
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker, or other licensed securities dealer, bank manager, solicitors, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Information Technology Development Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any losses howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

This circular appears for information purposes only and does not constitute an invitation or offer to the Shareholders or any other persons to acquire, purchase, or subscribe for securities of the Company.



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: 08178)

**(1) PROPOSED SHARE CONSOLIDATION;
(2) PROPOSED CHANGE IN BOARD LOT SIZE;
AND
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

A notice convening an extraordinary general meeting of the Company to be held at Unit 3308, 33/F., Millennium City 6, 392 Kwun Tong Road, Kwun Tong, Hong Kong on Thursday, 1 December 2022 at 11:00 a.m. is set out on pages EGM-1 to EGM-3 of this circular. A form of proxy for use at the extraordinary general meeting is enclosed.

Whether or not you intend to attend and vote at the extraordinary general meeting, you are advised to read this circular and complete the accompanying form of proxy, in accordance with the instructions printed thereon and deposit the same at the Hong Kong branch share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the extraordinary general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the extraordinary general meeting or any adjournment thereof should you so wish.

This circular, together with a form of proxy, will remain on the GEM website at <http://www.hkgem.com> on the "Latest Listed Company Information" page for at least 7 days from the date of its publication and on the Company's website at <http://www.citd.com.hk>.

PRECAUTIONARY MEASURES FOR THE EXTRAORDINARY GENERAL MEETING

To safeguard the health and safety of Shareholders and to prevent the spreading of the novel coronavirus (COVID-19) pandemic, the following precautionary measures will be implemented at the extraordinary general meeting of the Company:

1. all participants shall be subject to compulsory body temperature check at the entrance of the extraordinary general meeting venue and anyone with abnormal body temperature will be denied entry into the venue;
2. all participants are required to wear facial surgical masks appropriately in the extraordinary general meeting venue at all times and particularly during the whole process of the extraordinary general meeting;
3. Maintaining a safe distance between seats;
4. no provision of souvenir or gift; and
5. no provision of refreshments or drinks.

Attendees who do not comply with the precautionary measures referred to in (1) to (3) above may be denied entry to the extraordinary general meeting venue. For the health and safety of Shareholders, the Company strongly recommends Shareholders NOT to attend the extraordinary general meeting in person, and advises Shareholders to appoint the Chairman of the extraordinary general meeting as their proxy to vote according to their indicated voting instructions as an alternative to attending the extraordinary general meeting in person.

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

CONTENTS

	<i>Page</i>
CHARACTERISTICS OF GEM.	i
DEFINITIONS	1
EXPECTED TIMETABLE	3
LETTER FROM THE BOARD	5
NOTICE OF EGM.	EGM-1

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the meaning defined below:

“Board”	the board of Directors
“Business Day”	a day (other than a Saturday, Sunday and any day on which a tropical cyclone warning no. 8 or above is hoisted or on which a “black” rainstorm warning is hoisted between 9:00 a.m. and 5:00 p.m.) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as amended from time to time;
“Change in Board Lot Size”	the proposed change in board lot size for trading on the Stock Exchange from 10,000 Existing Shares to 2,000 Consolidated Shares upon the Share Consolidation becoming effective
“Company”	China Information Technology Development Limited, a company with limited liability incorporated under the laws of Cayman Islands, the shares of which are listed on GEM (stock code: 8178)
“Consolidated Share(s)”	ordinary share(s) with a par value of HK\$0.10 each in the share capital of Company upon the Share Consolidation becoming effective
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held on 1 December 2022 to consider, and if thought fit, to approve the Share Consolidation
“Existing Shares”	ordinary share(s) with a par value of HK\$0.01 each in the share capital of the Company before the Share Consolidation becoming effective

