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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: 08178)

**(1) PROPOSED RIGHTS ISSUE ON THE BASIS OF
ONE (1) RIGHTS SHARE FOR EVERY TWO (2) EXISTING
SHARES HELD ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS;
(2) PLACING OF PLACING SHARES IN CONNECTION
WITH THE RIGHTS ISSUE; AND
(3) POSSIBLE ADJUSTMENTS TO THE SHARE OPTIONS
UNDER THE SHARE OPTION SCHEMES**

Placing Agent to the Company

CheonG Lee
昌利證券

PROPOSED RIGHTS ISSUE

The Company proposes to raise up to approximately HK\$10.33 million before expenses by way of the issue to the Qualifying Shareholders of a maximum of 57,369,850 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date) at the Subscription Price of HK\$0.18 per Rights Share on the basis of one (1) Rights Share for every two (2) existing Shares held on the Record Date. The Rights Issue is available only to the Qualifying Shareholders. To qualify for the Rights Issue, a Shareholder must on the Record Date: (i) be registered as a member of the Company; and (ii) not be a Non-Qualifying Shareholder. In order to be registered as members of the Company on the Record Date, Shareholders must lodge any transfers of the Shares (together with the relevant share certificates and/or instruments of transfer) with the Registrar for registration not later than 4:30 p.m. on Tuesday, 2 June 2026. Pursuant to the Rights Issue, the Qualifying Shareholders will be provisionally allotted one (1) Rights Share in nil-paid form for every two (2) existing Shares held by the Qualifying Shareholders on the Record Date.

Assuming that there is no change in the number of issued Shares on or before the Record Date and all Rights Shares to be issued under the Rights Issue have been taken up in full, the gross proceeds from the Rights Issue will be approximately HK\$10.33 million. The net proceeds from the Rights Issue after deducting the estimated expenses in relation to the Rights Issue are estimated to be up to approximately HK\$9.73 million, which are intended to apply approximately 90% of the net proceeds towards repayment of outstanding indebtedness of the Company and approximately 10% of the net proceeds towards settlement of profession fees and other administration expenses.

The net price per Rights Share (after deducting the cost and expenses of the Rights Issue) is estimated to be approximately HK\$0.17.

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of provisionally allotted Rights Shares. If the Rights Issue is not fully subscribed, the number of Rights Shares that are not subscribed by the Qualifying Shareholders or renounees or transferees of the Nil-paid Rights under the PALs (i.e. the Unsubscribed Rights Shares) will be placed to independent Placees on a best effort basis through the Placing. The Unsubscribed Rights Shares that are not placed will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. There is no minimum subscription level or minimum amount to be raised under the Rights Issue.

The Rights Shares, when allotted, issued and fully paid, will rank pari passu with the Shares then in issue in all respects. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which are declared, made or paid on or after the date of allotment and issue of the Rights Shares in their fully-paid form.

The Company has not received any information or irrevocable undertaking from any Shareholders of their intention to take up the Rights Shares to be provisionally allotted to them under the Rights Issue as at the date of this announcement.

The Placing Agreement

On 21 April 2026 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Company has conditionally agreed to appoint the Placing Agent, and the Placing Agent has conditionally agreed to act, as the placing agent of the Company to procure, on a best efforts basis, Placees to subscribe for the Placing Shares at the Placing Price during the Placing Period, on and subject to the terms and conditions set out in the Placing Agreement. The Placing Shares, forming part of the Rights Issue, will be allotted and issued subject to the listing approval of the Stock Exchange.

Under the terms of the Placing Agreement, if the Rights Issue is fully subscribed, i.e. all the Rights Shares are being fully subscribed by the Qualifying Shareholders or renounee(s) or transferee(s) under the PAL(s), the Placing will not proceed.

POSSIBLE ADJUSTMENTS TO THE OUTSTANDING SHARE OPTIONS UNDER THE SHARE OPTION SCHEMES

Pursuant to the terms of the Share Option Schemes, the subscription prices on the exercise of the Share Options and/or number of Shares related to the Share Options under the Share Option Schemes may be adjusted in accordance with the Share Option Schemes upon the Rights Issue becoming unconditional. The Company will notify the holders (if any) of the Share Options and the Shareholders by way of announcement (as and when appropriate) regarding adjustments to be made (if any) pursuant to the terms of the Share Option Schemes and such adjustment will be certified by an independent financial adviser or auditors of the Company (as the case may be).

IMPLICATIONS UNDER THE GEM LISTING RULES

In accordance with Rule 10.29(1) of the GEM Listing Rules, as the Rights Issue will increase the total number of issued Shares by more than 50% within the 12-month period immediately preceding the date of this announcement, the Rights Issue must be made conditional on, amongst other things, the approval by the Independent Shareholders at the EGM, and any controlling Shareholder(s) (as defined under the GEM Listing Rules) and their respective associates, or where there is no controlling Shareholder, the Directors (excluding the independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the resolution(s) in relation to the Rights Issue at the EGM.

The Rights Issue does not result in a theoretical dilution effect of 25% or more. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 10.44A of the GEM Listing Rules.

As at the date of this announcement, the Company has no controlling Shareholder.

THE INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

Given that Mr. Wong Hoi Kuen has been granted Share Options that have yet to be exercised, he has no interest in the Shares of the Company.

The Independent Board Committee comprising the independent non-executive Directors, namely, Mr. Wong Hoi Kuen, Mr. Chu Wun Chiu and Ms. Dodo Chan, will be established to advise the Independent Shareholders as to whether the terms of the Rights Issue, the Placing Agreement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable, in the interests of the Company and the Independent Shareholders as a whole, and to advise the Independent Shareholders as to the voting at the EGM, taking into account the recommendations of the Independent Financial Adviser to be appointed by the Company. An announcement will be made by the Company upon the establishment of the Independent Board Committee and the appointment of the Independent Financial Adviser.

In this connection, the Company will appoint an Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Rights Issue, the Placing Agreement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable, in the interests of the Company and the Independent Shareholders as a whole, and to advise the Independent Shareholders as to the voting at the EGM.

GENERAL

Subject to the fulfilment of certain conditions of the Rights Issue, the Company will despatch the Prospectus Documents, which contain, among others, details of the Rights Issue, to the Qualifying Shareholders. The Company will despatch the Prospectus to the Non-Qualifying Shareholders for their information only but will not send the PAL to them. Further announcement(s) will be made by the Company in respect of the timetable for the Rights Issue as and when appropriate.

WARNING ON THE RISKS OF DEALING IN SHARES AND RIGHTS SHARES IN NIL-PAID FORM

The Rights Issue is subject to the fulfilment of conditions including (i) the passing of the necessary resolution(s) by the Shareholders at the EGM; and (ii) the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. If the conditions to the Rights Issue are not fulfilled, the Rights Issue will not proceed. Any Shareholders or other persons dealing in the Shares and/or the Rights Shares in nil-paid form up to the date on which all the conditions to which the Rights Issue are fulfilled will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

The Shares are expected to be dealt in on an ex-rights basis from Monday, 1 June 2026. Dealings in the Rights Shares in nil-paid form are expected to take place from Monday, 15 June 2026 to Tuesday, 23 June 2026 (both dates inclusive).

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares and/or the Rights Shares in nil-paid form. Any Shareholders or other persons contemplating any dealings in the Shares or the Rights Shares in their nil-paid form are recommended to consult their own professional advisers.

