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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular or as to the action you should take, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in AsiaInfo Technologies Limited, you should at once hand this circular together with the enclosed form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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This circular is for information purposes only and does not constitute an invitation or offer to acquire, purchase, or subscribe for any securities of AsiaInfo Technologies Limited.

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**AsiaInfo Technologies Limited**

**亞信科技控股有限公司**

*(Incorporated in the British Virgin Islands with limited liability)*

**(Stock Code: 1675)**

**(1) RENEWAL OF CONTINUING CONNECTED TRANSACTIONS  
— SOFTWARE PRODUCTS AND  
SERVICES FRAMEWORK AGREEMENT  
AND  
(2) NOTICE OF EXTRAORDINARY GENERAL MEETING**

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A notice convening the EGM of AsiaInfo Technologies Limited to be held at meeting room at 31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong on Thursday, 15 December 2022 at 10:00 a.m. is set out on pages EGM-1 to EGM-2 of this circular. A form of proxy for use at the EGM is also enclosed. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.asiainfo.com](http://www.asiainfo.com)). Whether you are able to attend the EGM or not, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the completed form of proxy to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, as soon as possible, and in any event so that it is received not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof (as the case may be). 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, and in such event the form of proxy shall be deemed to be revoked.

29 November 2022

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## DEFINITIONS

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

“Articles”	the articles of association of the Company
“associates”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“BSS”	business support systems, used for the management of customer information, customer business and service processes and customer related services and resources, often used together with OSS to form end-to-end comprehensive business and operation management systems for the telecommunications industry
“China Mobile Group”	CMC and its associates
“CMC”	China Mobile Communication Co., Ltd., a company established in the PRC with limited liability and a wholly-owned subsidiary of China Mobile Limited
“Company”	AsiaInfo Technologies Limited (亞信科技控股有限公司), an international business company incorporated in the British Virgin Islands on 15 July 2003, whose Shares are listed on the Stock Exchange (stock code: 1675)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“CRM”	customer relationship management
“Definitive Agreement(s)”	any individual definitive agreement(s) in respect of the transactions contemplated under the Software Products and Services Framework Agreement which may from time to time be entered into in pursuance thereto
“Director(s)”	the director(s) of the Company
“EGM”	an extraordinary general meeting of the Company to be convened at meeting room at 31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong on Thursday, 15 December 2022 at 10:00 a.m. for the Independent Shareholders to consider and, if thought fit, approve the Software Products and Services Framework Agreement and the transactions contemplated thereunder (including the annual caps)
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong

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## DEFINITIONS

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“Independent Board Committee”	an independent committee of the Board, comprising all the independent non-executive Directors, established for the purpose of advising the Independent Shareholders as to whether the terms of the Software Products and Services Framework Agreement and the transactions contemplated thereunder (including the annual caps) are fair and reasonable and in the interests of the Company and the Shareholders as a whole
“Independent Financial Adviser”	Red Sun Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser to the Independent Board Committee and the Independent Shareholders with regard to the Software Products and Services Framework Agreement and the transactions contemplated thereunder (including the annual caps)
“Independent Shareholders”	Shareholders who are not required to abstain from voting at the EGM to approve the Software Products and Services Framework Agreement and the transactions contemplated thereunder (including the annual caps)
“Independent Third Party(ies)”	party(ies) who is/are independent of the Company and its connected person(s)
“IoT”	the Internet of things
“Latest Practicable Date”	24 November 2022, being the latest practicable date prior to the publication of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers under Appendix 10 to the Listing Rules
“OSS”	operations support systems, a software solution used by telecommunications operators for supporting their network operations, often used together with BSS to support various end-to-end telecommunications services
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

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## DEFINITIONS

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“Share(s)”	ordinary share(s) of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Software Products and Services Framework Agreement”	the agreement entered into between the Company and CMC on 28 October 2022 in relation to, <i>inter alia</i> , the provision of software products and related services by the Group to the China Mobile Group
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent



**AsiaInfo Technologies Limited**

**亞信科技控股有限公司**

*(Incorporated in the British Virgin Islands with limited liability)*

**(Stock Code: 1675)**

*Executive Directors:*

Dr. TIAN Suning (*Chairman*)

Mr. DING Jian

Mr. GAO Nianshu (*Chief Executive Officer*)

