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China ITS (Holdings) Co., Ltd.

中国智能交通系统(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1900)

DISCLOSEABLE TRANSACTION
SUBSCRIPTION OF FUND

THE SUBSCRIPTION

On 5 November 2025, the Subscriber committed to subscribe for Class A Shares of the Fund with a capital commitment in the amount of US$5 million (equivalent to approximately RMB35.45 million), subject to the terms and conditions of the Private Placement Memorandum.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios under Chapter 14 of the Listing Rules in relation to the Subscription is more than 5% but all applicable percentage ratios are less than 25%, the Subscription constitutes a discloseable transaction on the part of the Company and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

THE SUBSCRIPTION

On 5 November 2025 (after trading hours), the Subscriber committed to subscribe for Class A Shares of the Fund with a capital commitment in the amount of US$5 million (equivalent to approximately RMB35.45 million), subject to the terms and conditions of the Private Placement Memorandum.

The principal terms of the Fund under the Private Placement Memorandum in relation to the Subscription are as follows:

The Fund:	HUA SHENG HENG XIN INVESTMENT FUND LIMITED
Investment Manager:	Wonderland International Asset Management Limited (華德國際資產管理有限公司)
Administrator:	Wonderland International Financial Services Limited
Investment objectives and strategies:	The primary investment objective of the Fund is to achieve capital appreciation by investing in a private company incorporated in the Cayman Islands (the "**Target Company**"), which currently operates the principal business of developing brain-computer interface products. If the directors of the Fund, in consultation with the Investment Manager, decide that the investment objectives and strategy of the Fund are no longer viable, they may resolve that the Fund be managed with the objective of realising assets in an orderly manner and distributing the proceeds to shareholders in such manner as they determine to be in the best interests of the shareholders, in accordance with the terms of the memorandum and articles of association of the Fund (as amended from time to time), including, without limitation, compulsorily redeeming shares, paying any redemption proceeds in specie and/or declaring a suspension while assets are being realised. In order to achieve its investment objective, the Fund will acquire interests in the Target Company directly, and will aim to exit such investment and dispose of such interests as soon as legally permissible upon the listing of the Target Company on an established stock exchange, taking into account any applicable restrictions on the disposal of such interests imposed by the relevant stock exchange listing rules or laws.
Term:	The Fund will have a term of three (3) years from the Closing Date, but may be extended by the board of the Fund (in consultation with the Investment Manager) for an additional three-year period.

Management fee:

The Investment Manager will charge, with respect to each share of the Fund, (a) a management fee of two percent (2%) per annum of the aggregate subscription proceeds received by the Fund from the issuance of such share for the first twelve (12) calendar months from the date of its issue, and (b) a management fee of one point five percent (1.5%) per annum of the aggregate subscription proceeds received by the Fund from the issuance of such share for the period between and including the thirteenth month from the date of its issue to the thirty-sixth month from the date of its issue, subject to such higher or lower adjustment as may be determined at the discretion of the board of the Fund.

The aggregate management fee (i.e. for the first thirty-six months from the date of issue) for each share shall be paid in advance to the Investment Manager within twenty (20) business days from the date of its issue. Any overpayment shall be refunded by the Investment Manager.

Incentive Allocation:

Upon each of (i) the redemption or transfer of some or all of a Participating Shareholder's Class A Shares; (ii) the payment of dividends as declared by the board of the Fund; or (iii) the expiry of the term of the Fund or the termination of operation of the Fund (for (iii), whichever is earlier) (each a "**Calculation Date**"), the Investment Manager will be paid a performance-based incentive allocation linked to the performance of relevant Class A Shares (the "**Incentive Allocation**"), being twenty percent (20%) of the appreciation in the net asset value per Class A Share (before accrual of the Incentive Allocation) above the Hurdle per Class A Share during the period between the Valuation Date immediately preceding the last applicable Calculation Date (or if no previous Calculation Date applicable to a Participating Shareholder, then the first Valuation Date of the relevant Class A Shares) and the Valuation Date immediately preceding the relevant Calculation Date, multiplied by the number of relevant Class A Shares in issue as at the relevant Calculation Date.

Lock-up Period and redemption:

Class A Shares are subject to a lock-up period from their date of issue as recorded by the Administrator to the disposition of all investments in the Target Company in full by the Fund (or such shorter period as the Board (in consultation with the Investment Manager) may determine) (the "**Lock-up Period**").

No redemption of Class A Shares is permitted during the Lock-up Period.

Distributions and reinvestment:	Subject to the following disclosure and the provisions of the memorandum and articles of association of the Fund (as amended from time to time) and unless otherwise determined by the directors of the Fund, payment of any dividends will be at the discretion of the directors of the Fund, but no funds available for dividends should be retained by the Fund for future investment unless with the consent of the directors of the Fund (in consultation with the Investment Manager). The board of the Fund reserves the right to change the above distribution policy. The board of the Fund (in consultation with the Investment Manager) may make in-kind distributions to any shareholder wholly or in part in securities or other assets of the Fund. Such distribution in-kind will not be made until the Administrator confirms the value of the assets, in accordance with the valuation method generally applied for the assets of the Fund.
Transfers:	Class A Shares may not be transferred without prior written consent of the Investment Manager.