PROPOSED RIGHTS ISSUE

The Company proposes to raise up to approximately HK\$10.33 million before expenses by way of the issue to the Qualifying Shareholders of a maximum of 57,369,850 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date) at the Subscription Price of HK\$0.18 per Rights Share on the basis of one (1) Rights Share for every two (2) existing Shares held on the Record Date. The Rights Issue is available only to the Qualifying Shareholders. To qualify for the Rights Issue, a Shareholder must on the Record Date: (i) be registered as a member of the Company; and (ii) not be a Non-Qualifying Shareholder. In order to be registered as members of the Company on the Record Date, Shareholders must lodge any transfers of the Shares (together with the relevant share certificates and/or instruments of transfer) with the Registrar for registration not later than 4:30 p.m. on Tuesday, 2 June 2026. Pursuant to the Rights Issue, the Qualifying Shareholders will be provisionally allotted one (1) Rights Share in nil-paid form for every two (2) existing Shares held by the Qualifying Shareholders on the Record Date. The details of the Rights Issue are set out as follows:

Issue statistics

Basis of the Rights Issue	:	One (1) Rights Share for every two (2) existing Shares held by the Qualifying Shareholders on the Record Date
Subscription Price	:	HK\$0.18 per Rights Share
Number of Shares in issue as at the date of this announcement	:	114,739,700 Shares
Maximum of Rights Shares to be issued under the Rights Issue (assuming the Rights Issue is fully subscribed)	:	57,369,850 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date)
Maximum total number of issued Shares as enlarged by the Rights Issue (assuming the Rights Issue is fully subscribed)	:	Up to 172,109,550 Shares (assuming no change in the number of Shares in issue on or before the Record Date and that no new Shares (other than the Rights Shares) will be allotted and issued on or before completion of the Rights Issue)
Maximum amount to be raised before expenses (assuming the Rights Issue is fully subscribed)	:	Up to approximately HK\$10.33 million (assuming no changes in the number of Shares in issue on or before the Record Date)

As at the date of this announcement, there are 6,030,771 outstanding Share Options granted by the Company. Such outstanding Share Options are exercisable into 6,030,771 Shares. Save for the foregoing, the Company has no other outstanding debt securities, derivatives, options, warrants, conversion securities or other similar securities which are convertible or exchangeable into Shares. The Company has no intention to issue or grant any Shares, convertible securities, warrants and/or options on or before the Record Date.

Assuming no change in the number of issued Shares on or before the Record Date and that no new Shares (other than the Rights Shares) will be allotted and issued on or before completion of the Rights Issue, the 57,369,850 Rights Shares proposed to be provisionally allotted and issued pursuant to the Rights Issue represents approximately 50% of the entire issued share capital of the Company as at the date of this announcement and will represent approximately 33.33% of the entire issued share capital of the Company as enlarged by the issue of the Rights Shares.

As at the date of this announcement, save for the unexercised share options granted by the Company pursuant to the Share Option Schemes, the Company does not have any outstanding convertible securities, options or warrants in issue or similar rights which confer any right to subscribe for, convert or exchange into the Shares.

Non-underwritten basis

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of provisionally allotted Rights Shares. There is no minimum subscription level or minimum amount to be raised under the Rights Issue. In the event that the Rights Issue is not fully subscribed, any Rights Shares that are not subscribed by the Qualifying Shareholders or renounees or transferees of the Nil-paid Rights under the PALs (i.e. the Unsubscribed Rights Shares) together with the NQS Unsold Rights Shares (collectively, the Placing Shares) will be placed to independent Placees on a best efforts basis through the Placing. Any Placing Shares which are not placed will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

As the Rights Issue is not underwritten and has not set a minimum subscription amount, a Shareholder who applies to take up all or part of his/her/its entitlement under the PAL may unwittingly incur an obligation to make a general offer for the Shares under the Takeovers Code or cause the public float of the Company to decrease to below 25%. Accordingly, the Rights Issue will be made on terms that the Company will provide for the Shareholders to apply on the basis that if the Rights Shares are not fully taken up, the application of any Shareholder for his/her/its assured entitlement under the Rights Issue will be scaled down to a level which (a) does not trigger an obligation on part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance to the note to Rule 10.26(2) of the GEM Listing Rules; and (b) does not cause the Company's public float to decrease to below 25%. Any subscription monies not utilized due to the scaled-down application of entitled Rights Shares will be refunded to the affected applicants.

There will be no excess application arrangements in relation to the Rights Issue.

Subscription Price

The Subscription Price is HK\$0.18 per Rights Share, payable in full by a Qualifying Shareholder upon acceptance of the relevant provisional allotment of the Rights Shares under the Rights Issue or when a renouncee of any provisional allotment of the Rights Shares or a transferee of the nil-paid Rights Shares subscribes for the Rights Shares.

The Subscription Price represents:

- (i) a discount of approximately 24.4% to the closing price of HK\$0.238 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of 25.6% to the average closing price of HK\$0.242 per Share as quoted on the Stock Exchange for the five consecutive trading days up to and including the Last Trading Day;
- (iii) a discount of approximately 26.0% to the average closing price of HK\$0.243 per Share as quoted on the Stock Exchange for the ten consecutive trading days up to and including the Last Trading Day;
- (iv) a discount of approximately 8.1% to the theoretical ex-rights price of approximately HK\$0.219 per Share based on the closing price of HK\$0.238 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (v) a discount of approximately 88.6% to the net asset value per Share of approximately HK\$1.585 per Share based on the latest published audited consolidated net asset value attributable to owners of the Company of approximately HK\$181.8 million as at 31 December 2025 as set out in the annual results announcement of the Company for the year ended 31 December 2025 and the total number of issued Shares of 114,739,700 Shares as at the date of this announcement;
- (vi) a theoretical dilution effect (as defined under Rule 10.44A of the GEM Listing Rules) represented by a discount of approximately 9.5% of the theoretical diluted price (as defined under Rule 10.44A of the GEM Listing Rules) of approximately HK\$0.219 per Share to the benchmarked price of HK\$0.242 per Share (as defined under Rule 10.44A of the GEM Listing Rules, taking into account the higher of the closing price of HK\$0.238 per Share on the Last Trading Day and the average closing price of the Shares as quoted on the Stock Exchange for the five consecutive trading days immediately prior to the Last Trading Day of HK\$0.242 per Share); and
- (vii) a cumulative theoretical dilution effect (as defined under Rule 10.44A of the GEM Listing Rules) in aggregate with the Previous Rights Issue represented by a discount of approximately 19.2%, represented by the cumulative theoretical diluted price of approximately HK\$2.34 per Share to the benchmarked price of approximately HK\$2.89 per Share (as defined under Rule 10.44A of the GEM Listing Rules) in respect of the Previous Rights Issue.

The cumulative theoretical diluted price, the benchmarked price and cumulative theoretical dilution effect (all defined under Rule 10.44A of the GEM Listing Rules) for the Rights Issue are approximately HK\$2.34 per Share, HK\$2.89 per Share and 19.2%, respectively. The Rights Issue will not result in a cumulative theoretical dilution effect of 25% or more on its own. As such, the cumulative theoretical dilution impact of the Rights Issue is in compliance with Rule 10.44A of the GEM Listing Rules.

The Placing Shares, forming part of the Rights Issue, will be allotted and issued subject to the listing approval of the Stock Exchange.

The Subscription Price was determined with reference to, among others, (i) the prevailing market price and recent trading performance of the Shares which includes the daily closing price and daily trading volume of the Shares during the six months prior to the Last Trading Day, where the closing price of the Shares demonstrated an overall downward trend from HK\$0.485 per Share on 21 October 2025 to HK\$0.238 per Share on the Last Trading Day with an average daily trading volume amounting to approximately 10.6% of the total issued share capital of the Company as at the Last Trading Day, which indicated a lack of liquidity and demand for the Shares; (ii) the latest business performance and financial position of the Group. For the years ended 31 December 2024 and 2025, the Company recorded total comprehensive expense for the year of approximately HK\$33.10 million and HK\$111.4 million, respectively; (iii) the Directors' view that it is reasonable to set the Subscription Price at a discount to the closing price per Share on the Last Trading Day and the consolidated net asset value per Share attributable to the Shareholders as described above in order to enhance the attractiveness of the Rights Issue and encourage the Qualifying Shareholders and investors to participate, given the unfavourable price trend and lack of liquidity of the Shares; (iv) the relatively large fundraising size when compared with the market capitalisation of the Company as at the Last Trading Day; and (v) amount of funds the Company intends to raise for the purposes as discussed in the section headed "Reasons for and benefits of the Rights Issue and the use of proceeds" in this announcement.