*Registered office:*

Craigmuir Chambers

Road Town

Tortola, VG1110

British Virgin Islands

*Non-executive Directors:*

Mr. ZHANG Yichen

Mr. XIN Yuesheng

Mr. YANG Lin

Ms. LIU Hong

Mr. CHENG Xike

*Head office and principal place*

*of business in the PRC:*

AsiaInfo Plaza, Dong Qu

10 Xibeiwang Dong Lu

Haidian District

Beijing 100193

PRC

*Independent Non-executive Directors:*

Dr. GAO Jack Qunyao

Dr. ZHANG Ya-Qin

Mr. GE Ming

Ms. TAO Ping

*Principal place of business in Hong Kong:*

31/F, Tower Two, Times Square

1 Matheson Street

Causeway Bay

Hong Kong

29 November 2022

*To the Shareholders*

Dear Sir or Madam,

**RENEWAL OF CONTINUING CONNECTED TRANSACTIONS  
— SOFTWARE PRODUCTS AND  
SERVICES FRAMEWORK AGREEMENT**

**INTRODUCTION**

Reference is made to the announcement of the Company dated 28 October 2022 in respect of, *inter alia*, the renewal of the transactions contemplated under the Software Products and Services Framework Agreement and the proposed annual caps thereunder.

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## LETTER FROM THE BOARD

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The purpose of this circular is to provide you with (i) information regarding the ordinary resolution to be proposed at the EGM in respect of the Software Products and Services Framework Agreement and the transactions contemplated thereunder (including the annual caps), (ii) the advice of the Independent Financial Adviser regarding the terms of the Software Products and Services Framework Agreement and the transactions contemplated thereunder (including the annual caps), (iii) the recommendation of the Independent Board Committee regarding the approval of the Software Products and Services Framework Agreement and the transactions contemplated thereunder (including the annual caps), and (iv) a notice of the EGM, to enable you to make an informed decision on whether to vote for or against the said resolution.

### RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

The Group, in its ordinary course of business, regularly entered into continuing transactions with the China Mobile Group in relation to, among other things, the provision of software products and services to the China Mobile Group, including but not limited to, the provision of software products and related deployment services (including but not limited to CRM, billing account and big data, IoT and 5G intelligent network products), ongoing operation and maintenance services, data-driven operation services, business consulting services, system integration services, corporate trainings and procurement and sale of third-party hardware and software. As the existing agreement for the above transactions contemplated under the Software Products and Services Framework Agreement will expire on 31 December 2022, the Board resolved to renew the transactions contemplated thereunder with the China Mobile Group and to determine the annual caps for the transactions contemplated thereunder for the three years ending 31 December 2025 in order to comply with the Listing Rules, details of which are set out below:

#### **Software Products and Services Framework Agreement**

Date: 28 October 2022

Parties: (i) the Company; and

(ii) CMC, a company established in the PRC with limited liability, is a wholly-owned subsidiary of China Mobile Limited, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 00941) and on the Shanghai Stock Exchange (stock code: 600941). The ultimate controlling shareholder of China Mobile Limited is China Mobile Communications Group Co., Ltd., which through the China Mobile Group, is principally engaged in the provision of telecommunications and information related services in the PRC. CMC is principally engaged in the business of network and business coordination center.

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## LETTER FROM THE BOARD

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- Duration:** From 1 January 2023 to 31 December 2025 (both dates inclusive), subject to the fulfilment of the condition precedent.
- Condition precedent:** The Software Products and Services Framework Agreement is subject to the passing by the Independent Shareholders in accordance with the Listing Rules and all applicable laws at the EGM of resolution approving the Software Products and Services Framework Agreement and the transactions contemplated thereunder (including the annual caps).
- Products and services to be provided:** Provision of software products and services to the China Mobile Group, including but not limited to, the provision of software products and related deployment services (including but not limited to CRM, billing account and big data, IoT and 5G intelligent network products), ongoing operation and maintenance services, data-driven operation services, business consulting services, system integration services, corporate trainings and procurement and sale of third-party hardware and software.
- Definitive Agreement:** The Group and the China Mobile Group will, from time to time during the term of the Software Products and Services Framework Agreement, enter into separate Definitive Agreements in respect of the transactions contemplated thereunder which shall always be in compliance with the Listing Rules and the terms of the Software Products and Services Framework Agreement.
- Pricing:** The prices to be charged by the Group for products and/or services to be provided to the China Mobile Group under any separate Definitive Agreements pursuant to the Software Products and Services Framework Agreement shall be determined based on arm's length negotiation between the parties and on order-by-order basis with reference to the prevailing market price, being the price offered to or charged by Independent Third Parties in contemporaneous transactions in respect of similar types of products or services in the ordinary course of business in the same or nearby service area and subject to normal commercial terms and in accordance with the principle of fairness and reasonableness.