DEFINITIONS

“GEM”	GEM operated by the Stock Exchange
“GEM Listing Committee”	the GEM listing sub-committee of the board of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“General Rules of CCASS”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the CCASS Operational Procedures;
“Group”	the Company and its subsidiaries
“HK\$”	the lawful currency of Hong Kong
“HKSCC”	the Hong Kong Securities Clearing Company Limited
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	10 November 2022, being the latest practicable date for ascertaining certain information for inclusion in this circular
“Share(s)”	the Existing Share(s) or as the context may require, the Consolidated Share(s)
“Shareholder(s)”	the holder(s) of the Existing Share(s) and/or the Consolidated Share(s), as the case may be
“Share Consolidation”	the proposed consolidation of every ten (10) issued and unissued Existing Shares of par value of HK\$0.01 each in the share capital of the Company into one (1) Consolidated Share of par value of HK\$0.10 each
“Share Option(s)”	share option(s) granted under the Share Option Scheme entitling the holders thereof to subscribe for Share(s)
“Share Option Scheme”	the share option scheme adopted by the Company on 2 August 2012
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

EXPECTED TIMETABLE

The expected timetable for the implementation of the Share Consolidation is as follows:

Event	Date and Time
Latest date and time for lodging transfer documents in order to qualify for attending and voting at the EGM	4:30 p.m. on Monday, 28 November 2022
Closure of the register of members of the Company to determine the entitlement to attend and vote at the EGM	Tuesday, 29 November 2022 to Thursday, 1 December 2022 (both dates inclusive)
Latest date and time for lodging the proxy forms for the EGM	11:00 a.m. on Tuesday, 29 November 2022
Expected date and time of the EGM.....	11:00 a.m. on Thursday, 1 December 2022
Publication of announcement of the poll results of the EGM for the Share Consolidation	Thursday, 1 December 2022
 The following events are conditional on the fulfilment of the conditions for the implementation of the Share Consolidation as set out in this circular:	
Effective date of the Share Consolidation.....	Monday, 5 December 2022
First day of free exchange of existing share certificates for new share certificates for the Consolidated Shares.....	Monday, 5 December 2022
Dealing in the Consolidated Shares commences.....	9:00 a.m. on Monday, 5 December 2022
Original counter for trading in the Existing Shares in board lots of 10,000 Existing Shares (in the form of existing share certificates) temporarily closes	9:00 a.m. on Monday, 5 December 2022

EXPECTED TIMETABLE

Temporary counter for trading in the Consolidated Shares
in board lots of 1,000 Consolidated Shares
(in the form of existing share certificates) opens 9:00 a.m. on Monday,
5 December 2022

Original counter for trading in the Consolidated Shares
in board lots of 2,000 Consolidated Shares
(in the form of new share certificates) re-opens 9:00 a.m. on Monday,
19 December 2022

Parallel trading in the Consolidated Shares
(in the form of new and existing share certificates)
commences 9:00 a.m. on Monday,
19 December 2022

Designated broker starts to stand in the market
to provide matching services for odd lots
of the Consolidated Shares 9:00 a.m. on Monday,
19 December 2022

Designated broker ceases to stand in the market
to provide matching services for odd lots
of the Consolidated Shares 4:00 p.m. on Wednesday,
11 January 2023

Temporary counter for trading in the Consolidated Shares
in board lots of 1,000 Consolidated Shares
(in the form of existing share certificates) closes 4:10 p.m. on Wednesday,
11 January 2023

Parallel trading in the Consolidated Shares
(in the form of new and existing share certificates) ends 4:10 p.m. on Wednesday,
11 January 2023

Last day for free exchange of existing share certificates
of the Existing Shares for new share certificates
for the Consolidated Shares Friday, 13 January 2023

Note: All times and dates in this circular refer to Hong Kong local times and dates. In the event that any special circumstances arise, such dates and deadlines may be adjusted by the Board if it considers appropriate. Any changes to the expected timetable will be published or notified to the Shareholders by way of announcement(s) on the GEM website of the Stock Exchange and on the website of the Company as and when appropriate.

