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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 TRANSACTIONS AND MAJOR TRANSACTION IN RELATION TO WEALTH MANAGEMENT PRODUCTS

SUBSCRIPTIONS OF WEALTH MANAGEMENT PRODUCTS

The Board announces that during the period from 1 January 2025 to 5 September 2025, FOSS, a non-wholly owned subsidiary of the Company, subscribed for certain wealth management products offered by CGB, CIB, CITIC, CMB and CMBC, respectively. Among these transactions, on a daily basis, 16 subscriptions constituted discloseable transactions under Chapter 14 of the Listing Rules and one subscription of 23 May CITIC WMP constituted major transaction under Chapter 14 of the Listing Rules.

Further particulars of such wealth management products are set out in the section headed "Subscriptions of Wealth Management Products" of this announcement.

IMPLICATION OF THE LISTING RULES

As the wealth management products subscribed by the Group with each of the relevant financial institutions were of similar nature and entered into with the same financial institution, the corresponding principal amounts of the relevant wealth management products shall be aggregated with the then outstanding balance of wealth management products held by the Group with the relevant financial institution for the purpose of calculating the relevant percentage ratios pursuant to Rule 14.22 of the Listing Rules.

On such aggregate and daily basis, the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the relevant subscriptions (other than the 23 May CITIC WMP) exceeded 5% but all of the ratios were below 25%. Accordingly, such subscriptions of wealth management products, when standalone or aggregated (as the case may be), constituted discloseable transactions of the Company pursuant to Chapter 14 of the Listing Rules.

On an aggregate and daily basis of the then outstanding balance of wealth management products held by the Group with CITIC, the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the 23 May CITIC WMP exceeded 25% but all of the ratios were below 100%. Accordingly, such subscription of 23 May CITIC WMP constituted major transaction of the Company pursuant to Chapter 14 of the Listing Rules.

EXTRAORDINARY GENERAL MEETING

The EGM will be convened and held by the Company for the Shareholders to consider, and if thought fit, to approve and ratify, among other things, the 23 May CITIC WMP.

A circular containing, among others, (i) further particulars of the subscriptions of 23 May CITIC WMP; (ii) a notice convening the EGM; and (iii) other information required to be disclosed under the Listing Rules would be sent to the Shareholders on or before 3 December 2025.

SUBSCRIPTIONS OF WEALTH MANAGEMENT PRODUCTS

The Board announces that during the period from 1 January 2025 to 5 September 2025, FOSS, a non-wholly owned subsidiary of the Company, subscribed for certain wealth management products offered by CGB, CIB, CITIC, CMB and CMBC, respectively. Among these transactions, on a daily basis, 16 subscriptions constituted discloseable transactions under Chapter 14 of the Listing Rules and one subscription of 23 May CITIC WMP constituted major transaction under Chapter 14 of the Listing Rules.

The principal terms of each of such subscriptions are summarized in the table below:

CGB Wealth Management Products

No.	Transaction date	Name of product	Type of return	Term of product	Expected annual return rate/expected annualised rate	Investment target	Subscription amount *(RMB)*	Outstanding amount as of the transaction date[#] *(RMB)*
1.	11 June 2025	Wuhua Tianbao W* ("物華添寶"W款)	Principal guaranteed with floating return	185 days	1.15%/1.95%/ 2.10%	Bank structured deposits	20,000,000	25,000,000

CIB Wealth Management Products

No.	Transaction date	Name of product	Type of return	Term of product	Expected annual return rate/expected annualised rate	Investment target	Subscription amount *(RMB)*	Outstanding amount as of the transaction date[#] *(RMB)*
1.	19 February 2025	123-day Structured Deposit* (123天結構性存款)	Principal guaranteed with floating return	123 days	1.30%/2.15%	Bank structured deposits	16,000,000	16,000,000
2.	23 May 2025	32-day Structured Deposit* (32天結構性存款)		32 days	1.00%/1.75%		20,000,000	36,000,000
3.	24 June 2025	65-day Structured Deposit* (65天結構性存款)		65 days	1.00%/1.90%		16,000,000	36,000,000
4.	27 June 2025	60-day Structured Deposit* (60天結構性存款)		60 days	1.00%/1.90%		20,000,000	36,000,000