After thoroughly evaluating current market conditions and sentiment, relatively stagnant trading volume of the Shares and shareholder sentiment, the Board has determined that a relatively substantial discount to the current market price of the Shares, net asset value per Share as well as the benchmark price (as defined under Rule 10.44A of the GEM Listing Rules) of the Shares would be necessary to provide adequate incentive to encourage shareholder and potential institutional subscribers participation in the Rights Issue, while ensuring the fundraising objectives can be met. Despite the relatively substantial theoretical dilution effect (as defined under Rule 10.44A of the GEM Listing Rules), the Directors consider such effect is inevitable in order to achieve fundraising objectives and incentivise the Shareholders to participate in the Rights Issue considering the lack of liquidity and relatively stagnant trading volume of the Shares as demonstrated above. Accordingly, despite the Subscription Price is priced at a relatively substantial discount to the current market price of the Shares, net asset value per Share and the benchmark price of the Shares, the Directors consider that the Subscription Price is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Further, the basis of the Rights Issue was determined and derived by the amount of funds the Company intends to raise for the Rights Issues, which is sufficient to meet the funding requirements as set out in the section headed "Reasons for the Rights Issue and Use of Proceeds" below in this announcement.

The Directors consider that the Subscription Price at a discount to the current market price of the Shares would enhance the attractiveness of the Rights Issue, and in turn encourage the Shareholders to participate in the Rights Issue, and accordingly allow them to maintain their shareholdings in the Company and participate in the future growth and development of the Group.

As all Qualifying Shareholders are entitled to subscribe for the Rights Shares in the same proportion to his/her/its shareholding in the Company held on the Record Date, the Board is of the view that the discount of the Subscription Price would encourage the Qualifying Shareholders to take up their entitlements to maintain their shareholdings in the Company, thereby minimising possible dilution impact. Based on the foregoing, the Board considers that the terms of the Rights Issue, including the Subscription Price, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The estimated net price per Rights Share after deducting the related expenses of the Rights Issue is approximately HK\$0.172 (whether (i) assuming no change in the number of Shares in issue on or before the Record Date; or (ii) assuming no change in the number of Shares in issue, other than as a result of the issue of Shares upon full exercise of the Outstanding Share Options, on or before the Record Date).

Undertaking

The Company has not received any information or irrevocable undertaking from any Shareholders of their intention to take up the Rights Shares to be provisionally allotted to them under the Rights Issue as at the date of this announcement.

Conditions of the Rights Issue

The Rights Issue is conditional upon the fulfilment of the following conditions:

- (i) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong of the Prospectus Documents in compliance with the GEM Listing Rules and the Companies (WUMP) Ordinance not later than the Prospectus Posting Date;
- (ii) the posting to the Qualifying Shareholders and publication of the Prospectus Documents on the websites of the Stock Exchange and the Company on or before the Prospectus Posting Date;
- (iii) the GEM Listing Committee granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked the listing of, and permission to deal in, the Rights Shares, in nil-paid and fully-paid forms; and
- (iv) the passing of the necessary resolution(s) by the Shareholders at the EGM to approve the Rights Issue.

None of the above conditions can be waived. If the conditions set out in paragraphs (i) to (iv) above are not fulfilled on or prior to the respective time stipulated therein, the Rights Issue will not proceed. No party thereto shall have any claim against the other party for costs, damages, compensation or otherwise save for any antecedent breaches.

The Rights Issue is subject to the fulfilment of conditions including (i) the passing of the necessary resolution(s) by the Shareholders at the EGM; and (ii) the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. If the conditions to the Rights Issue are not fulfilled, the Rights Issue will not proceed.

Basis of provisional allotment

The basis of the provisional allotment shall be one (1) Rights Share for every two (2) existing Shares held by the Qualifying Shareholders on the Record Date. Acceptance of all or any part of a Qualifying Shareholder's provisional allotment should be made by completing the PAL and lodging the same with a remittance for the Rights Shares being applied for with the Registrar on or before the Latest Time for Acceptance.

Qualifying Shareholders who take up their pro-rata entitlement in full will not suffer any dilution to their interests in the Company. If a Qualifying Shareholder does not take up his/her/its entitlement under the Rights Issue in full, his/her/its shareholding in the Company will be diluted.

Status of the Rights Shares

The Rights Shares, when allotted, issued and fully paid, will rank pari passu with the Shares then in issue in all respects. Holders of the fully-paid Rights Shares will be entitled to receive all future dividends and distributions which are declared, made or paid on or after the date of allotment and issue of the Rights Shares in their fully-paid form.

Qualifying Shareholders

The Rights Issue will only be available to the Qualifying Shareholders. Subject to the registration of the Prospectus Documents in accordance with the applicable laws and regulations, the Prospectus Documents setting out details of the Rights Issue will be despatched to the Qualifying Shareholders on the Prospectus Posting Date.

To qualify for the Rights Issue, a Shareholder must on the Record Date (i) be registered as a member of the Company; and (ii) not be a Non-Qualifying Shareholder.

Shareholders whose Shares are held by nominee companies should note that the Board will regard a nominee company as a single Shareholder according to the register of members of the Company. Shareholders with their Shares held by nominee companies are advised to consider whether they would like to arrange for registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date. Shareholders and investors should consult their professional advisers if they are in doubt as to their status and action to be taken.

In order to be registered as members of the Company on the Record Date, Shareholders must lodge any transfers of the Shares (together with the relevant share certificates and/or instruments of transfer) with the Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 2 June 2026.

The last day for dealing in the Shares on a cum-rights basis is Friday, 29 May 2026. The Shares will be dealt with on an ex-rights basis from Monday, 1 June 2026.

The latest time for acceptance of and payment for the Rights Shares is expected to be at 4:00 p.m. on Friday, 26 June 2026.

Beneficial owners who hold Shares through a Registered Nominee are advised to consider whether they would like to arrange for the registration of their Shares in their own names prior to the Record Date.

Investors whose Shares are held by a Registered Nominee and who would like to have their names registered on the register of members of the Company must lodge all necessary documents with the Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for completion of the relevant registration by 4:30 p.m. on Tuesday, 2 June 2026 as the last day for transfer. The register of members of the Company will be closed from Wednesday, 3 June 2026 to Wednesday, 10 June 2026, both dates inclusive.

Non-Qualifying Shareholders

The Prospectus Documents are not intended to be registered under the applicable securities legislation of any jurisdiction other than Hong Kong.

Pursuant to Rule 17.41(1) of the GEM Listing Rules, the Company will make enquiries regarding the feasibility of extending the Rights Issue to the Overseas Shareholders. The Company notes the requirements specified in section 140 of the Companies Ordinance and Rule 17.41(1) of the GEM Listing Rules and will only exclude from the Rights Issue the Overseas Shareholders whom the Directors, after making enquiries, consider it necessary or expedient to exclude on account of either the legal restrictions under the laws of the relevant jurisdictions or any requirements of the relevant regulatory bodies or stock exchanges in such jurisdictions. The basis of exclusion of the Non-Qualifying Shareholders from the Rights Issue, if any, will be disclosed in the Prospectus. The Company will not offer the Rights Shares to the Non-Qualifying Shareholders. Accordingly, no provisional allotment of Rights Shares will be made to the Non-Qualifying Shareholders. The Company will, subject to the advice of the Company's legal advisers in the relevant jurisdiction(s) where the Non-Qualifying Shareholders are located and to the extent reasonably practicable, send copies of the Prospectus with the Overseas Letter to the Non-Qualifying Shareholders, if any, for their information only but the Company will not send any PAL to them.

Any Rights Shares that are not subscribed by the Qualifying Shareholders or renounees or transferees of the Nil-paid Rights under the PALs together with the NQS Unsold Rights Shares (collectively, the Placing Shares) will, on a best efforts basis, be placed by the Placing Agent to independent Placees, who and whose ultimate beneficial owner(s) shall be Independent Third Party(ies), at the Placing Price.

The Company appointed the Placing Agent to place the Unsubscribed Rights Shares and NQS Unsold Rights Shares to Placee(s) on a best efforts basis, and the aggregate of any premiums paid by the Placee(s) after deducting (i) the aggregate amount of the Subscription Price of the Placing Shares placed by the Placing Agent under this Agreement; and (ii) the aggregate amount of all reasonable expenses or fees incurred by the Company and the Placing Agent (the "Net Gain") will be paid to the No Action Shareholders.

It is proposed that if all or any of the Placing Shares are successfully placed, any Net Gain will be distributed to the relevant No Action Shareholders on a pro-rata basis in Hong Kong dollars, provided that any individual amount of less than HK\$100 to which a No Action Shareholder would otherwise be entitled shall be retained by the Company for its own benefit.