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## LETTER FROM THE BOARD

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The Group will compare similar transactions or quotations for similar type and specification of products and/or services with Independent Third Parties to ensure that the terms offered to the China Mobile Group are no more favourable than those available to Independent Third Parties.

**Payment:** The fees to be charged for products and/or services under the Software Products and Services Framework Agreement shall generally be payable according to the stage of completion of the various projects/products/services to be provided according to the specific and separate Definitive Agreements.

In the event that the parties are willing to enter into transactions relating to other types of products/services which are apparently different from those as stated in the Software Products and Services Framework Agreement, the Company intends to enter into separate contracts to govern those transactions, and comply with the relevant Listing Rules requirements.

### Historical Figures

Set out below are the aggregate products and service fees paid by the China Mobile Group to the Group regarding the transactions under the Software Products and Services Framework Agreement for the three financial years ended 31 December 2021 and for the six months ended 30 June 2022 and the historical annual caps for the three years ending 31 December 2022:

	For the financial year ended 31 December			
	2019	2020	2021	2022
	RMB	RMB	RMB	RMB
	(million)	(million)	(million)	(million)
	(approximate)	(approximate)	(approximate)	(approximate)
Products and services fees paid by the China Mobile Group to the Group	3,351.4	3,841.5	4,441.2	1,940.3*
Historical annual caps	N/A <sup>△</sup>	4,210	4,840	5,730

\* Up to six months ended 30 June 2022

<sup>△</sup> There was no annual cap set for the year ended 31 December 2019, as the China Mobile Group only became connected persons of the Group in September 2020

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## LETTER FROM THE BOARD

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### Annual Caps

The proposed annual caps in respect of the transactions contemplated under the Software Products and Services Framework Agreement for the three financial years ending 31 December 2025 are set out below:

	For the financial year ending		
	31 December		
	2023	2024	2025
	RMB	RMB	RMB
	(million)	(million)	(million)
Proposed annual caps for products and services fees payable by the China Mobile Group to the Group	6,200	6,900	7,600

The annual caps set out above are determined based on the following:

- (a) the historical transaction amounts and the historical annual caps as disclosed above, in particular, the historical amounts of the relevant transactions between the Group and the China Mobile Group increased from approximately RMB3,351.4 million in 2019 to approximately RMB4,441.2 million in 2021, representing a compound annual growth rate of approximately 15.1%, with the year-on-year increase from 2020 to 2021, being approximately 15.6%. The products and service fees paid by the China Mobile Group to the Group in 2021 already represented up to approximately 91.8% of the annual caps for 2021;
- (b) it is expected in the coming years that the investment in software products and services in the telecommunications industry will continue to grow in the wake of digital transformation brought by the 5G Era and the PRC Fourteenth Five Year Plan, which will therefore require vast amount of support and services from software service providers such as the Group, which has solid leading position in the telecommunications operators' market with high customer recognition as well as leading product and technical capability and in-depth understanding on the operating environment and key areas of its customers' business. The Group has developed insights into the business and operational needs of the China Mobile Group over many years of continuous and in-depth cooperation between them. As such, the China Mobile Group's extensive deployment of and business development on 5G and its digital transformation will also inevitably require software products and related services from the Group for the provision of business support in relation to its BSS, OSS, DSaaS, vertical industries and enterprise cloudification. At the same time, the richness and diversity of products and services provided by the Group are also expected to be further increased. According to the growth of the above business of the Group from 2019 to 2021 (with a compound annual growth rate of the amounts of transaction

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## LETTER FROM THE BOARD

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between the Group and the China Mobile Group of approximately 15.1%), it is expected that from 2023 to 2025, the products and services provided by the Group to the China Mobile Group for related businesses will still maintain an approximately same growth rate as before;

- (c) the continuous synergies and strategic cooperation between the Group and the China Mobile Group in the area of 5G network intelligent operation, data-driven operation, vertical industries and enterprise cloudification, both parties will offer customers from various industries with richer and multi-dimensional communication, information infrastructures and digital services, which will create further provision of products and services from the Group to the China Mobile Group; and
- (d) the inclusion of a buffer of 13% to cater for the development plan of, and any unexpected increase in demand from, the China Mobile Group.

