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

If you have sold or transferred all your shares in **China ITS (Holdings) Co., Ltd,** you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or the transferee(s) or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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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)

MAJOR TRANSACTION
IN RELATION TO WEALTH MANAGEMENT PRODUCTS
AND
NOTICE OF EGM

The EGM will be held at the Room VI, 6/F, Building 204, No. A10 Jiuxianqiao North Road, Chaoyang District, Beijing, PRC on Friday, January 16, 2026 and notice of which is set out on pages EGM-1 to EGM-2 of this circular. A form of proxy for use at the EGM is enclosed. Such form of proxy is also published on the websites of the Stock Exchange and the Company. Whether or not you are able to attend the EGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Union Registrars Limited at Suites 3301–04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, as soon as possible, but in any event no later than 48 hours before the time appointed for the holding of the EGM (i.e., before 1:30 p.m. on January 14, 2026) or any adjournment thereof. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the EGM (or any adjournment thereof) if they so wish.

December 26, 2025

CONTENTS

Pages

DEFINITIONS 1

LETTER FROM THE BOARD 4

APPENDIX I — FINANCIAL INFORMATION OF THE GROUP I-1

APPENDIX II — GENERAL INFORMATION II-1

NOTICE OF EGM EGM-1

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

"23 May CITIC WMP"	the wealth management products offered by CITIC and subscribed by the Group on May 23, 2025, the details of which are set out in this circular
"associate(s)"	has the same meaning ascribed to it under the Listing Rules
"Board"	the board of Directors
"Business Days"	a calendar day excluding Saturday, Sunday or all statutory holidays in the PRC
"CGB"	China Guangfa Bank Co. Ltd.* (廣發銀行股份有限公司), a joint stock limited company incorporated in the PRC
"CGB WMP"	the wealth management products offered by CGB and subscribed by the Group
"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 WMP"	the wealth management products offered by CIB and subscribed by the Group
"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 WMP"	the wealth management products offered by CITIC and subscribed by the Group
"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 WMP"	the wealth management products offered by CMB and subscribed by the Group
"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 WMP"	the wealth management products offered by CMBC and subscribed by the Group

"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
"Director(s)"	the directors of the Company
"EGM"	the extraordinary general meeting of the Company to be convened to approve and ratify, among other things, the 23 May CITIC WMP
"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, CGB WMP, CIB WMP, CITIC WMP, CMB WMP and CMBC WMP
"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

References to time and dates in this circular are to Hong Kong time and dates.

* *for identification purpose only*

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)

Executive Directors:
Mr. Liao Jie *(chairman of the Board)*
Mr. Jiang Hailin *(Chief Executive Officer)*

Independent non-executive Directors:
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Ms. Huang Jianling
Mr. Lai Hongyi

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Wanchai
Hong Kong

December 26, 2025

To the Shareholders

Dear Sir or Madam,

MAJOR TRANSACTION
IN RELATION TO WEALTH MANAGEMENT PRODUCTS
AND
NOTICE OF EGM

INTRODUCTION

Reference is made to the announcement of the Company dated November 12, 2025 in relation to, among other things, the subscription for the Products.

The purpose of this circular is to provide you with (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 for the Shareholders to consider, and if thought fit, to approve and ratify, among other things, the 23 May CITIC WMP.

SUBSCRIPTIONS OF WEALTH MANAGEMENT PRODUCTS

The Board announces that during the period from January 1, 2025 to September 5, 2025 (the "**Period**"), 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, to which relevant reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules first arose.

The principal terms of the 23 May CITIC WMP are summarized in the table below:

1. Subscription of Win-Win Smart FX-Linked RMB Structured Deposit*

Name of product	Win-Win Smart FX-Linked RMB Structured Deposit* (共贏智信匯率掛鈎人民幣結構性存款)
Type of return and risk rating	Principal guaranteed with floating return
Term of Product	185 days
Investment portfolio	The returns of this product consist of two parts: the basic interest income from the principal deposit and the variable returns linked to financial market indicators. The basic interest rate is 1.20000%, and the variable returns are determined according to the performance of the linked financial market indicators, i.e. USD/JPY spot exchange rate, expressed as the number of Japanese yen per one US dollar. The interest rate shall be determined as follows: (1) if, on the November 21, 2025, the USD/JPY spot exchange rate is less than or equal to 107% of its value on May 26, 2025, the annualized yield shall be the expected highest rate of 1.88%; or

	(2) if, on the November 21, 2025, the USD/JPY spot exchange rate is more than 107% of its value on May 26, 2025, the annualized yield shall be the expected lowest rate of 1.20%.
Actual annualized rate of return	1.20%–1.88%
Subscription date	May 23, 2025
Principal amount of subscription	RMB30,000,000
Outstanding sum of all wealth management products subscribed by members of the Group with the same bank immediately after the relevant subscription	RMB65,000,000