Overseas Shareholders and beneficial owners of the Shares who are residing outside Hong Kong should note that they may or may not be entitled to the Rights Issue pursuant to section 140 of the Companies Ordinance and Rule 17.41(1) of the GEM Listing Rules subject to the results of the enquiries made by the Board. The Company reserves the right to treat as invalid any acceptance of or application for Rights Shares where it believes that such acceptance or application would violate the applicable securities or other laws or regulations of any territory or jurisdiction. Accordingly, Overseas Shareholders and beneficial owners of the Shares who are residing outside Hong Kong should exercise caution when dealing in the Shares.

The Rights Issue does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, nil-paid Rights Shares or fully-paid Rights Shares or to take up any entitlements to nil-paid Rights Shares or fully-paid Rights Shares in any jurisdiction in which such an offer or solicitation is unlawful. Shareholders and beneficial owners of the Shares (including, without limitation, their respective agents, custodians, nominees and trustees) should inform themselves of and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

Fractions of the Rights Shares

The Company will not provisionally allot and issue and will not accept application for any fraction of the Rights Shares and the entitlements of the Qualifying Shareholders will be rounded down to the nearest whole number. All fractions of Rights Shares will be aggregated (rounded down to the nearest whole number). Any Rights Shares created from the aggregation of fractions of the Rights Shares will lapse and will not be made available for subscription.

Share certificates and refund cheques for the Rights Shares

Subject to the fulfilment of the conditions of the Rights Issue, share certificates for all fully-paid Rights Shares are expected to be posted to those who have accepted and applied for and paid for the Rights Shares on or before Wednesday, 8 July 2026 by ordinary post at their own risk. If the Rights Issue is terminated or for unsuccessful applications for the Rights Issue, refund cheques are expected to be posted on or before Wednesday, 8 July 2026 by ordinary post to the applicants at their own risk.

Procedures in respect of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares and the Placing

The Company will make arrangements to dispose of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares by offering them as Placing Shares to independent Placees through the Placing.

Accordingly, on 21 April 2026 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent in relation to the placing of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares (collectively, the Placing Shares) to independent Placees on a best efforts basis. Pursuant to the Placing Agreement, the Company has conditionally agreed to appoint and the Placing Agent has conditionally agreed to act as the Placing Agent for the Company to procure, on a best efforts basis, Placees to subscribe for the Placing Shares at the Placing Price during the Placing Period. The Placing Shares, forming part of the Rights Issue, will be allotted and issued subject to the listing approval of the Stock Exchange. The Placing Agent will, on a best efforts basis, procure subscribers for all (or as many as possible) of those Placing Shares by not later than 4:00 p.m. on Thursday, 23 July 2026. Under the terms of the Placing Agreement, if all the Rights Shares are already fully taken up in the Rights Issue through the PAL(s), the Placing will not proceed. Any Placing Shares which are not placed will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

THE PLACING AGREEMENT

On 21 April 2026 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Company has conditionally agreed to appoint and the Placing Agent has conditionally agreed to act as the Placing Agent for the Company to procure Placee(s), who and whose ultimate beneficial owner(s) shall be Independent Third Party(ies), to subscribe for the Placing Shares at the Placing Price during the Placing Period on and subject to the terms and conditions set out in the Placing Agreement. The Placing Shares, forming part of the Rights Issue, will be allotted and issued subject to the listing approval of the Stock Exchange.

Under the terms of the Placing Agreement, if all the Rights Shares are already fully taken up in the Rights Issue, i.e. all the Rights Shares are fully subscribed by the Qualifying Shareholders or renounee(s) or transferee(s) under the PAL(s), the Placing will not proceed.

Principal terms of the Placing Agreement are summarised as follows:

Date	:	21 April 2026 (after trading hours)
Issuer	:	the Company
Placing Agent	:	Cheong Lee Securities Limited

The Placing Agent confirmed that it and its ultimate beneficial owner(s) are not Shareholders and are Independent Third Parties.

- Placing Price : The placing price of each of the Placing Shares shall not be less than the Subscription Price (exclusive of any brokerage, SFC transaction levy, AFRC transaction levy, stamp duty (if any) and Stock Exchange trading fee as may be payable). The final Placing Price shall be determined by the Placing Agent with the agreement of the Company based on the demand for and the market conditions of the Placing Shares during the process of placement.
- Placing Period : The period from Wednesday, 8 July 2026 up to 4:00 p.m. on Thursday, 23 July 2026, or such other dates as the Company may announce, being the period during which the Placing Agent will carry out and/or effectuate the Placing.
- Placing Commission : The Company shall pay the Placing Agent a placing commission equivalent to 1% of the amount which is equal to the Placing Price multiplied by the total number of Unsubscribed Rights Shares and NQS Unsold Rights Shares which are successfully placed by the Placing Agent.
- Placees : The Placing Shares are expected to be placed to placees, who and whose ultimate beneficial owner(s) shall be Independent Third Party(ies).
- Ranking of the placed Placing Shares : The placed Placing Shares (when allotted, issued and fully paid, if any) shall rank pari passu in all respects among themselves and with the existing Shares in issue as at the date of completion of the Placing.
- Conditions Precedent : The obligations of the Placing Agent under the Placing Agreement are conditional upon the following conditions being fulfilled:
- (i) the GEM Listing Committee of the Stock Exchange having granted the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully paid forms (subject to customary conditions);

- (ii) all necessary consents and approvals to be obtained on the part of the Placing Agent and the Company in respect of the Placing Agreement and the transactions contemplated hereunder having been obtained; and
- (iii) the Placing Agreement not having been terminated in accordance with the provisions thereof, including provisions regarding the force majeure events.

None of the conditions of the Placing can be waived. The Company shall use its reasonable endeavours to procure fulfilment of the conditions precedent as set out in the Placing Agreement and for such purpose, the Company shall furnish such information, supply such documents, pay such fee, give such undertakings, and do all such acts and things as may reasonably be required in connection with the fulfilment of such conditions.

If the conditions precedent set out in the Placing Agreement have not been fulfilled on or before 5:00 p.m. on Friday, 24 July 2026, or such later date/time as may be agreed between the Company and the Placing Agent in writing, all rights, obligations and liabilities of the Parties in relation to the Placing shall cease and determine and neither of the Parties shall have any claim against the other in respect of the Placing save for any antecedent breach and/or any rights or obligations which may accrue under the Placing Agreement prior to such termination.

The Placing Agent undertakes to use its best endeavours to assist the Company in procuring that the conditions of the Placing are fulfilled on or before 5:00 p.m. on Friday, 24 July 2026 (or such later date/time as may be agreed between the Company and the Placing Agent in writing), including but not limited to the delivery by the Placing Agent to the Stock Exchange and/or the relevant regulatory authorities of written confirmations of the independence of the Placees and particulars of the Placees.

For the avoidance of doubt, if all the Rights Shares are already fully taken up in the Rights Issue, the Placing will not proceed.

Termination

: Notwithstanding any other provisions of the Placing Agreement, the Placing Agent may terminate the Placing Agreement without any liability to the Company by notice in writing given to the Company at any time prior to the Latest Time for Termination upon the occurrence of any of the following events which, in the reasonable opinion of the Placing Agent, has or may have a material adverse effect on the business or financial conditions or prospects of the Company or the Group taken as a whole, or would materially prejudice the success of the Placing or the full placement of all of the Placing Shares, or otherwise makes it inappropriate, inadvisable or inexpedient to proceed with the Placing on the terms and in the manner contemplated in the Placing Agreement:

- (a) the occurrence of any event, development or change (whether or not local, national or international, or forming part of a series of events, developments or changes occurring or continuing before, on and/or after the date of the Placing Agreement), including any event or change in relation to or a development of an existing state of affairs of a political, military, industrial, financial, economic, fiscal, regulatory or other nature, resulting in a change in, or which may result in a change in, political, economic, fiscal, financial, regulatory or stock market conditions, which in the Placing Agent's reasonable opinion would affect the success of the Placing;
- (b) the imposition of any moratorium, suspension (for more than 7 trading days) or restriction on trading in securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise, which in the Placing Agent's reasonable opinion would affect the success of the Placing;
- (c) any new law or regulation, or change in existing laws or regulations, or any change in the interpretation or application thereof by any court or other competent authority in Hong Kong or any other jurisdiction relevant to the Group, which in the Placing Agent's reasonable opinion may affect the business or financial prospects of the Group and/or the success of the Placing;

- (d) any litigation or claim being instigated against any member of the Group or its senior management, which has or may affect the business or financial position of the Group and which in the Placing Agent's reasonable opinion would affect the success of the Placing;
- (e) any breach of any of the representations and warranties of the Company comes to the knowledge of the Placing Agent, or any event occurs or any matter arises on or after the date of the Placing Agreement and prior to the Placing Completion Date which, if it had occurred or arisen before the date of the Placing Agreement, would have rendered any of such representations and warranties untrue or incorrect in a material respect, or there has been a material breach by the Company of any other provision of the Placing Agreement; or
- (f) any material change (whether or not forming part of a series of changes) in market conditions which in the absolute opinion of the Placing Agent would materially and prejudicially affect the Placing or makes it inadvisable or inexpedient for the Placing to proceed.