Such projection is assumed solely for determining the annual caps and shall not, directly or indirectly, be regarded as any indication as to the respective revenue, profitability or business prospects of the Group or the China Mobile Group.

### **REASONS FOR AND THE BENEFITS OF ENTERING INTO THE SOFTWARE PRODUCTS AND SERVICES FRAMEWORK AGREEMENT**

The Group is principally engaged in provision of (i) BSS software products and related services; (ii) data-driven operation (i.e. DSaaS), OSS, vertical industries and enterprise cloudification services; and (iii) others, including the sale of third-party software and hardware, the provision of system integration services, business consulting services and corporate training. The Group is a leading provider of software products, solutions and services, as well as integrated cloud-network management services, serving large-scale enterprise customers in industries such as communications, government affairs, finance, postal services, transportation, energy, etc. Leveraging on its products, services, operation and integration capabilities, the Group seized 5G opportunity in traditional business to make comprehensive deployment, improve efficiency and reinforce its leading position in the BSS market. In respect of emerging business, it endeavoured the rapid and scalable development in 5G OSS intelligent network, data-driven operation services (i.e. DSaaS), vertical industries and enterprise cloudification, aiming to become a leading digital intelligence provider with full stack capabilities.

The transactions contemplated under the Software Products and Services Framework Agreement occur on a continuing basis in the ordinary and usual course of business of the Group and the China Mobile Group.

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## LETTER FROM THE BOARD

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In line with the market practice and the Company's past practice, the Company considered it necessary for purposes of compliance with the Listing Rules and administrative convenience to renew the framework agreement with CMC in order to better document and manage these continuing connected transactions. The Software Products and Services Framework Agreement serves to streamline such continuing transactions between the Group and the China Mobile Group by providing a single basis upon which the Company could comply with the applicable reporting, annual review, announcement and (where applicable) Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules and thereby reducing the administrative burden and costs of the Company in complying with these requirements.

The Directors believe that the maintenance of the strategic business relationships with the China Mobile Group will not only allow the realisation of synergies and economies of scale but will also continue to bring sustainable contribution to the Group's growth in the long run.

The Directors (including the independent non-executive Directors) consider the transactions contemplated under the Software Products and Services Framework Agreement are conducted on normal commercial terms and in the ordinary and usual course of business of the Group and the terms of the Software Products and Services Framework Agreement and the transactions contemplated thereunder (including the annual caps) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### INTERNAL CONTROL MEASURES

The Group has established internal control measures for reporting and monitoring on continuing connected transactions which are complied with by the Group to ensure the compliance with Chapter 14A of the Listing Rules.

According to the Group's prevailing internal administration systems and procedures for connected transactions:

- (1) generally, the mechanism of the price quotation and determination process of the Group shall be in accordance with the "AsiaInfo Technologies' Quotation and Business Response Approval Procedure" and the agreement execution process shall be in accordance with the "AsiaInfo Technologies' Agreement Execution and Management Procedure", which the relevant procedures have set out clear provisions and requirements for tender response, commercial terms negotiation, price quotation and determination, agreement execution, assessment of legal risks, etc., during the preparation of quotation response, with details summarized as follows:
  - (i) the Group adopted the same quotation and price determination process applicable to all customers including connected persons and Independent Third Parties;