2. Subscription of Win-Win Smart Rate-Linked RMB Structured Deposit*

Name of product	Win-Win Smart Rate-Linked RMB Structured Deposit* (共贏智信利率掛鈎人民幣結構性存款)
Type of return and risk rating	Principal guaranteed with floating return
Term of Product	90 days
Investment portfolio	The returns of this product consist of two parts: the basic interest income from the principal deposit and the variable returns linked to financial market indicators. The basic interest rate is 1.00000%, and the variable returns are determined according to the performance of the linked financial market indicators, i.e. 10-year Chinese Bond Yield to Maturity.
Actual annualized rate of return	1.00%–1.99% The interest rate shall be determined as follows: (1) if, on August 20, 2025, the 10-year Chinese Bond Yield to Maturity is less than or equal to 112.5% of its value on May 26, 2025, the annualized rate shall be the expected highest rate of 1.99%; or

	(2) if, on August 20, 2025, the 10-year Chinese Bond Yield to Maturity is more than 112.5% of its value on May 26, 2025, the annualized rate shall be the expected lowest rate of 1.00%.
Subscription date	May 23, 2025
Principal amount of subscription	RMB30,000,000
Outstanding sum of all wealth management products subscribed by members of the Group with the same bank immediately after the relevant subscription	RMB65,000,000

For details in respect of other subscriptions of wealth management products that constituted discloseable transactions of the Company pursuant to Chapter 14 of the Listing Rules, please refer to the announcement of the Company dated November 12, 2025.

FOSS has fully redeemed (i) Win-Win Smart FX-Linked RMB Structured Deposit* (共贏智信匯率掛鈎人民幣結構性存款) on November 25, 2025 with the return of the investment amounting to approximately RMB182,466; and (ii) Win-Win Smart Rate-Linked RMB Structured Deposit* (共贏智信利率掛鈎人民幣結構性存款) on August 22, 2025 with the return of the investment amounting to approximately RMB147,205.

BASIS OF CONSIDERATION

The Company 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 the following factors:

(i) the then financial status of FOSS: FOSS maintains a sound financial position and sufficient cash flow. As of December 31, 2024, FOSS' debt-to-asset ratio was 14.5%, indicating strong solvency and low financial risk. For the year ended December 31, 2024, the net cash flow from operating activities of FOSS amounted to approximately RMB40.7 million, and the net profit cash ratio was about 2.35 (net operating cash flow/profit), demonstrating high earnings quality and stable cash generation. The funds used for the 23 May CITIC WMP are clearly defined as temporarily idle IPO proceeds, the use of which complies with the relevant applicable rules of the Beijing Stock Exchange;

(ii) the expected investment return and terms of the 23 May CITIC WMP: the 23 May CITIC WMP are short- to medium-term allocations, both classified as "principal-protected with floating returns," aiming to enhance fund yields while ensuring liquidity. In product selection, based on forward-looking judgment of current macro-financial conditions, FOSS allocated to structured deposits linked to the 10-year government bond yield and the USD/JPY exchange rate. The interest rate-linked product helps capture stable base returns in a relatively steady rate environment, while seeking additional gains from fluctuations. The FX-linked component provides opportunities to enhance returns amid volatility in major global currencies, achieving diversified asset allocation and mitigating single-market risk; and

(iii) the expected annual return rates of similar wealth management products offered by other comparable banks then available in the market: the 23 May CITIC wealth management products are "principal-protected with floating returns," ensuring capital security and basic interest income (annualized 1.20% and 1.00%) with potential maximum returns of 1.88% and 1.99%. FOSS compared similar products of the same type and tenor offered by other banks and concluded that these products offer advantages in principal protection, liquidity, and return potential. The expected return range is in line with or slightly above market levels, supporting the subscription decision.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTIONS OF THE 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 January 1, 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 January 1, 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.

Capital Raising Funds Management Policy of FOSS

1. Investment Objectives and Principles

FOSS has adopted a clear policy for the cash management of temporarily idle proceeds from the IPO to enhance fund utilisation efficiency. The policy is founded on three core principles: (i) Dedicated Use — proceeds must be applied strictly for their designated purposes; (ii) Safety — safeguarding the security of proceeds through low-risk, principal protected investments; and (iii) No Impact on Projects — cash management activities shall not affect the normal implementation of the intended fundraised projects.

2. Scope and Criteria for Investment Products

FOSS' policy sets strict criteria for the purchase of cash management products by the proceeds. Investments are limited to low-risk, principal-protected products such as structured deposits and large-denomination certificates of deposit. All products must offer good liquidity with a term not exceeding 12 months. To ensure risk control, the invested products must not be pledged.