Upon the giving of such notice of termination, the Placing Agreement shall be terminated and be of no further effect, and all respective obligations of either party thereunder shall cease and determine. Neither party shall have any claim against the other in respect of any matter arising out of or in connection with the Placing Agreement, except for any antecedent breach of any obligation under the Placing Agreement and any liabilities in respect of the Company's warranties and the commissions and expenses provisions.

Application for listing : The Company will apply to the Listing Committee of the Stock Exchange for the approval for the listing of, and permission to deal in, the Placing Shares.

Board lot size of Rights Shares : 2,000 Shares

The terms of the Placing Agreement (including the commission payable) were determined after arm's length negotiation between the Placing Agent and the Company with reference to the size of the Rights Issue and the market conditions. The Board considers the terms of the Placing for the Placing Shares (including the commission payable) are on normal commercial terms and are fair and reasonable.

As explained above, the Placing Shares will be placed by the Placing Agent to independent Placees on a best efforts basis. The net proceeds from the Placing will be utilised for the same purposes as described in the section headed “Reasons for and Benefits of the Rights Issue and the Use of Proceeds” in this announcement.

Given that the Placing would provide (i) a distribution channel of the Placing Shares for the Company; and (ii) a channel of participation in the Rights Issue for independent investors, so that the Placing would allow the Company to raise the shortfall of funds required where possible after the Rights Issue, the Board considers that the Placing is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Placing Agent shall use its best endeavours and make all reasonable enquiries to ensure that the Placing Shares are placed (i) to such persons or companies whose themselves and their respective ultimate beneficial owners (if applicable) are third parties independent of, and not connected with or acting in concert with, the Company, its connected persons (as defined under the GEM Listing Rules) and their respective associates (as defined under the GEM Listing Rules); (ii) such that no Placees, together with parties acting in concert with the respective Placees or any of the connected persons or associates of the respective Placees, shall hold in aggregate 30% or more of the voting rights of the Company immediately upon the completion of the Placing or otherwise trigger any MGO Obligation under the Takeovers Code immediately upon the completion of the Placing; and (iii) such that the Public Float Requirement be complied with by the Company immediately upon the completion of the Placing.

Application for listing of the Rights Shares

The Company will apply to the GEM Listing Committee for the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange. No part of the securities of the Company is listed or dealt in or on which listing or permission to deal is being or is proposed to be sought on any other stock exchange.

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as may be 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. Shareholders should seek advice from their licensed securities dealer(s) or other professional adviser(s) for details of those settlement arrangements and how such arrangements will affect their rights and interests.

The nil-paid Rights Shares shall have the same board lot size as the Shares, i.e. 2,000 Shares per each board lot.

Dealings in the Rights Shares in both their nil-paid and fully-paid forms, which are registered in the branch register of members of the Company in Hong Kong, will be subject to the payment of stamp duty, Stock Exchange trading fee, the Securities and Future Commission transaction levy, the Accounting and Financial Reporting Council and any other applicable fees and charges in Hong Kong.

REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS

The Company is an investment holding company and the Group is principally engaged in provision of system integration and related support services, provision of IT infrastructure solutions and maintenance services, rental of properties and securities trading.

As stated in the annual results announcement of the Company for the year ended 31 December 2025, the Group recorded a net loss of approximately HK\$100.2 million for the year ended 31 December 2025 as compared to a net loss of approximately HK\$38.38 million for the year ended 31 December 2024. Besides, as at 31 December 2025, the net current assets were only approximately HK\$2,949,000. Based on the unaudited management accounts of the Group for the three months ended 31 March 2026, the Group had bank and cash balances of approximately HK\$11.98 million as at 31 March 2026.

As it has become critical for the Company to be able to raise funds as soon as possible to meet its repayment obligations, after considering (i) the current financial position of the Group; (ii) the benefits and cost of alternative fundraising means; and (iii) the importance of the fundraising exercise to the Company to satisfy its pressing financial needs, the Directors consider that the Rights Issue will enable the Group to raise the necessary funds in a timely manner to repay outstanding indebtedness of the Group, which is in the interests of the Company and the Shareholders as a whole.

Assuming that there is no change in the number of issued Shares on or before the Record Date and all Rights Shares to be issued under the Rights Issue have been taken up in full, the gross proceeds from the Rights Issue will be approximately HK\$10.33 million. The net proceeds from the Rights Issue after deducting the estimated expenses in relation to the Rights Issue are estimated to be up to approximately HK\$9.73 million, which are intended to apply the entire net proceeds towards repayment of outstanding indebtedness of the Company.

The net price per Rights Share (after deducting the cost and expenses of the Rights Issue) is estimated to be approximately HK\$0.17. The Company intends to apply the net proceeds from the Rights Issue in the following manner:

Intended use	Approximate amount	Approximate % of net proceeds
Loan from an independent third party to be repaid on or before 1 January 2027.	HK\$8,796,000	90.40%
Settlement of professional fees and other administrative expenses.	HK\$934,000	9.60%

The Board has considered and determined that applying the entire net proceeds towards repayment of outstanding indebtedness is in the best interests of the Company and the Shareholders as a whole, as it will reduce the Group's debt burden, lower its finance costs and improve its gearing ratio and overall financial position.

Despite the inherent dilutive nature of the Rights Issue in general if the Qualifying Shareholders do not take up their entitlements under the Rights Issue in full, it is the intention of the Company to set the Subscription Price at a discount to the current market price of the Shares so as to encourage the Shareholders to participate in the Rights Issue and reduce the possible dilution of approximately 33.3% to the shareholding of the existing Shareholders in case they decide not to take up their entitlements under the Rights Issue. Furthermore, the Rights Issue will give the Qualifying Shareholders the opportunity to maintain their respective shareholdings in the Company and participate in the stabilisation and recovery of the Group's financial position through the repayment of its outstanding indebtedness. Accordingly, the Directors are of the view that fund raising through the Rights Issue is in the interests of the Company and the Shareholders as a whole. **However, those Qualifying Shareholders who do not take up the Rights Shares to which they are entitled and Non-Qualifying Shareholders should note that their shareholdings in the Company will be diluted upon completion of the Rights Issue.**

The Board considers that the repayment of the Group's outstanding indebtedness through equity fundraising, rather than further debt financing, is prudent as it will reduce the Group's finance costs, alleviate its debt repayment pressure and improve its overall financial position and gearing ratio. The Board has considered other fund-raising alternatives before resolving to the Rights Issue, including but not limited to, debt financing, placing and open offer. The Board is of the view that debt financing is not desirable as it will result in additional interest burden and higher gearing ratio of the Group, which will have a negative impact on the profitability of the Group in the future. Besides, the Company may not be able to achieve debt financing on favourable terms in a timely manner, the Directors consider that this is the case in view of the Group's loss making position for the latest financial year and the decrease in net current asset as at the latest financial year end as compared with that of the last financial year end, as these are typical financial metrics on which key terms of debt financing would depend. As for placing of new Shares, it is relatively smaller in scale as compared to fund raising through a rights issue. Also, it would inevitably lead to immediate dilution in the shareholding interest of the existing Shareholders without offering them an opportunity to participate in the enlarged capital base of the Company. As for open offer, while it is similar to a rights issue in that Qualifying Shareholders are offered an opportunity to participate, unlike a rights issue, it does not allow free trading of rights entitlements in the open market, which would allow the Shareholders to have more flexibility in dealing with the Shares and the nil-paid rights attaching thereto. The Placing arrangement, which involves the placement of the Placing Shares at the Placing Price (which shall not be less than the Subscription Price), serves to maximise the funds to be raised.