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## LETTER FROM THE BOARD

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- (ii) during the project quotation management process, the agreement management department of the Group will be mainly responsible for the analysis of requirements specified in the tender, the price quotation and agreement execution and seeking approval and also for coordinating with different departments to carry out relevant works;
  - (iii) the preparation of the price quotation by the sales department and other relevant department(s) will be based on many factors, including the estimated costs of project execution and delivery (such as the number of staff and the number of days required for provision of services, and products costs), complexity of the projects, the costs required for meeting the specific technical specifications, or types of products to be procured and the prevailing prices charged by competitors on similar products or services, and the price charged by the Group for providing similar products or services to other customers who are Independent Third Parties, etc.;
  - (iv) the legal department will assess the risks and commercial terms of the projects; and
  - (v) prior to the execution of any agreement for projects, each of the internal departments of the Group will, pursuant to its relevant responsibilities, manage and seek applicable level of approval (i.e. if a project reaches a certain scale, it will be approved by the management of the Company);
- (2) the Group will conduct an annual assessment of all agreements signed by the sales department, scope of which includes various factors such as commercial terms, quotations and costs, etc.;
- (3) the agreement management department will immediately report to the Board office and the accounting department with details of the possible notifiable or connected transactions to be entered by the Group for review and checking in order to determine the appropriate type of disclosure in compliance with Chapter 14A of the Listing Rules. The agreement management department is also responsible for monitoring the prices of the transactions with connected persons by reviewing samples of the relevant sales contracts and costs, etc., to ensure such prices are in compliance with the pricing policies under the terms of their respective continuing connected transaction master or framework agreements;

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## LETTER FROM THE BOARD

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- (4) before entering into any definitive agreements pursuant to the respective continuing connected transaction master or framework agreements (including the Software Products and Services Framework Agreement), the relevant personnel of the sales department will compare other historical or contemporaneous transactions or quotations for similar transactions with Independent Third Parties for similar products or services in similar quantities and ensure that the terms offered to the relevant connected persons are no more or no less favourable than those available to or from Independent Third Parties, respectively. The relevant agreement must also be submitted to the accounting department for review (especially to check whether the annual caps will be exceeded);
- (5) the accounting department will check and monitor with the total transaction amounts and ensure that the transaction amounts will not exceed the annual caps of the continuing connected transactions at all times. If the total transaction amounts reach 80% of the annual caps, or are expected to exceed the annual caps within the next two months, the designated person of the accounting department shall inform the Board office immediately so as to determine the appropriate actions to be taken;
- (6) the Board office and relevant departments in each subsidiary of the Company has a designated person to record the entering into of continuing connected transactions into the office automation system of the Company;
- (7) the Board office, the financial reporting department and the internal audit department will monitor and disclose the continuing connected transactions by reviewing the minutes of important meetings as well as accounting records to identify if the Group has any undisclosed connected transactions;
- (8) the Board office will also check the terms and implementation status of the Group's policies and requirements related to continuing connected transactions from time to time, including the identification of connected persons and their procedures for dealing with continuing connected transactions; and
- (9) the financial reporting department will carry out annual and semi-annual assessments of the continuing connected transactions conducted by the Group for each financial year, the content of which includes whether the price terms are fair and reasonable and the usage of annual caps, and report to the Board. One of the assessment objectives is to ensure that the continuing connected transactions are carried out at arm's length and the terms are comparable to those with Independent Third Parties.

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## LETTER FROM THE BOARD

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Furthermore, pursuant to Chapter 14A of the Listing Rules:

- (1) the independent non-executive Directors shall, on an annual basis, review the transactions contemplated under the Software Products and Services Framework Agreement and confirm such transactions have been entered into according to the agreement governing them on terms that are fair and reasonable and in the interests of the Company and the Shareholders as a whole; and
- (2) the external auditors of the Group shall, on an annual basis, report on the transactions contemplated under the Software Products and Services Framework Agreement and confirm whether anything has come to their attention that causes them to believe such transactions were not entered into, in all material respects, in accordance with the relevant agreement governing the transactions.

### **IMPLICATION UNDER THE LISTING RULES**

CMC is a wholly-owned subsidiary of China Mobile Limited, which wholly owns China Mobile International Holdings Limited (a substantial Shareholder of the Company) and therefore a connected person of the Company under Chapter 14A of the Listing Rules. As a result, the recurring provision of products and/or services to the China Mobile Group as contemplated under the Software Products and Services Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios for these continuing connected transactions under the Software Products and Services Framework Agreement are more than 5%, the transactions contemplated thereunder are subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Save for Mr. YANG Lin and Ms. LIU Hong (who are employees of the China Mobile Group), no Director is considered to have a material interest in the transactions contemplated under the Software Products and Services Framework Agreement, and no other Directors had abstained from voting on the Board resolution approving the transactions contemplated under the Software Products and Services Framework Agreement (including the annual caps).