3. Decision-making and Authorisation Mechanism

The use of idle proceeds is subject to strict internal approval procedures. Each and every expenditure from the proceeds must be initiated by the fund-using department through a formal application. This application shall undergo a sequential approval process: first from the department head, then from the chief financial officer, and finally from the general manager and/or chairman of the board, provided that such approval falls within the authority granted by the board of directors. Any expenditure exceeding the board's delegated authority must be submitted to the board for its approval.

Treasury Management Policy of the Company

The Group's External Investment Management Policy stipulates its fund management policy:

1. Scope and Fundamental Principles

The policy applies to the Company and all its subsidiaries. It aims to ensure that cash management activities involving idle funds are conducted in compliance with internal controls and regulatory requirements, safeguarding fund security and supporting the Company's overall governance framework.

2. Reportable Cash Management Transactions

Transactions subject to reporting include subscriptions for wealth management products and redemptions of products with non-fixed terms, which are classified as financial assets in the Company's financial statements (and typically exclude investments classified as cash or cash equivalents). All such transactions must be submitted to the Investment Compliance Department for review prior to execution.

3. Reporting and Review Procedures

The Group has established a clear pre-reporting and review mechanism. Subsidiary finance and business heads are responsible for reporting. The Investment Compliance Department conducts an initial review and issues compliance opinions. The CFO of the Company performs a secondary review, focusing on accuracy of size tests and whether the transaction triggers disclosure obligations under the Listing Rules. Final approval is obtained from management, the Board or shareholders, depending on transaction significance.

4. Supervision and Enforcement

Subsidiaries must strictly implement the Company's final decisions on external investments. The Investment Compliance Department reports review results to the CFO of the Company on a regular basis to ensure closed-loop management and effective oversight.

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 January 1, 2025. FOSS is principally engaged in providing software development and technical services, system integration services, operation and maintenance services to customers in aviation industry.

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 Latest Practicable Date, 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 Ying Da 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 Latest Practicable Date, 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).

REASONS FOR NON-COMPLIANCES AND REMEDIAL ACTIONS

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 the following reasons. 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.

1) FOSS' careless omission and misunderstanding of the Listing Rules in respect of the nature of the transactions of wealth management products

The wealth management products ("**WMPs**") purchased by FOSS during the Period can be categorized into two types: (i) WMPs with no fixed terms, which mainly comprise highly liquid overnight money market funds or similar products allowing daily or next-day subscriptions and redemptions without material restrictions; and (ii) structured deposit WMPs, which generally guarantee principal if held to maturity and therefore carry low investment risk. These WMPs were used solely for efficient cash management of surplus funds while maintaining liquidity and capital availability. Given their liquidity and deposit-like features, FOSS considered these transactions more akin to short-term bank deposits than long-term wealth management products with unguaranteed returns, and therefore did not report each transaction to the Company after its consolidation into the Group.

FOSS' financial and investment decisions were primarily guided by the listing rules of the Beijing Stock Exchange. FOSS subscribed for WMPs within the limit authorised by its shareholders' meeting prior to the consolidation of FOSS's financial statement into the Company's account (the "**Consolidation**"), and in compliance with Beijing Stock Exchange requirements. However, FOSS did not recognise that, as a subsidiary of the Company, its transactions were also subject to the Listing Rules. Unlike the Beijing Stock Exchange regime, the Listing Rules do not provide a similar limit-authorisation mechanism for frequent wealth management transactions.

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

During the acquisition process, the Company conducted a structured assessment of FOSS' internal control environment and was of the view that it, as a listed company on the Beijing Stock Exchange, has developed a relatively comprehensive internal control and information disclosure system in accordance with applicable regulatory requirements. Notwithstanding the governance-level controls implemented by the Company and the recognition of FOSS' existing systems, the Non-compliance reveals a deficiency in the mechanism for ensuring that material information from FOSS is transmitted to the Company in a timely, accurate, and complete manner. The Company acknowledges that the current reporting and escalation mechanisms require further refinement to address the unique characteristics of listed entities within the Group structure.

3) The Company's inadequate internal control over such transactions conducted by FOSS which was only consolidated into the Group since January 1, 2025

Prior to the Consolidation on January 1, 2025, all subsidiaries were wholly or majority-owned by the Company, and the Group exercised effective control over their operations and finances through its governance structure. Following Consolidation, although the Company exercises board-level control, FOSS retains autonomy in financial and investment decisions as a listed company. This independence resulted in the Company's inability to obtain timely and complete investment information from FOSS, leading to non-compliance.