INFORMATION ON THE FUND AND THE INVESTMENT MANAGER

The Fund is an exempted company incorporated in the Cayman Islands with limited liability on 1 September 2017. The Fund has been registered as a regulated mutual fund with the Cayman Islands Monetary Authority under Section 4(3) of the Mutual Funds Act (as amended) of the Cayman Islands.

The Fund has the following classes of shares in issue: (i) the management shares, which are non-redeemable with the right to receive notice of, to attend, and to vote at general meetings of the Fund, and have no economic rights in the capital of the Fund; and (ii) the participating shares, which are non-voting, participating, redeemable shares, and which include Class A Shares.

The Investment Manager is a company incorporated with limited liability under the laws of Hong Kong with business registration number: 65263451 and is licensed by the Securities and Futures Commission of Hong Kong to conduct Type 9 (asset management) regulated activity.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the Fund, the Investment Manager and their ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

INFORMATION OF THE GROUP AND THE SUBSCRIBER

The Group is a provider which mainly offers products, specialized solutions and services related to infrastructure technology in the PRC and overseas. The Subscriber is a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTION

The Group subscribed for the Fund for investment purposes. The Directors consider that the Subscription provides the Group with an opportunity to balance and diversify its investment portfolio, as well as for potential capital appreciation.

The Subscription enables the Group to participate in the global securities market while reducing the direct investment risks by leveraging the professional management of the Fund, the custodian and fund manager of which have the expertise and resources to identify appropriate investment targets. The subscription amount was determined after arm's length negotiations between the Fund and the Subscriber with reference to (i) the investment objective of the Fund; (ii) the possible investment return of the Fund; (iii) the financial position and resources of the Subscriber available; and (iv) the investment opportunities expected to be available for the Group. The Subscription will not affect the Group's working capital position or operations.

Having considered the above reasons, the Directors, including independent non-executive Directors, are of the view that the terms and conditions of the Subscription are based on normal commercial terms, fair and reasonable and in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios under Chapter 14 of the Listing Rules in relation to the Subscription is more than 5% but all applicable percentage ratios are less than 25%, the Subscription constitutes a discloseable transaction on the part of the Company and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITION

"Board"	the board of Directors
"Business Day"	any day (other than a Saturday or a Sunday) when the banks in Hong Kong are authorised to open for normal banking business and/or such day or days as the board of directors of the Fund may from time to time determine, either generally or in any particular case
"Class A Shares"	a class of participating shares of the Fund
"Closing Date"	the last Business Day of the Offer Period or such other date as the board of the Fund determines
"Company"	China ITS (Holdings) Co., Ltd. (中国智能交通系统(控股)有限公司), a company incorporated in the Cayman Islands with limited liability whose shares are listed on the Main Board of the Stock Exchange
"Director(s)"	the director(s) of the Company

"Fund"	HUA SHENG HENG XIN INVESTMENT FUND LIMITED, an exempted company incorporated in the Cayman Islands with limited liability on 1 September 2017 with company number: 326449
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hurdle"	with respect to Class A Shares, an amount equal to the product of (i) the subscription price of such Class A Shares and (ii) the Hurdle Rate applicable to such Class A Shares
"Hurdle Rate"	with respect to Class A shares, a non-cumulative, annualised simple rate of eight percent (8%), subject to any pro rata adjustment as provided herein
"Investment Manager"	Wonderland International Asset Management Limited (華德國際資產管理有限公司), a company incorporated with limited liability under the laws of Hong Kong with business registration number: 65263451
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Offer Period"	the period starting on a date hereafter in 2025 to be determined by the board of directors of the Fund and concluding on 31 December 2025 (or such shorter or longer period as determined by the board in its absolute discretion), during which shares of the Fund are offered
"Participating Shareholder(s)"	registered holder(s) of participating shares of the Fund
"PRC"	the People's Republic of China and, for the purpose of this announcement, excludes Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan
"Private Placement Memorandum"	the private placement memorandum of the Fund originally issued on 31 October 2025
"RMB"	Renminbi, the lawful currency of PRC
"Shareholders"	the shareholders of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscriber"	Well Score International Limited 威士國际有限公司, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company

"Subscription"	the subscription for the Class A Shares of the Fund by the Subscriber at the total subscription amount of US$5 million (equivalent to approximately RMB35.45 million)
"US$"	United States dollars, the lawful currency of the United States of America
"Valuation Date"	each of (1) 31 December 2025; and thereafter, (2) the last calendar day of each calendar year, and (3) solely for the purpose of determining the applicable redemption price, the last Business Day of the immediately preceding calendar month of each redemption date, and such other day or days as the board of the Fund may determine in its discretion
"%"	per cent

In this announcement, for the purpose of illustration only, amounts quoted in US$ have been converted into RMB at the rate of RMB7.089 per US$1.00. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.

By order of the Board
China ITS (Holdings) Co., Ltd.
Liao Jie
Chairman

Beijing, 5 November 2025

As at the date of this announcement, the executive Directors are Mr. Liao Jie and Mr. Jiang Hailin; and the independent non-executive Directors are Mr. Zhou Jianmin, Ms. Huang Jianling and Mr. Lai Hongyi.