources it needs when it needs them. In this way, over 90% resources will be used rather than that wasted under the traditional server run mode.6. Describe the Issuer's Facilities.

**7. Officers, Directors and Control Persons.**

A. Names of Officers, Directors and Control Persons

Li Kunwu, Principal Executive and Financial and Accounting Officer

B. Legal/Disciplinary History.

Please identify whether any of the foregoing persons have, in the last five years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);  
None.
2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;  
None.
3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or  
None.
4. The entry of an order by a self-regulatory organization that permanently or temporarily barred suspended or otherwise limited such person's involvement in any type of business or securities

activities.

None.

C. Beneficial Shareholders.

Provide a list of the name, address and shareholdings or the percentage of shares owned by all persons beneficially owning more than ten percent (10%) of any class of the issuer’s equity securities. If any of the beneficial shareholders are corporate shareholders, provide the name and address of the person(s) owning or controlling such corporate shareholders and the resident agents of the corporate shareholders.

NAME	ADDRESS	PERCENTAGE
Shandong Honest Management Consultation Co., Ltd.	11TH FLOOR TOWER B1 JINAN, ** ** China	10%
Jinan Yinquan Technology Co. Ltd	11TH FLOOR TOWER B1 JINAN, ** ** China	10%
Beijing PowerUnique Technologies Co., Ltd	11TH FLOOR TOWER B1 JINAN, ** ** China	10%

8. **Third Party Providers**

A. Legal Counsel

McLaughlin & Stern, LLP OTCQX Sponsor  
260 Madison Avenue  
New York, NY, 10016  
United States

B. Accountant or Auditor

Friedman LLP  
100 Engle Rock Avenue  
East Hanover, NJ, 07936  
United States

C. Investor Relations Consultant

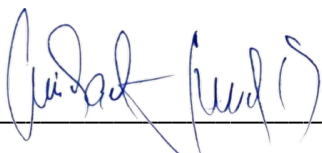
D. Other Advisor

## 9. Issuer Certification

I, Michael Smelik, certify that:

1. I have reviewed this Information Statement of China Intelligence Information Systems, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

**China Intelligence Information Systems, Inc.**

  
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Michael Smelik, President

Date: October 9, 2017



## EXHIBITS

The following documents are attached hereto as exhibits and are incorporated herein.

<u>ATTACHMENT</u>	<u>DESCRIPTION</u>
A.	Financial Statements for the Fiscal Year Ended December 31, 2015

## **Financial Statement**

**IICN**

**For the Year Ending, December 31, 2016**

<b>Contents</b>	<b>Page</b>
Financial Statements:	
Balance Sheet at December 31, 2016	
Statement of Operations for the fiscal year ending December 31, 2016	
Statement of Cash Flows for the fiscal year ending December 31, 2016	
Notes to the Financial Statements	

(IICN)

Balance Sheet

Year ended December 31, 2016

(\$ 000's)

**Assets**

Current Assets	
Cash and Cash Equivalents	-
Short Term Investments-	-
Net Receivables	-
Inventory	-
Other Current Assets	-
Total Current Assets	-
Long Term Investments 2,030	
Property Plant and Equipment	
Goodwill	
Intangible Assets	
Accumulated Amortization	
Other Assets	
<u>Deferred Long Term Asset Charges</u>	
<b>Total Assets</b>	

**Liabilities**

Current Liabilities	
Accounts Payable	-
Short Term and Current Long-Term Debt	-
Other Current Liabilities	-
Total Current Liabilities	-
Long Term Debt-	
Other Liabilities -	
Deferred Long Term Liability Charges	
Minority Interest	
<u>Negative Goodwill</u>	
<b>Total Liabilities</b>	-

**Stockholders' Equity**

Misc. Stock Options Warrants	
Redeemable Preferred Stock	
Preferred Stock	
Common Stock	125
Retained Earnings	(23,827)
Treasury Stock	
Capital Surplus	23,463
Other Stockholder Equity	239
<u>Total Stockholder Equity</u>	<u>23,702</u>
<b>Net Tangible Assets</b>	<b>23,702</b>

IICN  
Income Statement  
Year ended December 31, 2016  
(\$ 000's)