CMB Wealth Management Products

No.	Transaction date	Name of product	Type of return	Term of product	Expected annual return rate/expected annualised rate	Investment target	Subscription amount *(RMB)*	Outstanding amount as of the transaction date[#] *(RMB)*
1.	10 January 2025	Dianjin Series 31-Day Structured Deposit* (點金系列31天結構性存款)	Principal guaranteed with floating return	31 days	1.30%/1.95%	Bank structured deposits	15,000,000	15,000,000
2.	24 January 2025	Dianjin Series 32-Day Structured Deposit* (點金系列32天結構性存款)		32 days	1.30%/1.95%		10,000,000	25,000,000
3.	14 February 2025	Dianjin Series 102-Day Structured Deposit* (點金系列102天結構性存款)		102 days	1.30%/2.00%		15,000,000	25,000,000
4.	30 April 2025	Dianjin Series 94-Day Structured Deposit* (點金系列94天結構性存款)		94 days	1.30%/2.00%		30,000,000	45,000,000
5.	30 May 2025	Dianjin Series 94-Day Structured Deposit* (點金系列94天結构性存款)		94 days	1.00%/1.80%		20,000,000	50,000,000
6.	8 August 2025	Dianjin Series 95-Day Structured Deposit* (點金系列95天結構性存款)		95 days	1.00%/1.80%		30,000,000	50,000,000
7.	5 September 2025	Dianjin Series 81-Day Dual-Layer Bullish Structured Deposit* (點金系列看漲兩層81天結構性存款)		81 days	1.00%/1.70%		20,000,000	50,000,000

CITIC Wealth Management Products

No.	Transaction date	Name of product	Type of return	Term of product	Expected annual return rate/expected annualised rate	Investment target	Subscription amount *(RMB)*	Outstanding amount as of the transaction date[#] *(RMB)*
1.	17 January 2025	Win-Win Smart FX-Linked RMB Structured Deposit* (共贏智信匯率掛鈎人民幣結構性存款)	Principal guaranteed with floating return	93 days	1.05%/2.05%	Bank structured deposits	20,000,000	20,000,000
2.	24 January 2025	Riying Xiang Daily Profit No. 43C* (日盈象天天利43号C)	Non-principal-guaranteed and non-return-guaranteed	Open-ended	1.6%		15,000,000	35,000,000
3.	23 May 2025	Win-Win Smart FX-Linked RMB Structured Deposit* (共贏智信匯率掛鈎人民幣結構性存款)	Principal guaranteed with floating return	185 days	1.20%–1.88%		30,000,000	65,000,000
4.	23 May 2025	Win-Win Smart Rate-Linked RMB Structured Deposit* (共贏智信利率掛鈎人民幣結構性存款)		90 days	1.00%–1.99%		30,000,000	65,000,000
5.	5 September 2025	Win-Win Smart FX-Linked RMB Structured Deposit* (共贏智信匯率掛鈎人民幣結構性存款)		93 days	1.00%/1.65%		30,000,000	65,000,000

CMBC Wealth Management Products

No.	Transaction date	Name of product	Type of return	Term of product	Expected annual return rate/expected annualised rate	Investment target	Subscription amount *(RMB)*	Outstanding amount as of the transaction date[#] *(RMB)*
1.	25 February 2025	Juying Stock* (聚贏股票)	Principal guaranteed with floating return	93 days	1.15%–2.00%	Bank structured deposits	10,000,000	20,000,000
2.	25 February 2025	Juying Exchange Rate* (聚贏匯率)		93 days	1.15%–2.00%		10,000,000	20,000,000

Note:

[#] The outstanding amount as of the transaction date includes FOSS' previous subscription amount with the same bank which has not been redeemed as of the relevant transaction date.

