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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)**

## **(I) COMPLETION OF THE RIGHTS ISSUE; AND (II) ADJUSTMENTS RELATING TO THE SHARE OPTIONS**

**Financial Adviser to the Company**



**INCUC Corporate Finance Limited**

References are made to (i) the announcement of China Information Technology Development Limited (the “**Company**”) dated 5 January 2022; (ii) the circular of the Company dated 25 January 2022 (the “**Circular**”); (iii) the prospectus of the Company dated 9 March 2022 (the “**Prospectus**”); and (iv) the announcement of the Company dated 30 March 2022 (the “**Result Announcement**”) in relation to the Rights Issue and the Placing. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Prospectus.

### **COMPLETION OF THE RIGHTS ISSUE**

As disclosed in the Result Announcement, valid acceptances of PALs and applications under EAFs were received for 203,244,024 Rights Shares. The Rights Issue was over-subscribed by 31,673,360 Rights Shares, representing approximately 18.46% of the total number of 171,570,664 Rights Shares offered under the Rights Issue. The allocation of the excess Rights Shares was made pursuant to the principles set out in the section headed “Letter from the Board — Rights Issue — Application and payment for the excess Rights Shares” in the Prospectus.

Pursuant to the Irrevocable Undertakings (i) Mr. Zhang has subscribed and applied for 79,924,666 Rights Shares, which comprises (a) 18,924,666 Rights Shares, representing his full entitlement under the Rights Issue and (b) 61,000,000 Rights Shares by way of excess application; (ii) each of Corporate Advisory, Mr. Tang and Valuable Fortune has subscribed and applied for 3,796,000 Rights Shares, 11,678,000 Rights Shares and 10,000,000 Rights Shares respectively, which comprise the full acceptance of their provisional entitlement held by each of them.

All conditions to the Rights Issue were fulfilled. Accordingly, the Rights Issue became unconditional at or before 5:00 p.m. on Monday, 11 April 2022.

On completion of the Rights Issue which took place on Monday, 11 April 2022, 115,027,076 Rights Shares were allotted and issued under valid acceptances of PALs and 56,543,588 Rights Shares were allotted and issued under valid application of EAFs, representing the total number of 171,570,664 Rights Shares available for subscription under the Rights Issue.

## **INTENDED USE OF THE NET PROCEEDS FROM THE RIGHTS ISSUE**

As disclosed in the Circular and Prospectus, the gross proceeds from the Rights Issue are approximately HK\$25.74 million and the net proceeds from the Rights Issue, after deducting the relevant expenses, are estimated to be approximately HK\$24.71 million. The Company will apply the net proceeds of the Rights Issue in the following manner:

- (i) approximately HK\$23 million is intended for research and development expenses for fine tuning the smart logistics and the CRM system; and
- (ii) the remaining amount is intended for general working capital, including but not limited to rental and salaries expenses and other administrative expenses for daily operation of the Group.

## EFFECT OF THE RIGHTS ISSUE ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

Based on the information available to the Company and to the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the shareholding structure of the Company immediately before and after completion of the Rights Issue is as follows:

Shareholders	Immediately before Rights Issue settlement date		Immediately after completion of the Rights Issue	
	Number of Shares	Approximate shareholding percentage (%) (Note 4)	Number of Shares	Approximate shareholding percentage (%) (Note 4)
Mr. Zhang Rong	37,849,332	11.03	95,874,998	18.63
Corporate Advisory Limited (Note 1)	7,592,000	2.21	11,388,000	2.21
	<u>45,441,332</u>	<u>13.24</u>	<u>107,262,998</u>	<u>20.84</u>
Mr. Lam Shu Chung	25,342,000	7.39	38,013,000	7.39
Mr. Tang Keung	23,356,000	6.81	35,034,000	6.81
Valuable Fortune Limited (Note 2)	20,000,000	5.83	30,000,000	5.83
Mr. Wong Kui Shing, Danny	833,333	0.24	833,333	0.16
Discover Wide Investments Limited (Note 3)	16,832,143	4.91	16,832,143	3.27
	<u>17,665,476</u>	<u>5.15</u>	<u>17,665,476</u>	<u>3.43</u>
Other Public Shareholders	<u>211,336,521</u>	<u>61.58</u>	<u>286,736,519</u>	<u>55.70</u>
Total	<u><u>343,141,329</u></u>	<u><u>100.00</u></u>	<u><u>514,711,993</u></u>	<u><u>100.00</u></u>