(a) The Company had not established an unified investment management framework over FOSS' investment transactions, causing FOSS to rely on its own internal controls.

(b) Without an enforceable prior reporting mechanism between the Group and FOSS, FOSS did not submit its WMP subscriptions for prior review, preventing the Company from assessing transaction size or compliance under the Listing Rules.

(c) The absence of a post-investment supervisory framework of FOSS' investment transactions hindered the Company's timely risk reviews and monitoring of compliance with disclosure requirements.

(d) The Company lacked a mechanism to assess whether FOSS' transactions triggered disclosure thresholds or required Board or Shareholder approval, and no department was designated to perform and/or supervise size tests for FOSS' transactions, resulting in cross-market compliance risks not being identified or managed promptly.

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 has adopted 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. For non-significant external investment transactions, the management of each subsidiary of the Company shall make decisions and obtain approvals in accordance with their respective internal authorisation framework. The implementation of such transaction shall be subject to monitoring by the subsidiary's finance department and the Investment Compliance Department.

(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 (iii) 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.

IMPLICATION UNDER 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.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, January 13, 2026 to Friday, January 16, 2026 (both days inclusive) for the purpose of determining shareholders who are entitled to attend and vote at the EGM. The record date for entitlement to attend and vote at the EGM is Friday, January 16, 2026. In order to qualify for attending and voting at the EGM, all transfers of Share accompanied by the relevant share certificate must be lodged with the Company's branch share registrar in Hong Kong, Union Registrars Limited at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong not later than 4:00 p.m. on Monday, January 12, 2026.

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.

The notice convening the EGM to be held on Friday, January 16, 2026 at 1:30 p.m. at Room V1, 6/F, Building 204, No. A10, Jiuxianqiao North Road, Chaoyang District, Beijing, PRC is set out on pages EGM-1 to EGM-2 of this circular. Whether or not you intend to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar in Hong Kong, Union Registrars Limited at Suites 3301–04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting should you so wish.

VOTING BY POLL

To the best of the knowledge and information of the Directors after having made all reasonable enquiries, no Shareholder has a material interest in the resolution proposed at the EGM. Therefore no Shareholder is required to abstain from voting in respect of the proposed resolutions at the EGM.

Pursuant to Rule 13.39(4) of the Listing Rules and Article 13.5 of the Articles of Association, the resolution to be proposed at the EGM shall be put to a vote on a poll unless the chairman of the meeting, in good faith, allows a vote by show of hands on a resolution which relates purely to a procedural or administrative matter.

On a poll, every Shareholder present in person or by proxy or, in the case of a Shareholder being a corporation, by a duly authorized representative shall be entitled to one vote for each Share held by him. The Shareholders with more than one vote are not required to cast all their votes or vote in the same way.

DIRECTORS' VIEW

The Board (including the independent non-executive Directors) is of the view that the terms of the 23 May CITIC WMP were fair and reasonable and in the interests of the Company and the Shareholders as a whole.

RECOMMENDATION

For the reasons as set out in the paragraph headed "REASONS FOR AND BENEFITS OF THE SUBSCRIPTIONS OF THE PRODUCTS", the Directors consider that the 23 May CITIC WMP are fair and reasonable and in the interests of the Group and the Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favour of the corresponding resolution at the EGM as set out in the notice of the EGM.

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

1. CONSOLIDATED FINANCIAL STATEMENTS

Details of the financial information of the Group for each of the financial years ended December 31, 2022, December 31, 2023, December 31, 2024 and the six months period ended June 30, 2025 are disclosed in the following documents which have been published on both the website of the Stock Exchange (http://www.hkex.com.hk) and the website of the Company (http://www.01900.hk):

(i) interim report of the Group for the six months period ended June 30, 2025 published on September 29, 2025 (pages 25 to 54) (available on: https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0929/2025092901044.pdf)

(ii) annual report of the Group for the year ended December 31, 2024 published on April 29, 2025 (pages 56 to 157) (available on: https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0429/2025042900281.pdf)

(iii) annual report of the Group for the year ended December 31, 2023 published on April 29, 2024 (pages 116 to 215) (available on: https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0429/2024042900215.pdf)

(iv) annual report of the Group for the year ended December 31, 2022 published on April 28, 2023 (pages 110 to 205) (available on: https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0428/2023042800225.pdf)

2. INDEBTEDNESS STATEMENT

Borrowings

As at the close of business on October 31, 2025, being the latest practicable date for the purpose of the indebtedness statement prior to the submission of the draft Circular to The Stock Exchange of Hong Kong Limited, the Group had outstanding interest-bearing bank loans and other borrowings of approximately RMB264,060,000 as follows:

	As at October 31, 2025 *RMB'000*
Interest-bearing bank loans — guaranteed *(Note a)*	37,000
Interest-bearing bank loans — secured *(Note b)*	10,000
Interest-bearing bank loans — secured and guaranteed *(Note c)*	190,891
Factoring facility — guaranteed *(Note d)*	18,111
Notes receivable that has been discounted or endorsed but have not yet matured *(Note e)*	8,058
Total	**264,060**

As at October 31, 2025, the Group had total available bank borrowing facilities of approximately RMB 378,594,000, of which approximately RMB261,003,000 had been utilized.