<b>Total Revenue</b>	9,209
Cost of Revenue	5,380
Gross Profit	3,829
Operating Expenses	
Research and Development	
Sales, General and Admin.	3,640
Non-Recurring Items	402
Other	
8,680	
Other-written off	<u>1,712</u>
<b>Operating Income/Loss</b>	
(10,605)	
<b>Income from Continuing Operations</b>	
Add'l Income/Expense Items	2,622
Earnings Before Interest and Tax	189
Interest Expense	(242)
Earnings Before Tax	
(13,174)	
Income Tax	20
Minority Interest	(8)
Equity Earnings Unconsolidated Subsidiary	<u>(8)</u>
<b>Net Income Cont. Operations</b>	(13,178)
<b>Non-Recurring Events</b>	
Discontinued Operations	
Extraordinary Items	
Effect of Accounting Changes	
PPE Write off	
1,378	
Bad Debt Expenses	
1,614	
Other Items	<u></u>
<u>6,762</u>	
<b>Net Income</b>	(22,962)
Preferred Stock and Other Adjustments	(1,666)
<u>Net Income Applicable to Common Shareholders</u>	<u>2,561</u>
<b>Net Tangible Assets</b>	(23,827)

IICN  
State of Cash Flows  
For the twelve months ended  
December 31, 2016  
(\$ 000's)

<b>Net Income</b>	<b>(23,827)</b>
Operating Activities	
Depreciation	2,434
Adjustments to Net Income	(1,525)
Changes in Liabilities	(14,083)
Changes in Accounts Receivables	2,953
Changes in Inventories	1,221
Changes in Other Operating Activities	<u>8,713</u>
<b>Total Cash Flow From Operating Activities</b>	<b>(21,064)</b>
<b>Investing Activities</b>	
Capital Expenditures	0
Investments	0
Other Cash Flows from Investing Activities	<u>(187)</u>
<b>Total Cash Flow from Investing Activities</b>	<b>(2,475)</b>
Financing Activities	
Dividends Paid	
Sale/Purchase of Stock	4,131
Net Borrowings	3,369
Other Cash Flows From Financing Activities	13,751
<b>Total Cash Flow From Financing Activities</b>	<b>21,251</b>
Effect of Exchange Rate Changes	<u>217</u>
<b>Change in Cash and Cash Equivalents</b>	<b>453</b>

## **Note 1. Organization, History and Business**

The exact name of the issuer is China Intelligence Information Systems, Inc. (herein sometimes called the "Company" or the "Issuer").

It was incorporated as Crawford Lake Mining, Inc. on October 18, 2004, in the State of Nevada for the purpose of is the acquisition and exploration of mineral resource. On November 7, 2006, the company changed its name to China VoIP & Digital Telecom, Inc. to reflect a change in direction. China VoIP & Digital Telecom Inc. acquired on August 17, 2006, all of the outstanding capital stock of Jinan YinQuan Technology Co. Ltd. ("Jinan YinQuan") in exchange for the issuance of 40,000,000 shares of our common stock to the Jinan Shareholders and \$200,000. Such shares are restricted in accordance with Rule 144 of the 1933 Securities Act. In addition, as further consideration for the acquisition, Apollo Corporation, the principal shareholder of the Company, agreed to cancel 11,750,000 post-split shares of its outstanding common stock. Based upon same, Jinan YinQuan became our wholly-owned subsidiary. Jinan YinQuan was established in JiNan in the People's Republic of China ("the PRC") in 2001. The exchange of shares with Jinan YinQuan has been accounted for as a reverse acquisition under the purchase method of accounting since the stockholders of the Jinan YinQuan obtained control of the consolidated entity. On May 7, 2008 (the "Closing Date"), Jinan Yinquan completed the acquisition of 80% of Beijing Power Unique Technologies Co., Ltd. ("BPUT"), a company incorporated under the laws of the People's Republic of China, in accordance with the Investment Agreement. On July 5, 2008, Jinan Yinquan acquired another 20% ownership of BPUT. BPUT therefore became 100% owned subsidiary of Jinan Yinquan on the same date. The Company's principal activities are developing and sales of computer software and hardware, digital video pictures system; and developing and sales of computer network and network audio devices. Before July 2009, the Company was focused on the Voice Over Internet Phone ("VOIP") technology related business. In July 2009, the VOIP business was discontinued by China government and the company transitioned to focus on providing virtualization solutions and services. On November 10, 2010 the company changed its name to China Intelligence Information Systems Inc. and was focused on cloud based technology in the Republic of China.