Save for the subscriptions of the Products set out in the tables above, all other transactions from 1 January 2025 to 5 September 2025 involving the subscriptions of the wealth management products or redemptions of the open-ended wealth management products by members of the Group do not fall within any classification of discloseable transactions under Chapter 14 of the Listing Rules and are therefore exempted from the disclosure requirement of Chapter 14 of the Listing Rules.

BASIS OF CONSIDERATION

The Directors confirmed that the subscription amounts and terms of each of the Products were determined on the commercial terms after arm's length negotiation between the Group and each of CGB, CIB, CITIC, CMB and CMBC (as the case may be) having taken into account (i) the then financial status of the Group; (ii) the expected investment return and terms of the Products; and (iii) the expected annual return rates of similar wealth management products offered by other comparable banks then available in the market.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTIONS OF THE WEALTH MANAGEMENT PRODUCTS

The transactions for the subscriptions of the Products were entered into by FOSS for treasury management purpose in order to optimise the use of its cash and bank balances. Prior to being consolidated into the Group on 1 January 2025, FOSS has frequently subscribed for short-term wealth management products, primarily in response to changes in the domestic deposit market. Following a general decline in RMB deposit interest rates, traditional time-deposits became less attractive. FOSS therefore decided to allocate idle funds to short-term wealth management products which offer relatively higher returns while maintaining a low risk profile, thereby enhancing capital efficiency. After being consolidated into the Group since 1 January 2025, FOSS continued such practice.

Taking into account (i) the principal-guaranteed nature and low-risk of most Products, (ii) that the subscriptions of the Products were funded by internal resources, (iii) the slightly higher annualised returns of the Products compared to fixed-term deposits offered by commercial banks in the PRC; and (iv) the flexibility of the redemptions which enhances the Group's capital liquidity, the Directors (including the independent non-executive Directors) are of the view that the terms and conditions of the subscriptions of the Products are fair and reasonable in the interests of the Company and its Shareholders as a whole.

INFORMATION OF THE PARTIES

The Group

The Group is a provider which mainly offers products, specialized solutions and services related to infrastructure technology in the PRC and overseas.

FOSS is a company established in the PRC whose shares are traded on Beijing Stock Exchange (stock code: 920415), and a non-wholly owned subsidiary of the Company. The financial statements of FOSS have been consolidated into that of the Group since 1 January 2025.

CGB

CGB is a joint stock limited company incorporated in the PRC. CGB principally engages in all banking businesses under the Commercial Banking Law of the People's Republic of China* (《中華人民共和國商業銀行法》). According to public information available to the Company, as at the date of this announcement, the substantial shareholders of CGB are China Life Insurance Company Limited (中國人壽保險股份有限公司), State Grid YingDa Co., Ltd (國網英大國際控股有限公司) and CITIC Trust Co., Ltd. (中信信託有限責任公司)

which hold 43.69%, 15.65% and 15.65% equity interests, respectively. The controlling shareholder and ultimate beneficial owner of China Life Insurance Company Limited is China Life Insurance (Group) Company (中國人壽保險(集團)公司).

CIB

CIB is a licensed bank incorporated under the laws of the PRC whose shares are listed on the Shanghai Stock Exchange (stock code: 601166). Its principal businesses include the provision of corporate and personal services, investment banking, asset management, brokerage as well as other financial services.

CITIC

CITIC is a licensed bank in the PRC and a joint stock company established in the PRC with limited liability, the shares of which are listed on The Stock Exchange of Hong Kong Limited (stock code: 00998) and the Shanghai Stock Exchange (stock code: 601998). CITIC is principally engaged in corporate banking, private banking and financial market operations.

CMB

CMB is a licensed bank established under the laws of the PRC whose shares are listed on the Shanghai Stock Exchange (stock code: 600036) and the Stock Exchange (stock code: 03968). CMB holds financial licenses of commercial bank, financial leasing, fund management, life insurance, overseas investment bank, consumer finance and financial management, etc.