Notes:

1. Immediately before the Rights Issue settlement date, 7,592,000 Shares are held by Corporate Advisory Limited, which is wholly-owned by Mr. Zhang.
2. Immediately before the Rights Issue settlement date, 20,000,000 Shares are held by Valuable Fortune which is wholly-owned by Mr. Lee Yat Lung Andrew.
3. Immediately before the Rights Issue settlement date, 16,832,143 Shares are held by Discover Wide Investments Limited, which is wholly-owned by Mr. Wong Kui Shing, Danny, a former Director.

4. The percentage figures have been subject to rounding adjustments. Any discrepancies between totals and sums of amounts listed herein are due to rounding adjustments.

## **DESPATCH OF SHARE CERTIFICATES FOR FULLY-PAID RIGHTS SHARES AND REFUND CHEQUES**

The share certificates for the fully-paid Rights Shares and the refund cheques of the partially unsuccessful applications for excess Rights Shares are expected to be posted by Wednesday, 13 April 2022 to those entitled thereto at their registered addresses by ordinary post at their own risk.

## **COMMENCEMENT OF DEALINGS OF RIGHTS SHARES IN FULLY-PAID FORM**

Dealings in the fully-paid Rights Shares is expected to commence on the Stock Exchange at 9:00 a.m. on Thursday, 14 April 2022.

## **ODD LOT ARRANGEMENT**

As disclosed in the Prospectus, in order to facilitate the trading of odd lots of the Shares arising from the Rights Issue (if any), Grand China Securities Limited is appointed to match the purchase and sale of odd lots of the Shares at the relevant market price per Share for the period from Thursday, 14 April 2022 to Thursday, 5 May 2022 (both days inclusive) on a best effort basis. Shareholders who wish to take advantage of this service should contact Mr. Harrison Wong of Grand China Securities Limited at Room 503, Loke Yew Building, 50–52 Queen's Road Central, Central, Hong Kong (telephone number: 3979 6718) during office hours.

Holders of odd lots of the Shares should note that successful matching of the sale and purchase of odd lots of the Shares are not warranted. Any Shareholder who is in any doubt about the odd lots arrangements is recommended to consult his/her/its own professional advisers.

## ADJUSTMENT RELATING TO THE OUTSTANDING SHARE OPTIONS

Prior to the completion of the Rights Issue, the Company had 23,100,000 outstanding Share Options under the Share Option Scheme.

As a result of the Rights Issue, adjustments are made to the exercise price and the number of Shares falling to be issued upon the exercise of the outstanding Share Options pursuant to the relevant terms of the Share Option Scheme, Rule 23.03(13) of the GEM Listing Rules in relation to the adjustment to the terms of the Share Option Scheme, the Supplementary Guidance on GEM Listing Rule 23.03(13) and the Note Immediately After the Rule attached to the Frequently Asked Question No. 072–2020 issued by the Stock Exchange on 6 November 2020 (the “**Stock Exchange Supplementary Guidance**”).

The exercise price of the outstanding Share Options and the number of Shares falling to be issued upon the exercise of the outstanding Share Options are adjusted in the following manner:

Date of adoption of the Share Option Scheme	Immediately before the Rights Issue		Immediately after the Rights Issue	
	Exercise price per Share <i>HK\$</i>	Number of Shares to be issued upon full exercise of the outstanding Share Options	Adjusted exercise price per Share <i>HK\$</i>	Adjusted number of Shares to be issued upon full exercise of the outstanding Share Options
2 August 2012	0.245	23,100,000	0.219	25,842,465

Save for the above adjustments, all other terms and conditions of the outstanding Share Options remain unchanged.

The auditor of the Company, Zhonghui Anda CPA Limited, has confirmed to the Directors in writing that the adjustments made to the exercise price and the number of Shares falling to be issued upon the exercise of the outstanding Share Options are in compliance with the requirements set out in the terms and conditions of the Share Option Scheme, Rule 23.03(13) of the GEM Listing Rules, and the Stock Exchange Supplementary Guidance.

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

Hong Kong, 12 April 2022

*As at 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.*