## **Note 2. Summary of Significant Accounting Policies**

### **Basis of Presentation**

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the consolidated financial statements and the reported amounts of income and expenses during the reported period. Changes in the economic environment, financial markets and any other parameters used in determining these estimates could cause actual results to differ and such differences could be material.

### **Revenue Recognition**

Revenue is derived from contracts with our consumers. Revenue is recognized in accordance with ASC 605. As such, the Company identifies performance obligations and recognizes revenue over the period through which the Company satisfies these obligations. Any contracts that by nature cannot be broken down by specific performance criteria will recognize revenue on a straight-line basis over the contractual term of period of the contract.

### **Cash and Cash Equivalents**

For purpose of the statements of cash flows, the Company considers cash and cash equivalents to include all stable, highly liquid investments with maturities of three months or less.

### **Accounts Receivable**

Accounts receivable is reported at the customers' outstanding balances, less any allowance for doubtful accounts. Interest is not accrued on overdue accounts receivable.

### **Investments**

The Board of Directors discusses the valuation of the investment and determines that cost equals fair value of the investment in good faith based on the input of Management.

### **Stock Based Compensation**

When applicable, the Company will account for stock-based payments to employees in accordance with ASC 718, "Stock Compensation" ("ASC 718"). Stock-based payments to employees include grants of stock, grants of stock options and issuance of warrants that are recognized in the consolidated statement of operations based on their fair values at the date of grant.

The Company accounts for stock-based payments to non-employees in accordance with ASC 505-50, "Equity-Based Payments to Non-Employees." Stock-based payments to non-employees include grants of stock, grants of stock options and issuances of warrants that are recognized in the consolidated statement of operations based on the value of the vested portion of the award over the requisite service period as measured at its then-current fair value as of each financial reporting date.

### **Note 2. Summary of Significant Accounting Policies (continued)**

. The term "forfeitures" is distinct from "cancellations" or "expirations" and represents only the unvested portion of the surrendered stock option or warrant. The Company estimates forfeiture rates for all unvested awards when calculating the expense for the period.

In estimating the forfeiture rate, the Company monitors both stock option and warrant exercises as well as employee termination patterns. The resulting stock-based compensation expense for both employee and non-employee awards is generally recognized on a straight-line basis over the period in which the Company expects to receive the benefit, which is generally the vesting period.

### **Earnings per Share**

The Company reports earnings per share in accordance with ASC Topic 260-10, "Earnings per Share." Basic earnings per share is computed by dividing income (loss) available to common shareholders by the weighted average number of common shares available. Diluted earnings per share is computed similar to basic earnings per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive. Diluted earnings per share has not been presented since there are no dilutive securities.

### **Concentration of Credit Risk**

The Company has no significant off-balance sheet risks related to foreign exchange contracts, option contracts or other foreign hedging arrangements. The Company currently maintains its cash equivalent balance with one major national financial institution. The amount on deposit in that one institution may from time to time exceed the federally-insured limit.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Business segments

ASC 280, “Segment Reporting” requires use of the “management approach” model for segment reporting. The management approach model is based on the way a company’s management organizes segments within the company for making operating decisions and assessing performance. The Company determined it has one operating segment as of March 23, 2017.

Income Taxes

The Company accounts for its income taxes under the provisions of ASC Topic 740, “Income Taxes.” The method of accounting for income taxes under ASC 740 is an asset and liability method. The asset and liability method requires the recognition of deferred tax liabilities and assets for the expected future tax consequences of temporary differences between tax bases and financial reporting bases of other assets and liabilities.

Recent Accounting Pronouncements

The Company continually assesses any new accounting pronouncements to determine their applicability to the Company. Where it is determined that a new accounting pronouncement affects the Company’s financial reporting, the Company undertakes a study to determine the consequence of the change to its financial statements and assures that there are proper controls in place to ascertain that the Company’s financials properly reflect the change. The Company currently does not have any recent accounting pronouncements that they are studying and feel may be applicable.

Note 3. Income Taxes

Deferred income tax assets and liabilities are computed annually for differences between financial statement and tax bases of assets and liabilities that will result in taxable or deductible amounts in the future based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized. Income tax expense is the tax payable or refundable for the period plus or minus the change during the period in deferred tax assets and liabilities.

