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CHINASOFT INTERNATIONAL LIMITED

中軟國際有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 354)

VOLUNTARY ANNOUNCEMENT

Chinasoft Wins RMB245 Million Xi'an Smart Transportation Construction Project

“AI + OpenHarmony” Builds a National Smart Transportation Benchmark

Chinasoft International Limited (hereinafter referred to as “**Chinasoft**” or the “**Company**”) releases this announcement as a voluntary announcement to let the public know the latest information of the Company.

The Company is pleased to announce that, recently, the Group, as the leading member of a consortium, has successfully won the bid for the 2026–2027 Xi'an Smart Transportation Construction Project of the Traffic Management Detachment of Xi'an Public Security Bureau, with a total bid amount of RMB245,220,354.77 (the “**Project**”), marking the beginning of scaled implementation of the Company's “AI + OpenHarmony” dual-engine strategy in the core vertical track of smart transportation.

Grounded in Xi'an's overall high-quality urban development and centred on the core objective of comprehensively enhancing the city's modern traffic governance capability, the Project aims to build an intelligent, refined, independent and controllable urban traffic governance system through systematic and citywide construction. Its core construction content falls into three major segments:

1. Building an AI-driven collaborative dispatching system to achieve closed-loop traffic governance and control

Relying on the top-level design of smart transportation and the overall architecture of an independent and controllable digital foundation, the Project breaks down data barriers among multiple departments including public security traffic management, transportation, meteorology and government affairs data, and newly builds the traffic management subsystem of the smart transportation dispatching and management platform. Leveraging core AI technologies, the Project strengthens real-time assessment and intelligent analysis of citywide traffic conditions, enables precise traffic command and dispatching and dynamic control, builds a full-process closed-loop business system, substantially elevates the intelligence and refinement of Xi'an's dynamic urban traffic management, and comprehensively optimises the capability for rapid response to and efficient handling of traffic emergencies.

2. Densifying the citywide intelligent perception network to consolidate the traffic data foundation

The Project covers the entire core area of Xi'an (excluding suburban counties and the Xixian New Area), carrying out perception facility blind-spot supplementation at a total of 4,082 traffic sites across municipal roads, expressways, and national and provincial highways, of which 2,290 sites will be built in Phase I. Through citywide perception devices, multi-dimensional mixed traffic flow data on pedestrians, motor vehicles and non-motor vehicles is collected in real time; relying on AI intelligent algorithms, various traffic events such as road congestion, traffic accidents and extreme weather interference are automatically identified, enabling second-level early warning and rapid handling. In addition, 145 traffic meteorological monitoring facilities and 85 sets of mobile perception equipment will be built in support, forming a multi-element, three-dimensional and coordinated field perception system, and providing high-quality, full-coverage data support for the efficient operation and intelligent decision-making of the smart transportation platform.

3. Implementing scaled OpenHarmony applications to build a localised smart transportation benchmark

Focusing on the core needs of domestic substitution and intelligent upgrading of smart transportation equipment, the Project deploys at scale five major categories of core devices powered by the OpenHarmony operating system, including HarmonyOS signal controllers, dynamic traffic perception devices, traffic incident video perception devices, electronic police capture devices and checkpoint video capture devices. Relying on a unified IoT platform, the Project implements core application scenarios including signal coordination and optimisation, escort support for special vehicles, information guidance and push services for commercial, educational, medical and government scenarios, coordinated response to violations and congestion, crossing protection for special groups, and near-field intelligent device operation and maintenance, creating an OpenHarmony smart transportation demonstration model with distinctive Xi'an characteristics.

As a heavyweight benchmark project, the winning and implementation of this bid is of milestone significance for the industry and sets multiple industry records:

First, it is the largest single city-level smart transportation project nationwide in 2026. As a national central city and a megacity with a population of over ten million, Xi'an ranks fourth in China in motor vehicle ownership, with complex traffic governance scenarios and extremely high demonstration value. The Project is the city-level smart transportation construction project with the largest single-project scale and the most comprehensive construction dimensions nationwide in 2026, featuring multiple industry-first technologies and benchmark applications, and is highly instructive for the intelligent upgrading of transportation in megacities across the country.

Second, it is the largest single project since the commencement of OpenHarmony ecosystem construction. The Project sets records for the highest bid amount for a single bid section, the largest installed volume of HarmonyOS devices and the largest volume of HarmonyOS technology deployment since the commencement of OpenHarmony ecosystem implementation, fully validating the feasibility, stability and advancement of OpenHarmony technology in scaled commercial application in the transportation vertical industry, and representing a major breakthrough for the HarmonyOS ecosystem in core To B and To G scenarios.

Third, it is the first scaled OpenHarmony project in mission-critical governance scenarios in a megacity. The Project represents the first full-region, scaled deployment of the OpenHarmony operating system in the mission-critical business scenario of megacity-level traffic governance, which imposes stringent requirements for security, reliability and stability. It marks OpenHarmony's formal departure from the laboratory pilot validation stage and its comprehensive entry into a new stage of large-scale implementation in core government and enterprise production scenarios, completing the key leap from technical trial to commercial deployment, and representing a core milestone in the industrialisation and scaled development of the HarmonyOS ecosystem.

The winning of the Project means that Xi'an's OpenHarmony smart transportation construction has formally entered a brand-new stage from scattered pilot exploration to full-region scaled implementation, and is also a major breakthrough achievement in the implementation of the Group's "AI + OpenHarmony" dual-engine strategy in the smart transportation vertical.

Relying on the Project, the Company has fully validated its end-to-end core delivery capability of "OpenHarmony operating system + AI + industry scenarios". With its deep technological accumulation in intelligent perception, transportation foundation models, intelligent dispatching and other fields, the Company has successfully built a full-chain capability closed loop from "perceptual intelligence" to "decision-making intelligence" in transportation scenarios, further consolidating its leading position in OpenHarmony ecosystem construction and the localised upgrading of smart transportation, and setting a benchmark model for the replication, promotion and scaled implementation of related solutions in major cities across the country.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

On behalf of the Board
Chinasoft International Limited
Dr. Chen Yuhong
Chairman and Chief Executive Officer

25 August 2026, Hong Kong

As at the date of this announcement, the Board comprises two executive Directors, namely Dr. Chen Yuhong (Chairman and Chief Executive Officer) and Dr. Tang Zhenming (Vice Chairman), two non-executive Directors, namely Dr. Zhang Yaqin and Mr. Gao Liangyu, and three independent non-executive Directors, namely Dr. Lai Guanrong, Professor Mo Lai Lan and Mr. Yeung Tak Bun J.P.

* *For identification purposes only*