LETTER FROM THE BOARD



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: 08178)

Executive Directors:

Mr. Wong King Shiu, Daniel
(Chairman and Chief Executive Officer)
Mr. Chang Ki Sum Clark

Non-executive Director:

Hon. Li Sai Wing, MH

Independent non-executive Directors:

Mr. Hung Hing Man
Mr. Wong Hoi Kuen
Dr. Chen Shengrong

Head Office and Principal place of business

in Hong Kong:
Unit 3308, 33/F.
Millennium City 6
392 Kwun Tong Road
Kwun Tong
Hong Kong

Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

16 November 2022

To the Shareholders of the Company

Dear Sir or Madam,

**(1) PROPOSED SHARE CONSOLIDATION;
(2) PROPOSED CHANGE IN BOARD LOT SIZE;
AND
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

Reference is made to the announcements of the Company dated 24 October 2022 and 26 October 2022 in relation to, among other matters, the proposed Share Consolidation and proposed Change in Board Lot Size. The purpose of this circular is to provide you with details of the proposed Share Consolidation, proposed Change in Board Lot Size and the notice of the EGM.

LETTER FROM THE BOARD

PROPOSED SHARE CONSOLIDATION

The Board proposes that every ten (10) issued and unissued Existing Shares of par value of HK\$0.01 each in the share capital of the Company be consolidated into one (1) Consolidated Share of par value of HK\$0.10 each.

Effects of the Share Consolidation

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$1,200,000,000 divided into 120,000,000,000 Existing Shares of par value of HK\$0.01 each, of which 514,711,993 Existing Shares have been issued as fully paid or credited as fully paid.

Assuming that no further Existing Shares are allotted, issued or repurchased between the Latest Practicable Date and the date of the EGM, upon the Share Consolidation becoming effective, the authorised share capital of the Company shall become HK\$1,200,000,000 divided into 12,000,000,000 Consolidated Shares of par value of HK\$0.10 each, of which 51,471,199 Consolidated Shares will be in issue.

Upon the Share Consolidation becoming effective, the Consolidated Shares shall rank *pari passu* in all respects with each other. The Share Consolidation will not result in any change in the rights of the Shareholders.

Other than the expenses to be incurred in relation to the Share Consolidation and the Change in Board Lot Size, the implementation thereof will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders, save that any fractional Consolidated Shares will not be allocated to Shareholders who may otherwise be entitled.

Conditions of the Share Consolidation

The implementation of the Share Consolidation is conditional upon:

- (i) the passing of an ordinary resolution by the Shareholders at the EGM to approve the Share Consolidation;
- (ii) the GEM Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, the Consolidated Shares in issue and to be issued upon the Share Consolidation becoming effective; and
- (iii) the compliance with the applicable laws of the Cayman Islands, the GEM Listing Rules and all necessary approvals from the regulatory authorities or otherwise as may be required to effect the Share Consolidation.

LETTER FROM THE BOARD

The Share Consolidation and Change in Board Lot Size are expected to become effective on 5 December 2022 subject to the fulfilment of the above conditions.

As at the Latest Practicable Date, none of the conditions above has been fulfilled.

Listing application

An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Consolidated Shares in issue and to be issued upon the Share Consolidation becoming effective.

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange, as well as compliance with the stock admission requirements of the HKSCC, upon the Share Consolidation being effective, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General

Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements will be made for the Consolidated Shares to be admitted into CCASS established and operated by HKSCC.

None of the Existing Shares of the Company are listed or dealt in on any other stock exchange other than the Stock Exchange and at the time the Share Consolidation becomes effective, the Consolidated Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

Adjustments in relation to other securities of the Company

As at the Latest Practicable Date, there are outstanding Share Options for subscription of an aggregate of 42,202,465 Existing Shares under the Share Option Scheme. Pursuant to the terms of the Share Option Scheme, immediately upon the Share Consolidation becoming effective, the following adjustments will be made to the exercise price of the outstanding Share Options and the number of Consolidated Shares to be issued upon exercise of the outstanding Share Options as follows:

LETTER FROM THE BOARD

Date of grant	Before Adjustment	After Adjustment		
	Number of Existing Shares to be issued upon exercise of the Share Options	Exercise price per Existing Share <i>HK\$</i>	Number of Consolidated Shares to be issued upon exercise of the Share Options	Exercise price per Consolidated Share <i>HK\$</i>
13 May 2021	25,842,465	0.219	2,584,246	2.19
16 June 2022	16,360,000	0.140	1,636,000	1.40

The Company will appoint its auditor or independent financial advisors to review and certify the basis of such adjustments to the respective conversion prices of the outstanding share options and the number of new Shares to be issued upon the exercise of the share options in accordance with (i) the requirements set out in Rule 23.03(13) of the GEM Listing Rules, (ii) the supplementary guideline regarding the adjustments to share options issued by the Stock Exchange on 5 September 2005 and (iii) the terms of the Share Option Scheme. The Company will make further announcements regarding the adjustments in accordance with the GEM Listing Rules in due course.