The Board considers that the Rights Issue would allow all Qualifying Shareholders to participate in the financial recovery and stabilisation of the Company through the repayment of its outstanding indebtedness, and at the same time offer more flexibility to the Qualifying Shareholders to choose whether to maintain, increase or decrease their respective shareholdings in the Company by taking up only their respective rights entitlements, acquiring additional rights entitlements or disposing of their rights entitlements in the open market, subject to availability.

In view of the above, the Board considers that raising funds by way of the Rights Issue is beneficial to the Company and the Shareholders as a whole.

SHAREHOLDING STRUCTURE OF THE COMPANY

The tables below set out the shareholding structures of the Company (i) as at the date of this announcement; (ii) immediately after completion of the Rights Issue assuming all Rights Shares are subscribed for by the Qualifying Shareholders; and (iii) immediately after completion of the Rights Issue assuming none of the Rights Shares are subscribed for by the Qualifying Shareholders.

The changes in the shareholding structure of the Company arising from the Rights Issue are as follows (assuming no change in the number of Shares in issue on or before the Record Date) for illustrative purposes only:

	Immediately after completion of the Rights Issue							
	As at the date of this announcement		Assuming all Rights Shares are subscribed for by the Qualifying Shareholders		Immediately upon completion of the Rights Issue – Assuming nil acceptance of the Rights Shares by the Qualifying Shareholders and all the remaining Placing Shares having been placed by the Placing Agent		Immediately upon completion of the Rights Issue – Assuming nil acceptance of the Rights Shares by the Qualifying Shareholders and none of the Placing Shares are placed by the Placing Agent	
	<i>Number of issued Shares</i>	<i>%</i>	<i>Number of issued Shares</i>	<i>%</i>	<i>Number of issued Shares</i>	<i>%</i>	<i>Number of issued Shares</i>	<i>%</i>
Mr. ZHANG Rong ("Mr. Zhang") (Note 1)	20,200,299	17.61	30,300,449	17.61	20,200,299	11.74	20,200,299	17.61
Mr. WONG King Shiu, Daniel ("Mr. Wong") (Note 2)	669,550	0.58	1,004,325	0.58	669,550	0.39	669,550	0.58
JStage Technology Limited ("JStage Technology") (Note 3)	11,500,000	10.02	17,250,000	10.02	11,500,000	6.68	11,500,000	10.02
Public Shareholders								
– Independent Places	–	–	–	–	57,369,850	33.33	–	–
– Other public Shareholders	82,369,851	71.79	123,554,776	71.79	82,369,851	47.86	82,369,851	71.79
Total	114,739,700	100.00	172,109,550	100.00	172,109,550	100.00	114,739,700	100.00

Notes:

1. These 20,200,299 Shares comprise 16,981,499 Shares beneficially owned by Mr. Zhang and 3,218,800 Shares held by Corporate Advisory Limited, which is wholly owned by Mr. Zhang. Pursuant to the Division 7 and 8 of Part XV of the Securities and Futures Ordinance, Mr. Zhang is deemed to have an interest in all shares in which Corporate Advisory Limited has, or deemed to have an interest.
2. Mr. Wong is an executive Director, chairman and chief executive officer of the Company.
3. JStage Technology is held by Mr. Ngan Chiu Fai and Ms. Shih Mei Ling as to 30% and 70%, respectively. Pursuant to Part XV of the Securities and Futures Ordinance, Mr. Ngan Chiu Fai and Ms. Shih Mei Ling are deemed to be interested in all Shares in which JStage Technology has, or is deemed to have, an interest under the Securities and Futures Ordinance.
4. Certain percentage figures included in the table above have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

The public float requirements under the GEM Listing Rules shall be fulfilled by the Company at all times. The Company will take all appropriate steps to ensure that sufficient public float be maintained at all times in compliance with Rule 11.23(7) of the GEM Listing Rules.

EXPECTED TIMETABLE

The expected timetable for the Rights Issue and the Placing set out below is indicative only and is subject to change. Any such change will be announced in a separate announcement by the Company as and when appropriate. All dates and times specified in this announcement refer to Hong Kong local dates and times.

Event	Time and Date
Expected despatch date of the circular, proxy form and the notice of the EGM	Wednesday, 13 May 2026
Latest time for lodging transfer of the Shares to qualify for attendance and voting at the EGM.	Wednesday, 20 May 2026
Closure of register of members for determination of the right to attend and vote at the EGM (both days inclusive).	Thursday, 21 May 2026 to Thursday, 28 May 2026
Latest time for lodging proxy forms for the EGM.	3:30 p.m., Tuesday, 26 May 2026

Event	Time and Date
Record date for attendance and voting at the EGM	Thursday, 28 May 2026
Expected time and date of the EGM	3:30 p.m., Thursday, 28 May 2026
Announcement of the poll results of the EGM	Thursday, 28 May 2026
Register of members re-opens	Friday, 29 May 2026
Last day of dealings in the Shares on a cum-rights basis of the Rights Issue	Friday, 29 May 2026
First day of dealings in the Shares on an ex-rights basis of the Rights Issue	Monday, 1 June 2026
Latest time for lodging transfer documents of the Shares in order to qualify for the Rights Issue	4:30 p.m., Tuesday, 2 June 2026
Closure of register of members for the Rights Issue (both days inclusive)	Wednesday, 3 June 2026 to Wednesday, 10 June 2026
Record Date for determining entitlements under the Rights Issue	Wednesday, 10 June 2026
Register of members of the Company reopens	Thursday, 11 June 2026
Despatch of Prospectus Documents (including the PAL and the Prospectus) (in the case of the Excluded Shareholders, the Prospectus only)	Thursday, 11 June 2026
First day of dealing in nil-paid Rights Shares	Monday, 15 June 2026
Latest time for splitting the PALs	4:30 p.m., Wednesday, 17 June 2026
Last day of dealing in nil-paid Rights Shares	Tuesday, 23 June 2026
Latest time for Acceptance of and payment for the Rights Shares	4:00 p.m., Friday, 26 June 2026

Event	Time and Date
Announcement of results of the Rights Issue including the number of Placing Shares subject to the Placing.	Tuesday, 7 July 2026
Commencement of placing of Placing Shares (if any) by the Placing Agent.	Wednesday, 8 July 2026
Despatch of share certificates for fully-paid Rights Shares	Wednesday, 8 July 2026
Despatch of refund cheques if the Rights Issue does not proceed	Wednesday, 8 July 2026
Commencement of dealings in fully-paid Rights Shares	Thursday, 9 July 2026
Latest time for the Placing Agent to place the Placing Shares.	4:00 p.m., Thursday, 23 July 2026
Latest time for Termination of the Placing Agreement	5:00 p.m., Friday, 24 July 2026
Expected payment date of the Net Gain to the No Action Shareholder	Friday, 31 July 2026

All times and dates in this announcement refer to Hong Kong local times and dates.

Dates or deadlines specified in the expected timetable above are indicative only and may be extended, amended or varied by the Company. Any changes to the expected timetable will be published or notified to the Shareholders and the Stock Exchange as and when appropriate.

Effect of bad weather on the Latest Time for Acceptance of and payment for the Rights Shares

The Latest Time for Acceptance of and payment for the Rights Shares will not take place at 4:00 p.m. on Friday, 26 June 2026 if there is a tropical cyclone warning signal number 8 or above, or a “black” rainstorm warning or Extreme Conditions, and if such circumstances are:

- (a) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on the date of the Latest Time for Acceptance, the Latest Time for Acceptance will not take place at 4:00 p.m. on the date of the Latest Time for Acceptance, but will be extended to 5:00 p.m. on the same day instead; or
- (b) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the date of the Latest Time for Acceptance, the Latest Time for Acceptance will not take place on the date of the Latest Time for Acceptance, but will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m..

If the Latest Time for Acceptance of and payment for the Rights Shares does not take place on or before 4:00 p.m., Friday, 26 June 2026, the dates mentioned in the section headed “Expected Timetable” in this announcement may be affected. An announcement will be made by the Company in such event.

