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**中國信息科技發展有限公司**

**China Information Technology Development Limited**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8178)**

## **DISCLOSEABLE TRANSACTION ACQUISITION OF LISTED SECURITIES**

### **THE ACQUISITION**

On 9 December 2021, the Group has acquired an aggregate of 2,160,000 Shares through the open market at an aggregate consideration of approximately HK\$1.05 million (exclusive of transaction costs). The acquisition price (exclusive of transaction costs) for the Acquisition of each Share is HK\$0.485.

### **GEM LISTING RULES IMPLICATION**

One or more than one of the applicable percentage ratios under Rule 19.07 of the GEM Listing Rules for the Acquisition, is more than 5% but less than 25%. As such, the Acquisition constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules and are therefore subject to the notification and announcement requirements under the GEM Listing Rules.

## THE ACQUISITION

On 9 December 2021, the Purchaser, an indirect wholly-owned subsidiary of the Company, acquired a total of 2,160,000 Shares (representing 0.54% of the issued share capital of K. H. Group Holdings as at the date of this announcement) through the open market at an aggregate consideration of HK\$1,047,600 (exclusive of transaction costs). The acquisition price (exclusive of transaction costs) for the Acquisition of each Share is HK\$0.485.

Upon settlement of the Acquisition, the Group shall hold a total of 2,160,000 Shares.

As the Acquisition was conducted in the open market, the identities of the counterparties of the acquired Shares cannot be ascertained. To the best knowledge, information and belief of the Directors and having made all reasonable enquiries, the counterparties and the ultimate beneficial owner(s) of the counterparties of the acquired Shares are third parties independent of the Company and its connected persons.

## INFORMATION OF K. H. GROUP HOLDINGS

K. H. Group Holdings, a company incorporated in Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange (Stock Code: 1557). K. H. Group Holdings is principally engaged in the provision of foundation services and leasing of machinery in Hong Kong and trading of electronic devices in the PRC.

The following financial information is extracted from the published annual report of K. H. Group Holdings for the years ended 31 March 2021 and 2020:

	Year Ended 31 March	
	2021	2020
	<i>Approximately</i>	<i>Approximately</i>
	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	<b>933,797</b>	374,903
Profit before tax	<b>1,071</b>	1,009
Profit after tax	<b>1,071</b>	1,009
Total assets	<b>682,892</b>	418,791
Net assets	<b>93,487</b>	92,416

## **REASONS FOR THE ACQUISITION**

The Group is principally engaged in the provision of IT infrastructure solutions and maintenance services, money lending and securities trading.

The Purchaser is an indirect wholly-owned subsidiary of the Company. It is incorporated in Hong Kong with limited liability and is principally engaged in securities trading.

As supported by the 2021 Policy Address of Hong Kong, land and housing are still the most important agendas. The Government of Hong Kong targets to identify additional land supply and provide more housing in both the medium and the long term. The foundation industry in Hong Kong remains optimistic as a result of the boosting of land supply for housing developments for both the private and the public sectors as well as fostering infrastructure development plans. The Company holds positive views on the future prospects of the industry and K. H. Group Holdings. The Company considers the Acquisition presented good opportunity to diversify our investment portfolio and enhance potential investment returns.

As the Acquisition was made in the open market at prevailing market price, the Directors are of the view that the terms of the Acquisition are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **GEM LISTING RULES IMPLICATION**

One or more than one of the applicable percentage ratios under Rule 19.07 of the GEM Listing Rules for the Acquisition, exceeds 5% but less than 25%. As such, the Acquisition constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules and are therefore subject to the notification and announcement requirements under the GEM Listing Rules.

## DEFINITIONS

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

“Acquisition”	the acquisition of 2,160,000 Shares by the Group as disclosed in this announcement
“Board”	the board of Directors of the Company
“Company”	China Information Technology Development Limited, a company incorporated in Cayman Islands with limited liability, the shares of which are listed on the GEM of the Stock Exchange (Stock Code: 8178)
“Director(s)”	the director(s) of the Company
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	an individual or a company who or which is independent of and not connected with (within the meaning of the GEM Listing Rules) any Directors, chief executive or substantial shareholders of the Company, its subsidiaries or any of their respective associates
“K. H. Group Holdings”	K. H. Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 1557)
“Purchaser”	Global Shine Investment Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company

“Shares”	ordinary shares of HK\$0.01 each in the share capital of K. H. Group Holdings
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

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

Hong Kong, 9 December 2021

*As of the date of this announcement, the Board comprises Mr. Wong King Shiu, Daniel (Chairman and Chief Executive Officer) and Mr. Chang Ki Sum Clark as executive Directors; Mr. Hung Hing Man, Mr. Wong Hoi Kuen and Dr. Chen Shengrong as independent non-executive Directors.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will be available on the Company’s website <http://www.citd.com.hk> and will remain on the “Latest Company Announcement” page on the GEM website at <http://www.hkgem.com> for at least 7 days from the date of its posting.*