Notes:

(a) As at October 31, 2025, the Group's bank loans of approximately RMB37,000,000 were guaranteed by subsidiaries of the Group and certain Directors of the Company;

(b) As at October 31, 2025, the Group's bank loans of approximately RMB10,000,000 were secured by a pledge of transferable intellectual property rights.

(c) As at October 31, 2025, the Group's bank loans of approximately RMB177,750,000 were secured by a building with a carrying amount of RMB184.3 million and were guaranteed by certain subsidiaries of the Group and several Directors of the Company;

As at October 31, 2025, the Group's bank loans of approximately RMB8,875,000 were secured by a pledge of receivables (both existing and future) generated from the power supply concession right of seven service area and were guaranteed by certain subsidiaries of the Company.

As at October 31, 2025, the Group's bank loans of approximately RMB4,266,000 were secured by (1) the assignment of the right to receive payments and any other receivables under the Power Purchase Agreement of a subsidiary; (2) machine and equipment with a carrying amount of RMB201.9 million, and (3) guarantees provided by certain subsidiaries of the Group.

(d) As at October 31, 2025, the Group's factoring facility of approximately RMB18,111,000 was guaranteed by subsidiaries of the Group and certain Directors of the Company.

(e) This amount represents notes receivable that had been discounted or endorsed but have not yet matured as of October 31, 2025.

Contingent liabilities

As at the close of business on October 31, 2025, the Group had no material contingent liabilities.

Save as aforesaid and apart from intra-group liabilities and normal trade and other payables, as at the close of business on October 31, 2025, the Group did not have any outstanding mortgages, charges, debentures, loan capital, debt securities, loans, bank overdrafts or other similar indebtedness, finance lease or hire purchase commitments, liabilities under acceptance or acceptance credits, guarantees or debt securities or other material contingent liabilities.

The directors confirmed that there has been no material change in the indebtedness and contingent liabilities of the Group since October 31, 2025 up to and including the Latest Practicable Date.

For the purpose of the above statement of indebtedness, foreign currency amounts denominated in Myanma Kyat have been translated into RMB at the rates of exchange prevailing at the close of business on October 31, 2025.

3. WORKING CAPITAL

The Directors, after due and careful enquiries, are of the opinion that, taking into account the financial resources available to the Group, including the internally generated funds from operations, and cash and bank balances of the Group, the Group will have sufficient working capital to satisfy its requirements for at least the next 12 months from the date of this circular.

4. MATERIAL ADVERSE CHANGE

The Directors confirm that, as at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since December 31, 2024, being the date to which the latest published audited consolidated accounts of the Group were made up.

5. FINANCIAL EFFECTS OF THE 23 MAY CITIC WMP ON THE EARNINGS, ASSETS AND LIABILITIES OF THE GROUP

The 23 May CITIC WMP was recorded as a financial asset at fair value through profit or loss.

According to the Company's Interim Report, the carrying amount of the 23 May CITIC WMP was approximately RMB60,066,904 as of June 30, 2025, representing an unrealized gain of approximately RMB66,904.

There are no financial effects of the 23 May CITIC WMP on the liabilities of the Group.

6. FINANCIAL AND TRADING PROSPECTS

1. Railway business

(i) Focusing on cutting-edge developments in railway communication technology and digital transformation

Innovative technologies such as 5G-R, intelligent operations and maintenance and IPv6+ are increasingly becoming the core drivers propelling the digital and intelligent transformation of the railway sector. From a macro perspective, with the rapid development of the railway sector in China, the shift towards digitalization, cloud-based operations and intelligent development will accelerate. The Group will strengthen its internal capabilities and progressively increase investment in railway digital infrastructure development. While striving to maintain its existing leading position in the field of railway communication, the Group also actively explores the information market to maintain its industry-leading position in intelligent railway construction and 5G-R construction.

