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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 FURTHER DISPOSAL OF LISTED SECURITIES

THE SECOND DISPOSAL

On 28 May 2021, the Seller, an indirect wholly-owned subsidiary of the Company, disposed on the open market a total of 1,500,000 Skyfame Realty Shares (representing approximately 0.019% of the issued share capital of Skyfame Realty as at the date of this announcement) at an aggregate consideration of HK\$1,455,000 (exclusive of transaction costs). The average selling price (exclusive of transaction costs) for the Second Disposal of each Skyfame Realty Share is HK\$0.97. Upon settlement of the Second Disposal, the Group will hold 2,590,000 Skyfame Realty Shares.

GEM LISTING RULES IMPLICATION

Since the Second Disposal was conducted within 12 months of the completion of the First Disposal, the First Disposal and the Second Disposal were required to be aggregated as a series of transactions pursuant to Rule 19.22 of the GEM Listing Rules. As the highest applicable percentage ratio calculated pursuant to Chapter 19 of the GEM Listing Rules in respect of the First Disposal and the Second Disposal (in aggregate) exceeds 5% but less than 25%, the First Disposal and the Second Disposal (in aggregate) constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is subject to the reporting and announcement requirements, but is exempt from the circular and Shareholders' approval requirements, under Chapter 19 of the GEM Listing Rules.

Reference is made to the announcement of the Company dated 25 May 2021 in relation to the disposal of a total of 3,000,000 Skyfame Realty Shares by the Seller, an indirect wholly-owned subsidiary of the Company on open market on 24 May 2021.

THE SECOND DISPOSAL

The Board announces that on 28 May 2021, the Seller, an indirect wholly-owned subsidiary of the Company, further disposed on open market a total of 1,500,000 Skyfame Realty Shares (representing approximately 0.019% of the issued share capital of Skyfame Realty as at the date of this announcement) aggregate consideration of HK\$1,455,000 (exclusive of transaction costs). The average selling price (exclusive of transaction costs) for the Second Disposal of each Skyfame Realty Share is HK\$0.97.

Upon settlement of the Second Disposal, the Group will hold 2,590,000 Skyfame Realty Shares.

As the Second Disposal was conducted through the sales on the open market, the Company is not aware of the identities of the purchasers. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, each of the purchasers and their ultimate beneficial owners are the Independent Third Parties.

INFORMATION OF SKYFAME REALTY HOLDINGS

Skyfame Realty, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange (Stock Code: 59). Skyfame Realty is principally engaged in property development, property investment, property management and commercial operations.

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

	Year Ended 31 December	
	2020	2019
	<i>Approximately</i>	<i>Approximately</i>
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	7,702,150	6,591,043
Profit before tax	1,919,867	1,579,850
Profit after tax	1,003,012	831,982
Total assets	29,061,741	22,851,765
Net assets value	4,794,758	3,750,046

REASONS FOR THE SECOND 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\$1,455,000 (excluding transaction costs) and recognise a loss of HK\$625,000 which is calculated on the basis of the difference between the acquisition cost and the disposal price (excluding transaction costs).

As the Group has held the Skyfame Shares since 2018 and given the change of market condition and macro-economy especially after the outbreak of COVID-19, the Company believes that it is beneficial to take this opportunity to dispose the Skyfame Realty Shares to liquidate the investment and adjusting the composition of the investment portfolio of the Group according to the market changes.

As the Second Disposal was conducted at market price of Skyfame Realty Shares at the time of the Second Disposal, the Directors are of the view that the Second Disposal was fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

GEM LISTING RULES IMPLICATION

Since the Second Disposal was conducted within 12 months of the completion of the First Disposal, the First Disposal and the Second Disposal were required to be aggregated as a series of transactions pursuant to Rule 19.22 of the GEM Listing Rules. As the highest applicable percentage ratio calculated pursuant to Chapter 19 of the GEM Listing Rules in respect of the First Disposal and the Second Disposal (in aggregate) exceeds 5% but less than 25%, the First Disposal and the Second Disposal (in aggregate) constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is subject to the reporting and announcement requirements, but is exempt from the circular and Shareholders' approval requirements, under Chapter 19 of 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
“First Disposal”	The disposal of an aggregate of 3,000,000 Skyfame Realty Shares (representing 0.038% of the issued share capital of Skyfame Realty as at the date of this announcement) by way of on-market transactions at an aggregate consideration of HK\$2,910,000 (exclusive of transaction costs) on 24 May 2021
“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
“RMB”	Renminbi, the lawful currency of the PRC
“Second Disposal”	The disposal of an aggregate of 1,500,000 Skyfame Realty Shares (representing 0.019% of the issued share capital of Skyfame Realty as at the date of this announcement) by way of on-market transactions at an aggregate consideration of HK\$1,455,000 (exclusive of transaction costs)

“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
“Skyfame Realty”	Skyfame Realty (Holdings) Limited, is a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 59)
“Skyfame Realty Shares”	share(s) of par value of one third Hong Kong cent each in the share capital of Skyfame Realty
“%”	per cent

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

Hong Kong, 31 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.