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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)

CLARIFICATION AND SUPPLEMENTAL ANNOUNCEMENT PLACING OF NEW SHARES UNDER GENERAL MANDATE

Reference is made to the announcement of China Information Technology Development Limited (the “**Company**”) dated 30 July 2021 in relation to the placing of new shares under general mandate (the “**Announcement**”). Terms used herein shall have the same meanings as defined in the Announcement unless the context requires otherwise.

CLARIFICATION

Due to inadvertent error, the Announcement has misstated the maximum number of Shares that can be issued under General Mandate. The Board wishes to clarify that the maximum number of Shares that can be issued under General Mandate shall be 56,028,265 Shares.

SUPPLEMENTAL PLACING AGREEMENT

On 1 August 2021, the Company entered into a supplemental placing agreement with the Placing Agent, pursuant to which the Company agreed to place through the Placing Agent, on a best effort basis, up to a maximum of 56,000,000 Placing Shares (“**New Placing Share(s)**”) to not less than six Placees who and whose ultimate beneficial owners are third parties independent of the Company and its connected persons at the Placing Price of HK\$0.25 per New Placing Share.

New Placing Shares

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the completion of the Placing, the maximum number of New Placing Shares under the Placing represent (i) approximately 19.50% of the existing issued share capital of the Company of 287,141,329 Shares as at the date of this announcement; and (ii) approximately 16.32% of the issued share capital of the Company as enlarged by the allotment and issue of the New Placing Shares. The aggregate nominal value of the maximum number of New Placing Shares under the Placing will be HK\$560,000.

Subject to completion of the Placing, it is expected that the maximum gross proceeds and net proceeds (after deducting placing commission and other relevant costs and expenses) from the Placing will be HK\$14,000,000 and approximately HK\$13,700,000 respectively. On such basis, the net issue price will be approximately HK\$0.245 per New Placing Share.

General Mandate to allot and issue of the New Placing Shares

The New Placing Shares will be allotted and issued pursuant to the General Mandate. The maximum number of Shares that can be issued under the General Mandate is 56,028,265 Shares. As at the date of this announcement, no Shares have been allotted and issued under the General Mandate. The General Mandate will be utilised as to approximately 99.95% upon the allotment and issue of all the New Placing Shares.

USE OF PROCEEDS

The gross proceeds and net proceeds from the Placing will be HK\$14,000,000 and approximately HK\$13,700,000 respectively, which will be used for general working capital of the Group.

EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the existing shareholding structure of the Company and the effect of allotment and issue of the New Placing Shares on the shareholding structure of the Company upon Completion is set out as below:

| Name of Shareholder | As at the date of this announcement | | Immediately upon Completion of the Placing ⁽¹⁾ | |
|--|-------------------------------------|--|---|--|
| | No. of Shares | Approximate % of number of Shares in issue | No. of Shares | Approximate % of number of Shares in issue |
| Mr. Zhang Rong | 35,909,333 | 12.51% | 35,909,333 | 10.46% |
| Corporate Advisory Limited ⁽²⁾ | 6,912,000 | 2.41% | 6,912,000 | 2.01% |
| Mr. Tang Keung | 23,356,000 | 8.13% | 23,356,000 | 6.81% |
| Valuable Fortune Limited ⁽³⁾ | 20,000,000 | 6.97% | 20,000,000 | 5.83% |
| Discover Wide Investments Limited ⁽⁴⁾ | 16,832,143 | 5.86% | 16,832,143 | 4.91% |
| Places | 0 | 0% | 56,000,000 | 16.32% |
| Public Shareholders | 184,131,853 | 64.12% | 184,131,853 | 53.66% |
| Total | <u>287,141,329</u> | <u>100.00%</u> | <u>343,141,329</u> | <u>100.00%</u> |

Notes:

- (1) Assuming no change in total issued share capital of the Company other than the Placing.
- (2) The 6,912,000 Shares are held by Corporate Advisory Limited (“**Corporate Advisory**”), which is wholly-owned by Mr. Zhang Rong (“**Mr. Zhang**”). Pursuant to the Division 7 and 8 of Part XV of the SFO, Mr. Zhang is deemed to have an interest in all Shares in which Corporate Advisory has, or deemed to have, an interest.
- (3) The 20,000,000 Shares are held by Valuable Fortune Limited (“**Valuable Fortune**”) which is wholly-owned by Mr. Lee Yat Lung Andrew (“**Mr. Lee**”). Pursuant to Division 7 and 8 of Part XV of the SFO, Mr. Lee is deemed to have an interest in all Shares in which Valuable Fortune has, or deemed to have, an interest.
- (4) The 16,832,143 Shares are held by Discover Wide Investments Limited (“**Discover Wide**”), which is wholly-owned by Mr. Wong Kui Shing, Danny (“**Mr. Danny Wong**”) the former Director. Pursuant to the Division 7 and 8 of Part XV of the SFO, Mr. Danny Wong is deemed to have an interest in all Shares in which Discover Wide has, or deemed to have, an interest.

Save and except for the aforesaid change, other terms and conditions of the Placing Agreement remain unchanged.

Completion of the Placing is subject to the fulfillment of the conditions as set out in the Placing Agreement, the Placing may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

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

Hong Kong, 1 August 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 Listed Company Information” page on the GEM website at <http://www.hkgem.com> for at least 7 days from the date of its posting.