(ii) Continuous business development in overseas railway market

The Group has successfully entered into contracts for various overseas high-speed railway projects, including the Hungarian section of the Hungary-Serbia Railway and the Malaysia East Coast Rail Link (MECRL) Project, as well as the Kuching ART (Kuching Urban Transportation System (KUTS) Sarawak Metro Project, Malaysia), which are in the progress for delivery. In the First Half of the Year, the Group successfully secured the contract for the Kano-Maradi Railway Project in Nigeria (communication system equipment and technology subcontract procurement project for the Kano-Maradi Project in Nigeria) with a contract sum of RMB169 million. As the railway sector in China continues to expand its openness and the "Belt and Road" initiative further enhances its global influence, demand for cross-border and cross-regional railway infrastructure cooperation will continue to emerge, providing ample policy support for the Group's overseas operations. Based on existing project experience and market foundations, the Group will continue to increase capital, technical expertise and talent investment in overseas railway markets, and proactively explore international cooperation opportunities to achieve large-scale and high-quality development of overseas railway business.

2. Energy business

(i) Maintaining the stable development of the electric power business

As regards power plant projects in our electric power business, the AHLONE 151,000-kilowatt power plant project, which was invested, constructed and operated by the Group in Yangon, Myanmar, officially commenced operations in January 2021. The first-phase contract with the Ministry of Electric Power in Myanmar is set to expire in January 2026. In August 2025, the Group renewed the contract with the Ministry of Electric Power in Myanmar, with the second-phase contract expiring in January 2031. Furthermore, the Hlawga 123,000-kilowatt power plant restoration project in Myanmar also achieved combined cycle power generation in December 2022 and has a ten-year operating period. At present, both power plants are in a stable development phase and have made positive contributions to the electricity supply in Myanmar. Meanwhile, with the implementation of "Belt and Road" initiative, the Group is actively expanding its business of overseas power plant project.

(ii) Active expansion into the new energy business

Building upon the steady development of our power plant projects, the Group is actively expanding into the new energy business, including photovoltaic power generation, charging piles, energy storage, contract energy management, etc.

- In terms of the photovoltaic power generation business, the "Shunping 11 Pairs of Service Area Distributed Photovoltaic Power Generation Project" was successfully signed in the First Half of 2025 and is scheduled to be completed and realize grid-connected power generation in 2025. The Group will continue to explore quality distributed photovoltaic power generation projects.

- Meanwhile, the Group is also actively expanding charging piles, energy storage and other multi-energy complementary projects, and is committed to promoting the overall development of the new energy business.

3. Aviation business

The Group will continue to support FOSS to refine its existing business in the aviation field and continuously introduce solutions based on big models, artificial intelligence etc.. Meanwhile, the Group will consider the low altitude economy business as a new business growth point for FOSS.

Business Overview

FOSS is a provider of industry application software and professional technical services, primarily serving airlines, airports and civil aviation support enterprises with secure and controllable software solutions. Through years of development, FOSS has become one of the core software suppliers supporting the safe operation of China's civil aviation industry.

Business Model

FOSS operates under a project-based, customer-centric model. Procurement is divided into project procurement, which focuses on specialised software, hardware and technical services required for project delivery, and routine procurement for operational needs. Services include (i) customised software development and technical services, such as flight operations control (FOC) systems and airport command solutions; (ii) system integration, providing end-to-end solutions including design, procurement and implementation; and (iii) maintenance services, offering ongoing technical support and upgrades, which generate stable recurring income due to high customer stickiness. Sales are mainly through tenders and competitive negotiations, with long-term relationships supported by strong technical expertise and brand reputation.

Revenue Model

Revenue is derived from project delivery and related services, recognised in accordance with accounting standards: software development upon acceptance, system integration upon final acceptance, and maintenance services over the service period. FOSS' sustainable growth is driven by high customer stickiness, deep industry knowledge creating strong competitive barriers, and a hybrid model combining standardised platforms with customised development, ensuring efficiency, flexibility and healthy margins.

Low Altitude Economy Business

Leveraging its extensive industry expertise, established product portfolio, broad customer base and strong technical capabilities, FOSS is committed to developing integrated digital and intelligent solutions for the entire low-altitude economy value chain. FOSS focuses on the following four key segments:

(i) Government Air Traffic Management

FOSS is developing an integrated low-altitude management platform to support airspace management, flight surveillance, mission approval, command and dispatch, and safety oversight. The platform will enable coordinated operations and data services, forming a regional ''low-altitude digital service base'' to support low-altitude activities.

(ii) R&D and Manufacturing

FOSS offers digital aircraft service solutions integrating satellite-based equipment, surveillance and health management. These solutions support the development and modification of communication and navigation systems and enable a ''service-ready upon delivery'' model for aircraft.

(iii) Low-altitude Operations

FOSS provides portable communication, navigation and surveillance equipment and a low-altitude operations management system using 4G, satellite and BeiDou technologies. These solutions support autonomous flight control and commercial operations such as logistics, passenger transport and surveying.

