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**中國信息科技發展有限公司**

**China Information Technology Development Limited**

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

**(Stock Code: 8178)**

## **DISCLOSEABLE TRANSACTION DISPOSAL OF LISTED SECURITIES**

### **THE DISPOSAL**

On 14 May 2021, the Seller, an indirect wholly-owned subsidiary of the Company, disposed a total of 9,000,000 TOMO Shares (representing 2% of the issued share capital of TOMO as at the date of this announcement) to the Purchaser by way of an off-market block trade at an aggregate consideration of HK\$9,180,000 (exclusive of transaction costs). The selling price (exclusive of transaction costs) for the Disposal of each TOMO Share is HK\$1.02. Upon settlement of the Disposal, the Group will cease to hold any TOMO Shares.

### **GEM LISTING RULES IMPLICATION**

One or more than one of the applicable percentage ratios under Rule 19.07 of the GEM Listing Rules for the Disposal, is more than 5% but less than 25%. As Such, the Disposal, constitute a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules and are therefore subject to the notification and announcement requirements under the GEM Listing Rules.

## THE DISPOSAL

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Upon settlement of the Disposal, the Group will cease to hold any TOMO Shares.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Purchaser is an Independent Third Parties of the Company and is not a shareholder of the Company.

## INFORMATION OF TOMO HOLDINGS

TOMO, a company incorporated in Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange (Stock Code: 6928). TOMO is principally engaged in the (i) supply and installation of passenger vehicle leather upholstery and electronic accessories; and (ii) sales of electronic accessories.

The following financial information is extracted from the published annual report of TOMO for the years ended 31 December 2020 and 2019:

	Year Ended 31 December	
	2020	2019
	<i>Approximately</i>	<i>Approximately</i>
	<i>S\$'000</i>	<i>S\$'000</i>
Revenue	<b>6,185</b>	16,487
Profit before tax	<b>273</b>	3,069
Profit after tax	<b>173</b>	2,239
Total assets	<b>26,811</b>	27,896
Net assets value	<b>25,582</b>	25,409

## **REASONS FOR THE DISPOSAL**

The Group is principally engaged in the provision of IT infrastructure solutions and maintenance services, money lending and securities trading.

The Seller is an indirect wholly-owned subsidiary of the Company. It is incorporated in Hong Kong with limited liability and is principally engaged in securities trading.

The Group is expected to receive the proceeds of HK\$9,180,000 (excluding transaction costs) and recognise a gain of HK\$1,980,000 which is calculated on the basis of the difference between the acquisition cost and the disposal price (excluding transaction costs).

Considering the difficulties to dispose all the 9,000,000 TOMO Shares in the market and in view of the recent fluctuation of the Hong Kong Stock Market and prevailing market sentiment, the Directors believe that it is beneficial to take this opportunity to dispose the TOMO Shares by way of block trade and adopt a cautious investment strategy to liquidate its investment in TOMO Shares with an aim to settle the margin call and enhance the liquidity position of the Group. The Group intends to utilise the proceeds to settle the margin loans. Taking into account of the factors above, the Directors consider that the Disposal were fair and reasonable on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

## **GEM LISTING RULES IMPLICATION**

One or more than one of the applicable percentage ratios under Rule 19.07 of the GEM Listing Rules for the Disposal, exceeds 5% but less than 25%. As Such, the Disposal, constitute a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules and are therefore subject to the notification and announcement requirements under the GEM Listing Rules.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following respective meanings.

“Board”	the board of Directors of the Company
“Company”	China Information Technology Development Limited, a company incorporated in Cayman Islands with limited liability, the shares of which are listed on the GEM of the Stock Exchange (Stock Code: 8178)
“Director(s)”	the director(s) of the Company
“Disposal”	The disposal of an aggregate of 9,000,000 TOMO Shares (representing 2% of the issued share capital of TOMO as at the date of this announcement) to the Purchaser by way of an off-market block trade at an aggregate consideration of HK\$9,180,000 (exclusive of transaction costs)
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“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)”	an individual or a company who or which is independent of and not connected with (within the meaning of the GEM Listing Rules) any Directors, chief executive or substantial shareholders of the Company, its subsidiaries or any of their respective associates
“Purchaser”	Mr. Chan Hou Cheong, an individual and an investor, who, to the best of the Director’s knowledge, information and belief, having made all reasonable enquires, is an Independent Third Party
“S\$”	Singapore dollars, the lawful currency of Singapore

“Seller”	Global Shine Investment Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“TOMO”	TOMO Holdings Limited, is a company incorporated in Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 6928)
“TOMO Shares”	Ordinary shares of HK\$0.01 each in the share capital of TOMO
“%”	per cent

By order of the Board  
**China Information Technology Development Limited**  
**Wong King Shiu, Daniel**  
*Chairman and Chief Executive Officer*

Hong Kong, 14 May 2021

*As of the date of this announcement, the Board comprises Mr. Wong King Shiu, Daniel (Chairman and Chief Executive Officer) and Mr. Chang Ki Sum Clark as executive Directors; Mr. Hung Hing Man, Mr. Wong Hoi Kuen and Dr. Chen Shengrong as independent non-executive Directors.*

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

*This announcement will be available on the Company’s website <http://www.citd.com.hk> and will remain on the “Latest Company Announcement” page on the GEM website at <http://www.hkgem.com> for at least 7 days from the date of its posting.*