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ITC NEOCLOUD

德祥云算

ITC Neocloud Group Limited

德祥新云算力集团有限公司

(Formerly known as ITC Properties Group Limited 德祥地產集團有限公司)

(Incorporated in Bermuda with limited liability)

(Stock Code: 199)

**VOLUNTARY ANNOUNCEMENT
ESTABLISHMENT OF AI BUSINESS MANAGEMENT STRUCTURE
AND UPDATE ON AI BUSINESS**

This announcement is made by ITC Neocloud Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis for the purpose of providing the shareholders of the Company (the “**Shareholders**”) and potential investors with information on the establishment of the management structure of the Group’s artificial intelligence (“**AI**”) business (“**AI Business**”) and an update on the latest progress of certain artificial intelligence data centre (“**AIDC**”) projects under the AI Business.

ESTABLISHMENT OF AI BUSINESS MANAGEMENT STRUCTURE

The board (the “**Board**”) of directors (the “**Director(s)**”) of the Company is pleased to announce that in order to assist the Company and the Board to develop, operate and oversee the AI Business, the Group has established a management structure for the AI Business, namely, the AI Business Management Committee (the “**AI Management Committee**”), under which the Board exercises oversight. The AI Management Committee will be delegated the power to make operational decisions within the scope of its authority, where the relevant professional functions also participate in the review process and provide advice. The AI Management Committee is, in substance, a management committee of the Group rather than a committee of the Board.

The AI Management Committee comprises Mr. Cao Xinwei (“**Mr. Cao**”), an executive Director, as chairman and the head of AI Business, Mr. Sun Wenzheng as the head of technology and the head of finance of the Group. The head of technology is responsible for technical assessments, while the head of finance is responsible for reviewing budgets, cash flows and financial risks. The AI Management Committee is also backed by technical reviews conducted by technical personnel to cover infrastructure, system architecture, delivery capability and operational reliability, with a view to ensuring that customer commitments, resource arrangements and capital deployment are commensurate with the Group’s actual ability to perform its contractual obligations under the AI Business.

UPDATE ON AI BUSINESS

As disclosed in the voluntary announcement of the Company dated 24 September 2026 in relation to artificial intelligence infrastructure-related business forming a separate reportable segment, the AI Business segment mainly covers the following three sub-categories of business: (i) AI Infrastructure Operation, (ii) AI Computing Orchestration and Cloud Services, and (iii) Model Service and Application Platform.

In respect of its AI Infrastructure Operation business, the Group plans to develop an artificial intelligence data centre (“**AIDC**”) on the relevant parcels of land in the Xiaoyangkou area of Rudong County, Nantong, Jiangsu. The Group is currently advancing preparatory work for the AIDC project through a dedicated project company. The Group has engaged Jiangsu Engineering Consulting Center (江蘇省工程諮詢中心有限公司), which is a state-owned enterprise funded by Jiangsu State-owned Capital Investment and Operation Group Co., Ltd.* (江蘇省國有資本投資運營集團有限公司), as an independent professional consultant to provide professional support for the project feasibility study, energy assessment and related project applications. The Group is currently advancing a government cooperation agreement, phase-one land arrangements, energy assessment and coordination of customer demand, and continues to study and pursue cooperation with a large state-owned energy enterprise on direct green power supply to meet the project’s electricity requirements entirely through green power and address investment needs for certain electricity infrastructure.

The Group is also advancing an AIDC project in Hong Kong. The Group has engaged local external professional consultants to carry out preliminary construction planning and design, and is advancing the preparation and submission of a site proposal and an expression of interest (EOI). The Group has also held further discussions with a potential electricity supplier regarding the electricity supply for the project and reached preliminary consensus. The specific supply capacity, connection plan, works arrangements, allocation of responsibilities and commercial terms remain subject to further documentation, technical studies and approval procedures, and do not constitute conclusion of any binding electricity supply arrangements at this stage.

In respect of its AI Computing Orchestration and Cloud Services business, the Group has commenced dedicated computing power services and shared computing power cloud services for multiple customers and has entered into relevant procurement and customer contracts, under which it obtains rights to use third-party computing resources based on customer requirements. The Group continues to progress discussions with customers and suppliers and will gradually expand its services following satisfactory resource verification and agreement on commercial terms.

In respect of its Model Services and Application Platform business, the Group has launched a model services platform and commenced paid services, integrating third-party model and computing resources to provide customers with model invocation and related supporting services. The Group continues to optimise the platform's functionality, service performance and user experience, taking into account operational feedback.

GENERAL

The above projects remain at the development, planning and preparatory stages, and the relevant collaborations, applications, approvals and other arrangements may or may not be implemented in accordance with the current plans. The implementation of all or any part of the above projects remains subject to feasibility studies, planning and design, commercial negotiations, and the fulfilment of land or site arrangements, energy supply, governmental and regulatory approvals, financing, customer demand and other necessary conditions, and may or may not proceed or materialise.

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

By Order of the Board
ITC Neocloud Group Limited
He Xuechu
Joint Chairman

Hong Kong, 21 October 2026

As at the date of this announcement, the Directors are as follows:

Executive Directors:

Mr. Cheung Hon Kit (*Joint Chairman*), Mr. He Xuechu (*Joint Chairman*), Dr. Chan Kwok Keung, Charles (*Joint Vice Chairman*), Mr. Chan Yiu Lun, Alan, Mr. Law Hon Wa, William (*Chief Financial Officer*), Mr. Wu Yao and Mr. Cao Xinwei

Independent Non-executive Directors:

Mr. Pang, Anthony Ming-tung, Mr. Chan Chun Hung, Vincent, Mr. Xue Meng, Ms. Wang Siyan and Ms. Kong Shanna

In case of any inconsistency, the English version of this announcement shall prevail over the Chinese version.

* *For identification purposes only*