(iv) Ground Support

FOSS delivers AI-enabled station management equipment and intelligent takeoff/landing systems integrating communication, sensing, control, meteorology and vision. This achieves coordinated air-ground management for dispatch, command and surveillance across various vertiports.

1. RESPONSIBILITY STATEMENT

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

2. DISCLOSURE OF INTEREST BY DIRECTORS

As at the Latest Practicable Date, the interests or short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which have been notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3, and Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

Name of Director	Nature of interest	Securities[3]	Approximate percentage of shareholdings as at June 30, 2025[3]
Mr. Liao Jie[1]	Interest of controlled corporation	105,758,203 (L)	6.15% (L)
Mr. Jiang Hailin[2]	Beneficial owner/ Interest of controlled corporation	559,669,605 (L)	32.54% (L)

Notes:

(1) Mr. Liao Jie is deemed to be interested in the 105,758,203 Shares held by Joyful Business Holdings Limited ("**Joyful Business**"), which is wholly-owned by Mr. Liao Jie.

(2) Mr. Jiang Hailin is entitled to exercise or control the exercise of the voting rights of 559,669,605 Shares, which were held by all the parties to the Shareholders Voting Agreements (as defined below in the Company's interim report published on September 29, 2025). Mr. Jiang Hailin beneficially and directly owns 18,853,876 Shares, which are part of the 559,669,605 Shares.

(3) (L) denotes long positions. As at June 30, 2025, the number of issued ordinary shares of the Company was 1,720,185,862.

3. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors or their respective close associates had engaged in or had any interest in any business which competes or may compete, either directly or indirectly, with the businesses of the Group.

4. DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

As at the Latest Practicable Date, other than the related party transactions disclosed in note 37 to the consolidated financial statements and the connected transactions as disclosed in the section headed "Continuing Connected Transactions" in the Company's 2024 annual report published on April 29, 2025, no Director had either direct or indirect material interest in any transactions, assets, arrangements or contracts of significance to the business of the Group to which the Company or any of its subsidiaries was a party, and there was no transaction, assets, arrangement or contract of significance between the Company or any of its subsidiaries and the Company's controlling Shareholders or any of its subsidiaries, subsisted at the end of, or at any time during the year ended December 31, 2024 and up to the Latest Practicable Date.

As at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any asset which have been, since December 31, 2024, being the date to which the latest published audited consolidated financial statements of the Group were made up, acquired or disposed of by or leased to any member of the Group or are proposed to be acquired or disposed of by or leased to any member of the Group.

5. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into a service contract which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

6. LITIGATION

As at the Latest Practicable Date, none of the members of the Group was engaged in any litigation or claims of material importance known by the Directors to be pending or threatened against any member of the Group.

7. MATERIAL CONTRACTS

The Group has entered into the following contracts (not being contracts entered into in the ordinary course of business) within the two years preceding the date of this circular which is or may be material:

(1) The equity transfer agreement dated June 20, 2025 (after trading hours) between Beijing Aproud Technology Co., Ltd (北京亞邦偉業技術有限公司) ("**Aproud Technology**"), Mr. Pan Jianguo (潘建國), and Beijing Zhongzhi Runbang Technology Co., Ltd.* (北京中智潤邦科技有限公司) ("**Zhongzhi Runbang**"), pursuant to which, Aproud Technology conditionally agreed to acquire, and Mr. Pan Jianguo conditionally agreed to sell, 40% of the equity interest of Zhongzhi Runbang at the total consideration of RMB80 million.

(2) The supplemental agreement dated March 18, 2025 entered into between the Company, Mr. Jiang Chunqing (蔣春慶) and Beijing Jiujian Technology Co., Ltd.* (北京九建科技有限公司) ("**Beijing Jiujian**") to extend the time limit under the share transfer agreement dated April 28, 2023 between Beijing Haotian Jiajie New Energy Co., Ltd.* (北京昊天佳捷新能源有限公司) ("**Haotian Jiajie**"), Mr. Jiang Chunqing and Beijing Jiujian, pursuant to which, Haotian Jiajie conditionally agreed to acquire, and Mr. Jiang Chunqing conditionally agreed to sell 55% of the equity interest of Mr. Jiang Chunqing at the total consideration of RMB16.50 million.

(3) The share transfer agreement dated August 19, 2024 (after trading hours) between Tibet Aviation Co., Ltd (西藏航空有限公司) ("**Tibet Aviation**"), a wholly owned subsidiary of the Company, and Mr. Ma Yue (馬越), pursuant to which, Tibet Aviation conditionally agreed to acquire, and Mr. Ma Yue conditionally agreed to sell 7,050,000 shares of FOSS, representing 5.02% of the issued shares of FOSS, at the consideration of RMB56.259 million.