Save for the aforesaid, the Company has no other outstanding options, warrants or securities in issue which are convertible or exchangeable into Existing Shares or Consolidated Shares, as the case may be, as at the Latest Practicable Date.

PROPOSED CHANGE IN BOARD LOT SIZE

As at the Latest Practicable Date, the Existing Shares are traded on the Stock Exchange in board lots of 10,000 Existing Shares. It is proposed that, subject to and conditional upon the Share Consolidation becoming effective, the board lot size for trading in the Consolidated Shares will be changed to 2,000 Consolidated Shares.

Based on the closing price of HK\$0.13 per Existing Share as quoted on the Stock Exchange as at the Latest Practicable Date, the value of each board lot of 2,000 Consolidated Shares, assuming the Share Consolidation had already been effective, would be HK\$2,600.

LETTER FROM THE BOARD

REASONS FOR THE PROPOSED SHARE CONSOLIDATION AND THE CHANGE IN BOARD LOT SIZE

Pursuant to Rule 17.76 of the GEM Listing Rules, where the market price of the securities of an issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the Stock Exchange reserves the right to require the issuer either to change the trading method or to proceed with a consolidation of its securities. Further, pursuant to the “Guide on Trading Arrangements for Selected Types of Corporate Actions” (the “**Guideline**”) issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 and updated on 1 October 2020, among others, the expected board lot value should be greater than HK\$2,000 per board lot taking into account the minimum transaction costs for a securities trade. As at the Latest Practicable Date, the closing price of each Existing Share is HK\$0.13, with a board lot size of 10,000 Existing Shares, the Company is trading below HK\$2,000 per board lot.

The Existing Shares have been traded below HK\$1.0 for the past few years. It is expected that the Share Consolidation will bring about a corresponding upward adjustment in the trading price per Consolidated Share. The Share Consolidation and the Change in Board Lot Size would enable the Company to comply with the trading requirements under the GEM Listing Rules and the Guideline. Further, the Share Consolidation and the Change in Board Lot Size would reduce the overall transaction and handling costs of dealings in the shares of the Company as a proportion of the market value of each board lot, since most of the banks/securities houses will charge a minimum transaction cost for each securities trade. It is hoped that this will make investing in the shares of the Company more attractive to a broader range of investors, including institutional investors whose house rules might otherwise prohibit or restrict trading in securities that are priced below a prescribed floor, and thus help to further broaden the shareholder base of the Company. It is also expected that the liquidity in trading of the shares of the Company will increase accordingly.

As at the Latest Practicable Date, the Company does not have any intention to carry out any corporate action or arrangement that may undermine the intended purpose of the Share Consolidation in the coming 12 months, and the Company does not have any concrete plan to conduct any fundraising activities in the next 12 months. However, the Board cannot rule out the possibility that the Company will conduct debt and/or equity fund raising exercises when suitable fund raising opportunities arise in order to meet its operational needs or support future development of the Group. The Directors will consider carefully the likely impact to the Shareholders and the Group as a whole before the Company proceeds with any such debt/equity fundraising exercises. The Company will make further announcement in this regard in accordance with the GEM Listing Rules as and when appropriate.

It is expected that the Share Consolidation and the Change in Board Lot Size will increase the value of each board lot of the Consolidated Shares to more than the expected minimum board lot value of HK\$2,000 as required by the Guideline. As at the Latest Practicable Date, the closing price of each Existing Share is HK\$0.13 and the theoretical price per board lot size of 2,000 Consolidated Shares will be HK\$2,600. In view of the above reasons, the Board considers that the Share Consolidation and the Change in Board Lot Size are justifiable and are beneficial to the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

OTHER ARRANGEMENTS

Fractional entitlement to Consolidated Shares

Fractional Consolidated Shares arising from the Share Consolidation, if any, will be disregarded and will not be issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefits of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Existing Shares regardless of the number of existing share certificates held by such holder.