CMBC

CMBC is a licensed bank incorporated under the laws of the PRC and engaged in commercial banking business. Its issued shares are listed on the Stock Exchange (stock code: 01988) and the Shanghai Stock Exchange (stock code: 600016).

As at the date of this announcement, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, CGB, CIB, CITIC, CMB and CMBC and their ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined under the Listing Rules).

IMPLICATION OF THE LISTING RULES

As the wealth management products subscribed by the Group with each of the relevant financial institutions were of similar nature and entered into with the same financial institution, the corresponding principal amounts of the relevant wealth management products shall be aggregated with the then outstanding balance of wealth management products held by the Group with the relevant financial institution for the purpose of calculating the relevant percentage ratios pursuant to Rule 14.22 of the Listing Rules.

On such aggregate and daily basis, the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the relevant subscriptions (other than the 23 May CITIC WMP) exceeded 5% but all of the ratios were below 25%. Accordingly, such subscriptions of

wealth management products, when standalone or aggregated (as the case may be), constituted discloseable transactions of the Company pursuant to Chapter 14 of the Listing Rules.

On an aggregate and daily basis of the then outstanding balance of wealth management products held by the Group with CITIC, the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the 23 May CITIC WMP exceeded 25% but all of the ratios were below 100%. Accordingly, such subscription of 23 May CITIC WMP constituted major transaction of the Company pursuant to Chapter 14 of the Listing Rules.

EXTRAORDINARY GENERAL MEETING

The EGM will be convened and held by the Company for the Shareholders to consider, and if thought fit, to approve and ratify, among other things, the 23 May CITIC WMP.

A circular containing, among others, (i) further particulars of the subscription of 23 May CITIC WMP; (ii) a notice convening the EGM; and (iii) other information required to be disclosed under the Listing Rules would be sent to the Shareholders on or before 3 December 2025.

REASONS FOR NON-COMPLIANCES AND REMEDIAL ACTIONS TAKEN AND TO BE TAKEN BY THE COMPANY

The Company deeply regrets its non-compliance with the Listing Rules (the "**Non-compliance**") but the Company would like to stress that the Non-compliance was inadvertent and the Company had no intention to withhold any information relating to the subscriptions of wealth management products from disclosure. The Non-compliance was due to: 1) FOSS' careless omission and misunderstanding of the Listing Rules in respect of the nature of the transactions of wealth management products; 2) the Company's acknowledgement of the relatively comprehensive internal control and information disclosure system established by FOSS, as a listed company on the Beijing Stock Exchange; and 3) the Company's inadequate internal control over such transactions conducted by FOSS which was only consolidated into the Group since 1 January 2025. The Company has always, and will continue to, put great emphasis on the importance of Listing Rules compliance and the risk assessment of its subscriptions for wealth management products and avoid occurrence of similar incidents in the future.

In view of the Non-compliance, the Company has promptly implemented the following enhancement measures to thoroughly address the internal control deficiencies and ensure full compliance with the Listing Rules in the future:

(1) Since September 8, 2025, FOSS has suspended the purchases of wealth management products until the Company completes the required disclosure and approval procedures under the Listing Rules in relation to the subscriptions as listed above.

(2) A compliance training has been provided to the key working staff of FOSS (including the Chief Financial Officer and the Secretary to the Board) on September 12, 2025, to ensure they can accurately identify transactions requiring disclosure or approval as required by the Listing Rules and the Group's internal policies, and to strictly implement timely reporting procedures.

In order to prevent the occurrence of similar incidents and ensure compliance with the relevant requirements of the Listing Rules in the future, the Company will adopt the following enhanced measures by end of November 2025 specifically aimed at rectifying the identified weaknesses. These internal procedures are designed to ensure effective monitoring, regulatory compliance, and timely identification and disclosure of notifiable transactions in accordance with Chapter 14 of the Listing Rules.