POSSIBLE ADJUSTMENT TO THE OUTSTANDING SHARE OPTIONS UNDER THE SHARE OPTION SCHEMES

The Rights Issue may lead to adjustments to, among others, the exercise price and/or the number of Shares to be issued upon exercise of the unexercised share options under the Share Option Schemes. The Company will notify the holders of such unexercised share options and the Shareholders by way of announcement (as and when appropriate) regarding adjustments to be made, if any, pursuant to the terms of the Share Option Schemes and such adjustments will be certified by an independent financial adviser or auditors of the Company (as the case may be). As at the date of this announcement, there are 6,030,771 unexercised share options granted by the Company pursuant to the Share Option Schemes, all of which are exercisable on or before the Record Date (the “**Outstanding Share Options**”). The Outstanding Share Options are exercisable into 6,030,771 Shares. Details of the Outstanding Share Options as at the date of this announcement granted under the Share Option Schemes are set out below:

FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST TWELVE MONTHS

Save as disclosed below, the Company has not conducted any fund-raising activities in the past twelve months immediately prior to the date of this announcement:

Date of announcement	Event	Net proceeds raised (approximately)	Proposed use of proceeds	Actual use of proceeds as at the date of this announcement
6 October 2025	Rights issue on the basis of three rights shares for every eight existing shares held on the record date on a fully underwritten basis	HK\$32.05 million	Approximately HK\$3,600,000 for rental and building management fees; approximately HK\$27,000,000 for salaries; and approximately HK\$1,450,000 for settlement of professional fees and other administrative expenses.	(i) approximately HK\$1,426,000 for rental and building management fees; (ii) approximately HK\$9,696,000 for salaries; and (iii) approximately HK\$1,450,000 for settlement of professional fees and other administrative expenses, all as intended.
19 November 2025 and 5 December 2025	Placing of 14,000,000 New Shares Under General Mandate	HK\$3,881,000	(i) the repayment of maturing indebtedness; and (ii) general working capital of the Group.	Used as intended

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Thursday, 21 May 2026 to Thursday, 28 May 2026 (both dates inclusive) for determining the Shareholders' entitlements for attending and voting at the EGM.

The register of members of the Company will be closed from Wednesday, 3 June 2026 to Wednesday, 10 June 2026 (both dates inclusive) for determining the entitlements to the Rights Issue.

No transfer of the Shares will be registered during the above book closure periods.

IMPLICATIONS UNDER THE GEM LISTING RULES

As at the date of this announcement, Mr. Zhang (and also through Corporate Advisory Limited as his controlled corporation), Mr. Wong and JStage Technology, directly and indirectly, owns 20,200,299, 669,550 and 11,500,000 Shares, representing approximately 17.61%, 0.58% and 10.02% of the issued share capital of the Company, respectively. As such, each of Mr. Zhang, Mr. Wong and JStage Technology is a connected person of the Company pursuant to Chapter 20 of the GEM Listing Rules. According to Rule 20.90(2)(a) of the GEM Listing Rules, the issue of the Rights Shares to each of Mr. Zhang, Mr. Wong and JStage Technology according to their pro-rata entitlement under the Rights Issue constitutes an exempt connected transaction of the Company.

As at the date of this announcement, the Company has in issue 114,739,700 Shares. The maximum number of Rights Shares to be issued under the Rights Issue is 57,369,850 Rights Shares, representing approximately 50% of the issued share capital of the Company as at the date of this announcement. The Previous Rights Issue, which was completed on 6 October 2025, resulted in the allotment and issue of 27,474,463 rights shares, representing approximately 37.50% of the issued share capital of the Company at the time of the Previous Rights Issue.

When aggregated with the Previous Rights Issue, the number of new Shares to be issued under both the Previous Rights Issue and the Rights Issue represents an increase of more than 50% in the number of issued Shares of the Company. Accordingly, the Rights Issue is subject to the approval of the Shareholders at a general meeting pursuant to Rule 10.29(1) of the GEM Listing Rules.

The Rights Issue does not result in a theoretical dilution effect of 25% or more. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 10.44A of the GEM Listing Rules.

An EGM will be convened for the Shareholders to consider and, if thought fit, approve the Rights Issue, the Placing Agreement and the transactions contemplated thereunder. A circular containing, among other things, further details of the Rights Issue and the Placing and a notice of EGM will be despatched to the Shareholders as soon as practicable after the date of this announcement in accordance with the requirements of the GEM Listing Rules. The Rights Issue is conditional upon, among other things, the passing of the necessary resolution(s) by the Shareholders at the EGM. If such resolution(s) are not passed at the EGM, the Rights Issue will not proceed.

THE INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

Given that Mr. Wong Hoi Kuen has been granted Share Options that have yet to be exercised, he has no interest in the Share of the Company.

The Independent Board Committee comprising the independent non-executive Directors, namely, Mr. Wong Hoi Kuen, Mr. Chu Wun Chiu and Ms. Dodo Chan, will be established to advise the Independent Shareholders as to whether the terms of the Rights Issue, the Placing Agreement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable, in the interests of the Company and the Independent Shareholders as a whole, and to advise the Independent Shareholders as to the voting at the EGM, taking into account the recommendations of the Independent Financial Adviser to be appointed by the Company. An announcement will be made by the Company upon the establishment of the Independent Board Committee and the appointment of the Independent Financial Adviser.

In this connection, the Company will appoint an Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Rights Issue, the Placing Agreement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable, in the interests of the Company and the Independent Shareholders as a whole, and to advise the Independent Shareholders as to the voting at the EGM.

EXTRAORDINARY GENERAL MEETING

The Company will convene an EGM at which a resolution will be proposed for the Shareholders to consider and, if thought fit, approve the Rights Issue, the Placing Agreement and the transactions contemplated thereunder. A circular containing, among other things, (i) further details of the Rights Issue and the Placing Agreement; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in relation to the Rights Issue and the Placing Agreement; (iii) other information required under the GEM Listing Rules; and (iv) a notice of EGM will be despatched to the Shareholders as soon as practicable after the date of this announcement in accordance with the requirements of the GEM Listing Rules.

As at the date of this announcement, the Company has no controlling Shareholder.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, save as disclosed above, as at the date of this announcement, no other Shareholder has a material interest in the Rights Issue that is different from other Shareholders, and no other Shareholder is therefore required to abstain from voting on the resolution(s) to approve the Rights Issue, the Placing Agreement and the transactions contemplated thereunder at the EGM.

GENERAL

The EGM will be convened for the Shareholders to consider and, if thought fit, approve the Rights Issue, the Placing Agreement and the transactions contemplated thereunder. For the purpose of determining the Shareholders' entitlements to attend and vote at the EGM, the register of members of the Company will be closed from Thursday, 21 May 2026 to Thursday, 28 May 2026 (both days inclusive).

A circular containing, among other things, (i) further details of the Rights Issue and the Placing; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in relation to the Rights Issue; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Rights Issue; and (iv) a notice convening the EGM, is expected to be despatched to the Shareholders on or before Wednesday, 13 May 2026.

Subject to the fulfilment of all conditions of the Rights Issue (including the passing of the necessary resolution(s) at the EGM), the Company will despatch the Prospectus Documents, which contain, among others, details of the Rights Issue, to the Qualifying Shareholders on or before Thursday, 11 June 2026. The Company will despatch the Prospectus (without the PAL) to the Non-Qualifying Shareholders (if any) for their information purpose only to the extent permitted under the relevant laws and regulations and reasonably practicable. For the avoidance of doubt, the Non-Qualifying Shareholders are entitled to attend and vote at the EGM.

WARNING ON THE RISKS OF DEALING IN SHARES AND RIGHTS SHARES IN NIL-PAID FORM

The Rights Issue is subject to, amongst other things, the passing of the necessary resolution(s) by the Shareholders at the EGM. If the conditions to the Rights Issue are not fulfilled, the Rights Issue will not proceed. Any Shareholders or other persons dealing in the Shares and/or the Rights Shares in nil-paid form up to the date on which all the conditions to which the Rights Issue are fulfilled will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

The Shares are expected to be dealt in on an ex-rights basis from Monday, 1 June 2026. Dealings in the Rights Shares in nil-paid form are expected to take place from Monday, 15 June 2026 to Tuesday, 23 June 2026 (both dates inclusive).

