

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the content of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the content of this announcement.*



**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)**

**DISCLOSABLE TRANSACTION  
SUBSCRIPTION OF WEALTH MANAGEMENT PRODUCTS**

**SUBSCRIPTION OF WEALTH MANAGEMENT PRODUCTS**

The Board announces that, on 27 January 2021, Tibet Intelligent Aviation, a subsidiary indirectly and wholly owned by the Company, subscribed for (i) the First Wealth Management Product in a principal amount of RMB20,000,000; and (ii) the Second Wealth Management Product in a principal amount of RMB20,000,000. All of the above products are issued by CSC Financial.

**LISTING RULE IMPLICATIONS**

As the highest applicable percentage in respect of the subscription of the Wealth Management Products in aggregate is more than 5% but less than 25%, the subscription of the Wealth Management Products constitutes a disclosable transaction of the Company and is therefore subject to the reporting and announcement requirements but are not subject to the circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

**SUBSCRIPTION OF WEALTH MANAGEMENT PRODUCTS**

The Board announces that, on 27 January 2021, Tibet Intelligent Aviation, a subsidiary indirectly and wholly owned by the Company, subscribed for (i) the First Wealth Management Product in a principal amount of RMB20,000,000; and (ii) the Second Wealth Management Product in a principal amount of RMB20,000,000. All of the above products are issued by CSC Financial.

On 27 January 2021, Tibet Intelligent Aviation entered into two subscription agreements with CSC Financial in relation to the subscription of Wealth Management Products in an aggregate amount of RMB40,000,000. The principal terms of the Subscription Agreement are as follows:

**(A) First Wealth Management Product**

<b>Date of subscription</b>	27 January 2021
<b>Product name</b>	Beneficiary certificate No. 063 of CSC “Kanzhangbao (看漲寶)” (SPE946/JT5103)
<b>Parties</b>	(1) Tibet Intelligent Aviation; and (2) CSC Financial
<b>Principal under subscription</b>	RMB20,000,000
<b>Term of investment</b>	180 days, from 28 January 2021 to 26 July 2021 (both dates inclusive)
<b>Product type and risk level</b>	Principal-guaranteed products which CSC Financial regards as products of low-to-medium risk
<b>Expected annual yield</b>	0.80% to 5.10% depending on the performance of the CSI 500 Index during the investment term
<b>Early termination</b>	Tibet Intelligent Aviation does not have any right of early termination during the investment period

**(B) Second Wealth Management Product**

<b>Date of subscription</b>	27 January 2021
<b>Product name</b>	Beneficiary certificate No. 064 of CSC “Kanzhangbao (看漲寶)” (SPE947/JT5104)
<b>Parties</b>	(1) Tibet Intelligent Aviation; and (2) CSC Financial
<b>Principal under subscription</b>	RMB20,000,000
<b>Term of investment</b>	180 days, from 28 January 2021 to 26 July 2021 (both dates inclusive)
<b>Product type and risk level</b>	Principal-guaranteed products which CSC Financial regards as products of low-to-medium risk
<b>Expected annual yield</b>	0.53% to 7.73% depending on the performance of the CSI 500 Index during the investment term
<b>Early termination</b>	Tibet Intelligent Aviation does not have any right of early termination during the investment period

## **REASONS FOR AND BENEFITS OF THE SUBSCRIPTION OF WEALTH MANAGEMENT PRODUCTS**

The Directors are of the view that: (i) the subscription of Wealth Management Products provides the Group with a higher return than fixed deposits generally offered by commercial banks in the PRC; (ii) the subscription of Wealth Management Products is funded by the Group's surplus cash reserves and will not affect the Group's working capital position or operations; and (iii) appropriate wealth management is beneficial for enhancing capital utilization and increasing income with idle funds. Accordingly, the Directors consider that the subscription of the Wealth Management Products is on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **LISTING RULE IMPLICATIONS**

As the highest applicable percentage in respect of the subscription of the Wealth Management Products in aggregate is more than 5% but less than 25%, the subscription of the Wealth Management Products constitutes a disclosable transaction of the Company and is therefore subject to the reporting and announcement requirements but are not subject to the circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

## **INFORMATION ON THE GROUP AND TIBET INTELLIGENT AVIATION**

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

Tibet Intelligent Aviation is a subsidiary indirectly and wholly owned by the Company.

## **INFORMATION ON CSC FINANCIAL**

CSC Financial is a securities company established under the laws of the PRC and is qualified to conduct its business as stipulated in its securities business license in the PRC with sufficient power, authorization and legal rights to own its assets and operate its business. To the best of knowledge, information and belief of the Directors after making all reasonable enquiries and based on the public information available to the Company, CSC Financial and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

## **DEFINITIONS**

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

“Board”	The board of directors
“Company”	China ITS (Holdings) Co., Ltd., a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Director (s)”	Directors of the Company

“First Wealth Management Product”	Beneficiary certificate product No. 063 of CSC “Kanzhangbao (看漲寶)” (SPE946/JT5103) issued by CSC Financial, details of which are set out in this announcement
“Group”	The Company and its subsidiaries
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“CSC Financial”	CSC Financial Co., Ltd. (中信建投證券股份有限公司)
“PRC”	The People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Second Wealth Management Product”	Beneficiary certificate product No. 064 of CSC “Kanzhangbao (看漲寶)” (SPE947/JT5104) issued by CSC Financial, details of which are set out in this announcement
“Shareholders”	Our shareholders
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary (ies)”	has the meaning ascribed to it under the Listing Rules
“Wealth Management Products”	Collectively, the First Wealth Management Product and the Second Wealth Management Product
“Tibet Intelligent Aviation”	Tibet Intelligent Aviation Transportation Technology Co., Ltd., a company established under the laws of the PRC and a subsidiary indirectly and wholly owned by the Company
“%”	per cent

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

Beijing, 27 January 2021

*As at the date of this announcement, the executive directors of the Company are Mr. Liao Jie and Mr. Jiang Hailin; and the independent non-executive directors of the Company are Mr. Ye Zhou, Mr. Wang Dong and Mr. Zhou Jianmin.*