(1) The staff of the finance department and/or business department of all subsidiaries of the Company shall report details (including the size test calculation and risk assessment) of their significant external investment transactions (including all potential subscriptions of wealth management products) to the Investment Compliance Department before proceeding internal decision-making procedure, ensuring timely notification and intervention by the Group.

(2) The Investment Compliance Department shall perform verification and review of the transaction details to ensure accuracy and regulatory alignment and shall confirm whether the transaction triggers any disclosure or reporting obligations under Chapter 14.

(3) For significant external investment transactions (including the subscription of wealth management products) of the Company's subsidiaries, the Investment Compliance Department shall report to the chief financial officer of the Company ("**CFO**") who shall take a final review of the investment plan and risk analysis prepared by the finance department and/or business department of the subsidiaries and approved by the Investment Compliance Department. In particular, the CFO shall verify: (i) the accuracy of the size test calculation; (ii) the aggregation of outstanding balances with the same institution within 12 months; and (ii) whether the transaction triggers any disclosure or reporting obligations under Chapter 14.

(4) All investments in wealth management products must be submitted to the appropriate decision-making body for final approval. For those transactions of wealth management products that would be classified as discloseable transaction, major transaction or very substantial transactions under Chapter 14 of the Listing Rules and connected transactions under Chapter 14A of the Listing Rules, the Investment Compliance Department shall, after the final review by CFO, report to the Board for final approval. For those transactions of wealth management products that shall be approved by shareholders pursuant to the Listing Rules, the Company shall convene a general meeting to consider and, if thought fit, approve such transactions.

(5) Any material changes (including transaction counterparties, consideration, redemption period, investment scope or target; and special rights related clauses) to the implementation plan for an external investment transaction of any subsidiary of the Group must be submitted to the original internal decision-making authority or its designated authority for reconsideration.

(6) Financial investments and high-risk wealth management investments shall be monitored by both the Investment Compliance Department and relevant staff of the subsidiary's Finance Department; investments syndicated with Group business units and low-risk wealth management investments shall be monitored by the subsidiary's Finance Department.

(7) The Investment Compliance Department shall review the financial information of all subsidiaries on a monthly basis, paying special attention to their trading financial assets, investment income from external investments and overall investment returns. It will continuously monitor the progress and effectiveness of their investment projects and review the information disclosure status.

(8) The Investment Compliance Department shall carry out quarterly special supervision and inspection of the investment decision-making and compliance implementation regarding FOSS, to ensure its continuous and effective operation of the Group's internal control requirements.

(9) As part of the regular supervision and inspection on the Company's subsidiaries, the Investment Compliance Department shall, on a quarterly basis, report to the CFO its monthly review results of all subsidiaries' financial information as well as the quarterly inspection findings over FOSS' investment decision-making and compliance implementation.

(10) In the case that the Group contemplates similar merger and acquisition project(s) or proposes to establish a new subsidiary in the future, the Group shall, before the consolidation of the new subsidiary, (i) conduct a special inspection on internal control and compliance matters of the entity to be consolidated during the due diligence stage, evaluating the effectiveness of its internal control system and investigating any potential significant external investment transactions based on its previous investment practice; (ii) deliver its external investment policy to the finance department and business department of the new subsidiary and provide relevant trainings to the relevant staff in such departments as well as the directors, supervisor and other senior management of the new subsidiary to get them familiar with the Listing Rules requirements; and (iii) establish a direct reporting channel between the Investment Compliance Department and the finance department and business department of the new subsidiary, ensuring that the new subsidiary can strictly follow abovementioned procedures.