Subject to the fulfilment of the conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of provisionally allotted Rights Shares. Any Unsubscribed Rights Shares together with the NQS Unsold Rights Shares will be placed to independent Placées on a best efforts basis through the Placing. Accordingly, if the Rights Issue is not fully subscribed and there remain Placing Shares which are not placed, the size of the Rights Issue will be reduced. Qualifying Shareholders who do not take up their provisional entitlements in full and Non-Qualifying Shareholders, if any, should note that their shareholdings in the Company may be diluted, the extent of which will depend in part on the size of the Rights Issue.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares and/or the Rights Shares in nil-paid form. Any Shareholders or other persons contemplating any dealings in the Shares or the Rights Shares in their nil-paid form are recommended to consult their own professional advisers.

DEFINITIONS

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

“associate(s)”	has the meaning as ascribed thereto under the GEM Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day on which licensed banks in Hong Kong are open for normal banking business and excludes Saturdays, Sundays, public holidays in Hong Kong and any day on which a tropical cyclone warning number 8 or above is hoisted or remains hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m. or on which a “black rainstorm” warning signal is issued or remains issued in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.
“CCASS”	The Central Clearing and Settlement System established and operated by HKSCC
“close associate(s)”	has the meaning as ascribed thereto under the GEM Listing Rules
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended from time to time
“Companies (WUMP) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented and modified from time to time
“Company”	China Information Technology Development Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the GEM (Stock Code: 8178)
“connected person(s)”	has the meaning as ascribed thereto under the GEM Listing Rules
“controlled corporation(s)”	has the meaning as ascribed thereto under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

“controlling shareholder(s)”	has the meaning as ascribed thereto under the GEM Listing Rules
“Director(s)”	director(s) of the Company
“Extreme Conditions”	the extreme conditions the government of Hong Kong may announce in the event of, for example, serious disruption of public transport services, extensive flooding, major landslides or large-scale power outage caused by super typhoons according to the revised “Code of Practice in Times of Typhoons and Rainstorms” issued by the Labour Department of Hong Kong
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Committee”	has the meaning as ascribed thereto under the GEM Listing Rules
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent board committee of the Board comprising all the independent non-executive Directors to be established to advise the Independent Shareholders in respect of the Rights Issue and the Placing Agreement
“Independent Financial Adviser”	the independent financial adviser to be appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the Rights Issue and the Placing Agreement
“Independent Shareholder(s)”	any Shareholder(s) who is(are) not required to abstain from voting on the resolution(s) relating to the Rights Issue, the Placing Agreement and the transactions contemplated thereunder at the EGM under the GEM Listing Rules
“Independent Third Party(ies)”	third party(ies) who are not connected persons of the Company and its subsidiaries and who are independent of the Company and connected persons of the Company

“Last Trading Day”	21 April 2026, the last day on which the Shares were traded on the Stock Exchange immediately preceding the publication of this announcement
“Latest Time for Acceptance”	4:00 p.m. on Friday, 26 June 2026 or such other time as may be agreed by the Company, being the latest time for application for, acceptance and payment in respect of the provisional allotments under the Rights Issue
“Latest Time for Termination”	5:00 p.m. on Friday, 24 July 2026 or such later date/time as may be agreed between the Company and the Placing Agent in writing, being the latest time to terminate the Placing Agreement
“MGO Obligation”	the obligation to make a mandatory general offer under the Takeovers Code
“No Action Shareholder(s)”	Qualifying Shareholders who do not subscribe for the Rights Shares (whether partially or fully) under the PAL(s) or their renounees, or such persons who hold any nil-paid rights at the time such nil-paid rights are lapsed;
“NQS Unsold Rights Shares”	the Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders in nil-paid form that have not been sold by the Company
“Non-Qualifying Shareholder(s)” or “NQS”	Overseas Shareholder(s) to whom the Board, after making enquiries, considers it necessary or expedient not to offer the Rights Issue on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“Outstanding Share Options”	the outstanding share options to subscribe for an aggregate of up to 6,030,771 Shares granted under the Share Option Schemes which are exercisable on or before the Record Date
“Overseas Letter”	a letter from the Company to the Non-Qualifying Shareholders explaining the circumstances in which the Non-Qualifying Shareholders are not permitted to participate in the Rights Issue
“Overseas Shareholder(s)”	Shareholder(s) whose address on the register of members of the Company is outside Hong Kong
“PAL(s)”	the provisional allotment letter(s) in respect of the Rights Issue to be issued to the Qualifying Shareholders

“Placee(s)”	institutional, corporate or individual investor(s) who are professional investors as defined under the SFO, who and whose ultimate beneficial owner(s) shall be Independent Third Party(ies), procured by the Placing Agent and/or its sub-placing agents to subscribe for the Placing Shares pursuant to the Placing Agreement
“Placing”	the placing of the Placing Shares on a best efforts basis by the Placing Agent and/or its sub-placing agent(s) to the Placees on the terms and conditions of the Placing Agreement
“Placing Agent”	Cheong Lee Securities Limited, a company incorporated in Hong Kong with limited liability, licensed by the SFC to carry on Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities) and Type 5 (advising on futures contracts) regulated activities under the SFO
“Placing Agreement”	the placing agreement dated 21 April 2026 entered into between the Company and the Placing Agent in relation to the Placing
“Placing Commission”	1% of the amount equal to the Placing Price multiplied by the number of Placing Shares successfully placed by the Placing Agent
“Placing Period”	the period commencing from Wednesday, 8 July 2026 and ending at 4:00 p.m. on Thursday, 23 July 2026, or such later date/time as may be agreed between the Company and the Placing Agent in writing
“Placing Price”	the placing price of the Placing Shares which shall not be less than the Subscription Price of HK\$0.18 per Placing Share
“Placing Shares”	the Unsubscribed Rights Shares and the NQS Unsold Rights Shares to be placed to the Placee(s) by the Placing Agent
“PRC”	the People’s Republic of China, which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Previous Rights Issue”	the previous issue by way of rights of the rights shares on the basis of three (3) rights shares for every eight (8) existing Shares held on 10 September 2025, which was completed on 6 October 2025
“Prospectus”	the prospectus to be despatched to the Shareholders on the Prospectus Posting Date in connection with the Rights Issue

“Prospectus Documents”	the Prospectus and the PAL
“Prospectus Posting Date”	Thursday, 11 June 2026 or such later date the Company may determine for the despatch of the Prospectus Documents to the Qualifying Shareholders or the Prospectus to the Non-Qualifying Shareholders (as the case may be)
“Qualifying Shareholders”	Shareholders whose names appear on the register of members of the Company on the Record Date, other than the Non-Qualifying Shareholders
“Record Date”	Wednesday, 10 June 2026 or such other date the Company may determine for the determination of the entitlements under the Rights Issue
“Registrar”	the branch share registrar and transfer office of the Company in Hong Kong, being Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong
“Rights Issue”	the proposed issue of one (1) Rights Share for every two (2) existing Shares in issue and held on the Record Date at the Subscription Price
“Rights Share(s)”	up to 57,369,850 new Shares proposed to be offered to the Qualifying Shareholders for subscription by way of the Rights Issue
“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company
“Share Option Schemes”	the share option schemes adopted by the Company on 2 August 2012 and 15 May 2023, respectively
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.18 per Rights Share
“substantial shareholder(s)”	has the meaning as ascribed thereto under the GEM Listing Rules
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong, as may be amended from time to time

“Unsubscribed Rights Share(s)” the Rights Shares that are not subscribed by the Qualifying Shareholder(s) or renouncee(s) or transferee(s) of the nil-paid Rights Shares under the PAL(s)

“%” per cent

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

Hong Kong, 21 April 2026

As at the date of this announcement, the Board comprises Mr. Wong King Shiu, Daniel (Chairman and Chief Executive Officer), Mr. Chu Joshua Allen Kiu Wah and Mr. So Han Meng Julian as executive Directors; Mr. Li Sai Wing, MH, JP and Ms. Leung Kar Ming, MH, as non-executive Directors and Mr. Wong Hoi Kuen, Mr. Chu Wun Chiu and Ms. Dodo Chan 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 Stock Exchange’s website at <http://www.hkexnews.hk> for at least 7 days from the date of its posting.