8. MISCELLANEOUS

(1) The company secretary of the Company is Mr. Leung Ming Shu. Mr. Leung is a member of the Hong Kong Institute of Certified Public Accountants and is also a member of the Association of Chartered Certified Accountants.

(2) The registered office of the Company is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111 Cayman Islands.

(3) The head office in the PRC of the Company is at Building 204, No. A10, Jiuxianqiao North Road, Chaoyang District, Beijing 100015, China.

(4) The Company's principal place of business in Hong Kong is at 8/F., Golden Star Building 20–24 Lockhart Road, Wanchai.

(5) The Cayman Islands principal share registrar and transfer office of the Company is Suntera (Cayman) Limited at Suite 3204, Unit 2A Block 3, Building D, P.O. Box 1586 Gardenia Court, Camana Bay, Grand Cayman, KY1-1100 Cayman Islands.

9. DOCUMENTS ON DISPLAY

The following documents will be available on (i) the website of the Company (www.01900.hk) and (ii) the website of the Stock Exchange (www.hkexnews.hk) during the period of 14 days from the date of this circular:

(1) Product brochure of Win-Win Smart FX-Linked RMB Structured Deposit* (共贏智信匯率掛鈎人民幣結構性存款);

(2) Bank reply slip regarding the subscription of Win-Win Smart FX-Linked RMB Structured Deposit* (共贏智信匯率掛鈎人民幣結構性存款) on May 23, 2025;

(3) Product brochure of Win-Win Smart Rate-Linked RMB Structured Deposit* (共贏智信利率掛鈎人民幣結構性存款); and

(4) Bank reply slip regarding the subscription of Win-Win Smart Rate-Linked RMB Structured Deposit* (共贏智信利率掛鈎人民幣結構性存款) on May 23, 2025.

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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting (the "**EGM**") of China ITS (Holdings) Co., Ltd. (the "**Company**") will be held on Friday, January 16, 2026 at 1:30 p.m., to transact the following businesses:

ORDINARY RESOLUTION

1. "**THAT** the subscription of the following wealth management products by the Company and its subsidiaries:

   (a) Win-Win Smart FX-Linked RMB Structured Deposit* (共贏智信匯率掛鈎人民幣結構性存款) by CITIC Group Corporation Ltd. (中信銀行股份有限公司) on May 23, 2025;

   (b) Win-Win Smart Rate-Linked RMB Structured Deposit* (共贏智信利率掛鈎人民幣結構性存款) by CITIC Group Corporation Ltd. (中信銀行股份有限公司) on May 23, 2025;

   be and are hereby generally and unconditionally approved, confirmed and ratified and the directors of the Company acting together or by committee, or any director of the Company acting individually, be and is hereby authorized to do all such further acts and things and execute such further documents and take all such steps which in his/her/their opinion may be necessary, desirable or expedient to implement and/or give effect to the subscription of the aforementioned wealth management products."

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

Beijing, December 26, 2025

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

Principal place of business in Hong Kong:
8F., Golden Star Building
20–24 Lockhart Road
Wanchai
Hong Kong

Notes:

1. For the purpose of determining the entitlement of the Shareholders to attend and vote at the EGM, the register of members of the Company will be closed from Tuesday, January 13, 2026 to Friday, January 16, 2026 (both days inclusive), during which period no transfer of Shares will be registered. To be eligible to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificates and the duly completed and signed transfer forms must be lodged for registration with the Company's share registrar in Hong Kong, Union Registrars Limited at Suites 3301–04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, not later than 4:00 p.m. on Monday, January 12, 2026.

2. A member of the Company who is entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and vote in his/her/its stead. The proxy need not be a member of the Company. If more than one proxy is appointed, the appointment shall specify the number of Shares in respect of which each such proxy is appointed.

3. This form of proxy, together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, must be lodged with the Company's share registrar in Hong Kong, Union Registrars Limited at Suites 3301–04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, not later than 48 hours before the time fixed for holding the EGM (i.e. before 1:30 p.m. on January 14, 2026) or any adjournment thereof.

4. The above ordinary resolution will be voted by poll.

5. References to time and dates in this notice are to Hong Kong time and dates.

6. Details of the above resolution to be considered at the EGM are set out in the circular of the Company dated December 26, 2025 (the "**Circular**"). Unless otherwise defined in this notice, capitalized terms used in this notice shall have the same meanings as those defined in the Circular.

As at the date of this notice, our Executive Directors are Mr. Liao Jie and Mr. Jiang Hailin and our Independent non-Executive Directors are Mr. Zhou Jianmin, Ms. Huang Jianling and Mr. Lai Hongyi.