Arrangement on odd lot trading

The Company has appointed Grand China Securities Limited to provide matching services, on a best effort basis from 9:00 a.m. on Monday, 19 December 2022 to 4:00 p.m. on Wednesday, 11 January 2023 to those Shareholders who wish to acquire odd lots of the Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares. Any Shareholder who wishes to use this matching service should contact Mr. Wong Tsz Ho of Grand China Securities Limited at Room 503, Loke Yew Building, 50-52 Queen's Road Central, Central, Hong Kong, or at the telephone number 3979 6718 during normal business hours in the aforesaid period.

Holders of odd lots of the Consolidated Shares should note that the matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Shareholders who are in any doubt about the odd lots matching arrangement are recommended to consult their own professional advisers.

Free exchange of certificates for Consolidated Shares

Subject to the Share Consolidation becoming effective, which is currently expected to be Monday, 5 December 2022, Shareholders may on or after Monday, 5 December 2022 and until Friday, 13 January 2023 (both days inclusive), submit their existing share certificates for the Existing Shares in pink colour to the Company's branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong to exchange for new share certificates for the Consolidated Shares in orange colour at the expense of the Company.

Shareholders should note that after the prescribed time for free exchange of new share certificates, a fee of HK\$2.50 (or such other amount as may from time to time be allowed by the Stock Exchange) per share certificate for each share certificate for shares cancelled or each new share certificate issued for the Consolidated Shares (whichever number of certificates cancelled or issued is higher) will be payable by the Shareholders to the Company's Hong Kong branch share registrar for exchange of new share certificates.

LETTER FROM THE BOARD

The existing share certificates will only be valid for delivery, trading and settlement purposes for the period up to 4:10 p.m. on Wednesday, 11 January 2023 and thereafter will not be accepted for delivery, trading and settlement purposes. However, the existing share certificates will continue to be good evidence of title to the Consolidated Shares on the basis of ten (10) Existing Shares for one (1) Consolidated Share.

EGM

A notice of EGM convening the EGM at which an ordinary resolution will be proposed to the Shareholders to consider and, if thought fit, to approve the proposed Share Consolidation is set out on pages EGM-1 to EGM-3 of this circular.

To the best knowledge of the Directors, no Shareholders have a material interest in the Share Consolidation and accordingly, no Shareholders will have to abstain from voting at the EGM.

Whether or not you intend to attend the EGM, you are requested to complete and return the form of proxy accompanying with this circular in accordance with the instructions printed thereon not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the EGM or any adjournment thereof in person if you so wish.

The resolution(s) approving the Share Consolidation at the EGM shall be taken by way of poll and an announcement will be made by the Company on the results of the EGM.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Tuesday, 29 November 2022 to Thursday, 1 December 2022, both days inclusive, during which period no transfer of Existing Shares will be registered. In order to be eligible to attend and vote at the EGM, unregistered holders of Existing Shares shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration no later than 4:30 p.m. on Monday, 28 November 2022.

COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors, the controlling shareholders of the Company or any of their respective close associates (as defined under the GEM Listing Rules) has any interest in a business which competes or may compete with the business of the Group nor does any of them has or may have any other conflicts of interests with the Group.

LETTER FROM THE BOARD

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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 circular 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 circular misleading.

RECOMMENDATION

The Directors consider that the proposed Share Consolidation and proposed change in board lot size are in the interests of the Company and the Shareholders as a whole and recommend the Shareholders to vote in favour of the relevant resolution at the EGM.

MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully,
For and on behalf of the Board of
China Information Technology Development Limited
Wong King Shiu, Daniel
Chairman and Chief Executive Officer

NOTICE OF EXTRAORDINARY GENERAL MEETING



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: 08178)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “EGM”) of China Information Technology Development Limited (the “Company”) will be held at Unit 3308, 33/F., Millennium City 6, 392 Kwun Tong Road, Kwun Tong, Hong Kong on Thursday, 1 December 2022 at 11:00 a.m. for the purpose of considering and, if thought fit, passing with or without modifications the following resolutions of the Company.