DEFINITIONS

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

"23 May CITIC WMP"	the wealth management products offered by CITIC and subscribed by the Group on 23 May 2025, the details of which are set out in this announcement
"Board"	the board of Directors
"CGB"	China Guangfa Bank Co., Ltd. (廣發銀行股份有限公司), a company established under the laws of the PRC with limited liability
"CGB Wealth Management Products"	the wealth management products offered by CGB and subscribed by the Group, the details of which are set out in this announcement
"CIB"	Industrial Bank Co., Ltd. (興業銀行股份有限公司), a company established under the laws of the PRC with limited liability
"CIB Wealth Management Products"	the wealth management products offered by CIB and subscribed by the Group, the details of which are set out in this announcement
"CITIC"	China CITIC Bank Corporation Limited (中信銀行股份有限公司), a company established under the laws of the PRC with limited liability
"CITIC Wealth Management Products"	the wealth management products offered by CITIC and subscribed by the Group, the details of which are set out in this announcement
"CMB"	China Merchants Bank Co., Ltd. (招商銀行股份有限公司), a company established under the laws of the PRC with limited liability
"CMB Wealth Management Products"	the wealth management products offered by CMB and subscribed by the Group, the details of which are set out in this announcement
"CMBC"	China Minsheng Bank Corp., Ltd. (中國民生銀行股份有限公司), a company established under the laws of the PRC with limited liability

"CMBC Wealth Management Products"	the wealth management products offered by CMBC and subscribed by the Group, the details of which are set out in this announcement
"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
"Directors"	the director(s) of the Company
"FOSS"	Forever Opensource Software Inc. (恒拓開源信息科技股份有限公司), a company established in the PRC whose shares are traded on Beijing Stock Exchange (stock code: 920415)
"Group"	collectively, the Company and its subsidiaries
"high-risk wealth management investments"	refer to wealth management products rated as R3 (low risk) or higher in accordance with the Guidelines on Investor Suitability Management for Securities and Futures Investment Products (《證券期貨投資者適當性管理辦法》). The investment scope of these products is primarily as follows: ● R3-rated products invest primarily in medium-to-high risk assets, with a focus on fixed income assets such as bonds and deposits, supplemented by equities, funds, foreign exchange, and other instruments to enhance returns. ● R4-rated products invest primarily in medium-to-high risk assets, with a relatively high proportion invested in high-risk instruments such as equities, options, futures, and private equity funds. ● R5-rated products invest primarily in high-risk assets, focusing on equities, foreign exchange, financial derivatives (e.g., futures, options), and may employ leveraged strategies, exposing the portfolio to significant volatility and potential substantial losses.
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Investment Compliance Department"	the investment compliance department of the Company, staffed with three dedicated compliance officers, which is responsible for overseeing the investment activities across all business units and subsidiaries of the Group

"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"low-risk wealth management investments"	refer to wealth management products rated as R1 (low risk) or R2 (moderately low risk) in accordance with the Guidelines on Investor Suitability Management for Securities and Futures Investment Products (《證券期貨投資者適當性管理辦法》). The investment scope of these products is primarily as follows: • R1-rated products primarily invest in low-risk assets such as high-credit-quality bonds (e.g. government bonds, policy bank bonds) and money market instruments (e.g. central bank bills, negotiable certificates of deposit). • R2-rated products mainly invest in fixed-income assets including government bonds, financial institution bonds, high-credit-quality corporate bonds, interbank placements, large-denomination certificates of deposit, and other similar instruments.
"PRC"	the People's Republic of China
"Products"	collectively, the CGB Wealth Management Products, the CIB Wealth Management Products, the CITIC Wealth Management Products, the CMB Wealth Management Products and the CMBC Wealth Management Products
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	ordinary share(s) of HK$0.0002 each in the share capital of the Company
"Shareholder(s)"	the shareholder(s) of the Company
"significant external investment transactions"	include (i) all potential subscriptions of wealth management products and (ii) any other external investment transaction which shall be classified as discloseable transaction, major transaction or very substantial transaction under Chapter 14 of the Listing Rules and connected transactions under Chapter 14A of the Listing Rules
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

"%"	per cent

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

Beijing, 12 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.

* *For identification purposes only*