The effective tax rate on the net income before income taxes differs from U.S. Statutory rate as follows:

December 31, 2015

U.S statutory rate	34.00%
Less valuation allowance	-34.00%
Effective tax rate	0.00%

The significant components of deferred tax assets and liabilities are as follows:

December 31, 2015

Deferred tax assets	
Net operating losses	
Deferred tax liability	



Net deferred tax assets  
Less valuation allowance  
Deferred tax asset -net valuation allowance on an interim basis, the Company has a net operating loss carryover of approximately \$XXX

\$ 0

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The Company adopted the provisions of ASC 740-10-50, formerly FIN 48, and “Accounting for Uncertainty in Income Taxes”. The Company had no material unrecognized income tax assets or liabilities as of December 31, 2015.

The Company’s policy regarding income tax interest and penalties is to expense those items as general and administrative expense but to identify them for tax purposes. During the period ending April 30, 2015 there were no income tax, or related interest and penalty items in the income statement, or liabilities on the balance sheet. The Company files income tax returns in the U.S. federal jurisdiction and Nevada state jurisdiction. We are not currently involved in any income tax examinations.

**Note 4. Related Party Transactions**

None

**Note 5. Stockholders’ Equity**

**Common Stock**

The holders of the Company's common stock are entitled to one vote per share of common stock held. As of December 31,2015, the Company 73,795,969 shares issued and outstanding.

**Note 6. Commitments and Contingencies**

*Commitments*

The Company currently has no long-term commitments as of our balance sheet date.

*Contingencies*

The Company currently has no long-term contingencies as of our balance sheet date.

**Note 7. Net Income per Share**

The following table sets forth the information used to compute basic and diluted net income per share attributable to Liglass Trading & Renewables for the fiscal year ended, December 31, 2016.

Net Income (Loss)	\$ 2561
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Weighted-average common shares outstanding basic:

Weighted-average common stock:	\$68,791,489
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Equivalents

Stock options

Warrants

Convertible

Notes

Weighted-average common shares	\$68,791,489
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Outstanding-

Diluted

#### Note 9. Going concern

The Company was unable to repay loans (the “Loans”) from a single lender when due on August 31, 2012 in the aggregate amount of RMB 17,000,000 (approximately \$2,615,300) plus accrued interest of approximately RMB 1,500,000 (approximately \$230,769). The lender, Shandong Zhengjin Investment and Management Co.,Ltd (the “Lender”), an unaffiliated third party, notified the Company of its default on September 19th, 2012 and demanded payment within three days, and threatened legal action in the event the Company did not repay the Loans. The Company has not made any payment with respect to its remaining obligations under the Loans and does not have sufficient funds to satisfy its obligations. As a result of the recent slowdown in economic activity in China, the Company has had more difficulty collecting receivables on a timely basis and generating revenue, which have adversely affected the Company’s cash flow. The Company is in discussions with the Lender and is seeking other financing, but to date has been unable to modify the Loans or secure additional financing and there can be no assurance that any financing will be available or available on terms acceptable to the Company. To date, the Lender has not commenced legal action against the Company.

The Loans are secured by all of the capital stock of Beijing PowerUnique Technologies Co., Ltd. (“BPUT”), a company incorporated under the laws of the PRC that is directly and indirectly wholly-owned by the Company. Shandong Honest Management Consulting Co., Ltd., (“Honest”), a wholly-owned subsidiary of the Company, owns 9.09% of BPUT and 99% of Jinan Yinquan Technology Co. Ltd. (“Jinan Yinquan”). Jinan Yinquan, in turn, owns 99.01% of BPUT.

BPUT and Jinquan are the two operating subsidiaries of the Company. The Company’s virtualization business is primarily conducted through BPUT outside of the Shandong area, while Jinan Yinquan primarily focuses on the Shangdong area.

The inability of the Company to satisfy its obligations under the Loans or to restructure the Loans on terms acceptable to the Company, of which there can be no assurance, may materially and adversely affect the Company’s operations. In the event that the stock of BPUT became the property of the creditor or another party, the Company’s business would be substantially and adversely affected as BPUT accounts for a majority of the Company’s revenues.

The Company has been dormant since 2011. The company have been under custodial hold since January of 2012.

In August of 2013 all debt was outstanding converted debt was converted into equity.

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