ORDINARY RESOLUTION

“THAT subject to and conditional upon, the granting by the GEM Listing Committee of The Stock Exchange of Hong Kong Limited of the listing of, and permission to deal in, the Consolidated Shares (as defined below) arising from the Share Consolidation (as defined below) and with effect from the second business day after the date of the passing of this resolution:

- (a) every ten (10) issued and unissued shares of par value of HK\$0.01 each in the share capital of the Company be and are hereby consolidated into one (1) consolidated share of par value of HK\$0.10 (the “Consolidated Shares”) (the “Share Consolidation”) such that the authorised share capital of the Company shall be changed from HK\$1,200,000,000.00 divided into 120,000,000,000 shares of par value of HK\$0.01 each to HK\$1,200,000,000.00 divided into 12,000,000,000 Consolidated Shares of par value of HK\$0.10 each;
- (b) all of the Consolidated Share(s) shall rank *pari passu* in all respects with each other and have the rights and privileges and be subject to the restrictions in respect of ordinary shares contained in the memorandum and articles of association of the Company;
- (c) all fractional entitlements to the issued Consolidated Shares resulting from the Share Consolidation will be disregarded and will not be issued to holders of the same but all such fractional Consolidated Shares will be aggregated and, if possible, sold and the net proceeds shall be retained for the benefit of the Company in such manner and on such terms as the directors of the Company (the “Directors”) may think fit; and

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (d) any one of the Directors be and is hereby authorised to do all such acts and things and execute all documents he considers necessary, desirable or expedient to give effect to the Share Consolidation and the transactions contemplated thereunder.”

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

Hong Kong, 16 November 2022

Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

*Head Office and Principal place of
business in Hong Kong:*

Unit 3308, 33/F.
Millennium City 6
392 Kwun Tong Road
Kwun Tong
Hong Kong

Notes:

1. A member entitled to attend and vote at the extraordinary general meeting convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the articles of association of the Company, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the extraordinary general meeting to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is so appointed.
2. A proxy or proxies representing either a member who is an individual or a member which is a corporation shall be entitled to exercise the same powers on behalf of the member which he or they represent as such member could exercise.
3. In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time for holding the extraordinary general meeting, i.e. no later than Tuesday, 29 November 2022 at 11:00 a.m. or any adjournment thereof. Completion and return of a form of proxy will not preclude a shareholder of the Company from attending in person and voting at the extraordinary general meeting or any adjournment thereof, should he/she/it so wish.
4. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under its seal or under the hand of an officer or attorney duly authorised to sign the same.

NOTICE OF EXTRAORDINARY GENERAL MEETING

5. Where there are joint holders of any share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders is present at any meeting, the vote of such holder so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share stands shall be deemed joint holders thereof.
6. Any voting at the EGM shall be taken by poll.
7. The register of members of the Company will be closed from Tuesday, 29 November 2022 to Thursday, 1 December 2022 (both dates inclusive) for determining the entitlement of the shareholders of the Company to attend and vote at the extraordinary general meeting. In order to be eligible for attending and voting at the extraordinary general meeting, all transfers of shares of the Company accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration no later than 4:30 p.m. on Monday, 28 November 2022.
8. The translation into Chinese language of this notice is for reference only. In case of inconsistency, the English version shall prevail.

As at the date of this notice, the executive Directors are Mr. Wong King Shiu, Daniel and Mr. Chang Ki Sum Clark; the non-executive Director is Hon. Li Sai Wing, MH and the independent non-executive Directors are Mr. Hung Hing Man, Mr. Wong Hoi Kuen and Dr. Chen Shengrong.

This notice, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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, (i) the information contained in this notice is accurate and complete in all material respects and not misleading or deceptive; and (ii) there are no other matters the omission of which would make any statement herein or this notice misleading.

This notice will remain on the GEM website at <http://www.hkgem.com> on the "Latest Listed Company Information" page for at least 7 days from the date of its publication and on the Company's website at <http://www.citd.com.hk>.