### **INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

An Independent Board Committee, comprising all the independent non-executive Directors, has been established to advise and make recommendation to the Independent Shareholders in respect of the Software Products and Services Framework Agreement and the transactions contemplated thereunder (including the annual caps).



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## LETTER FROM THE BOARD

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Red Sun Capital Limited has been appointed by the Company as the Independent Financial Adviser to advise and make recommendation to the Independent Board Committee and the Independent Shareholders on, among other matters, the fairness and reasonableness of the Software Products and Services Framework Agreement and the transactions contemplated thereunder (including the annual caps).

### EGM

The EGM will be convened by the Company at meeting room at 31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong on Thursday, 15 December 2022 at 10:00 a.m. for the Independent Shareholders to consider and, if thought fit, approve the Software Products and Services Framework Agreement and the transactions contemplated thereunder (including the annual caps). A notice convening the EGM is set out on pages EGM-1 to EGM-3 of this circular.

To the best of knowledge, information and belief of the Directors, having made all reasonable enquiries, save for China Mobile International Holdings Limited and its associates (who held 182,259,893 Shares as at the Latest Practicable Date), no Shareholders are required to abstain from voting on the relevant resolution at the EGM approving the Software Products and Services Framework Agreement and the transactions contemplated thereunder (including the annual caps).

A form of proxy for use at the EGM is enclosed, a copy of which can also be obtained via the website of the Company at [www.asiainfo.com](http://www.asiainfo.com) or the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk). Whether you are able to attend the EGM or not, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the completed form of proxy to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible, and in any event so that it is received not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof (as the case may be). 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 thereof (as the case may be) should you so wish, and in such event the form of proxy shall be deemed to be revoked.

### RECOMMENDATION

The Board (including the independent non-executive Directors) considers that the terms of the Software Products and Services Framework Agreement (including the annual caps) are fair and reasonable and the transactions contemplated thereunder are (i) entered into in the ordinary and usual course of business of the Group, (ii) on normal commercial terms on arm's length basis or on terms no more favourable than terms available to Independent Third Parties, and (iii) in the interests of the Company and the Shareholders as a whole.

Accordingly, the Directors recommend the Independent Shareholders to vote in favour of the resolution approving the Software Products and Services Framework Agreement and the transactions contemplated thereunder (including the annual caps) at the EGM.



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## LETTER FROM THE BOARD

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### ADDITIONAL INFORMATION

Your attention is also drawn to the letter from the Independent Board Committee, the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders and the additional information as set out in the appendix to this circular.

Yours faithfully,  
For and on behalf of the Board  
**AsiaInfo Technologies Limited**  
**Dr. TIAN Suning**  
*Chairman and Executive Director*



**AsiaInfo Technologies Limited**

**亞信科技控股有限公司**

*(Incorporated in the British Virgin Islands with limited liability)*

**(Stock Code: 1675)**

29 November 2022

*To the Independent Shareholders*

Dear Sir or Madam,

**RENEWAL OF CONTINUING CONNECTED TRANSACTIONS  
— SOFTWARE PRODUCTS AND  
SERVICES FRAMEWORK AGREEMENT**

We refer to the circular dated 29 November 2022 (the “**Circular**”) issued by AsiaInfo Technologies Limited (the “**Company**”) to the Shareholders, of which this letter forms part. Terms used herein have the same meanings as defined in the Circular unless specified otherwise.

We have been appointed as members of the Independent Board Committee to consider and to advise the Independent Shareholders as to whether, in our opinion, the terms of the Software Products and Services Framework Agreement and the transactions contemplated thereunder (including the annual caps) are fair and reasonable and whether such transactions are on normal commercial terms, in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole, and to recommend whether or not the Independent Shareholders approve the Software Products and Services Framework Agreement and the transactions contemplated thereunder (including the annual caps) as set out in the Circular.

Red Sun Capital Limited has been appointed as the Independent Financial Adviser to provide advice and recommendation to the Independent Board Committee and the Independent Shareholders in this regard. Details of the independent advice of the Independent Financial Adviser, together with the principal factors and reasons the Independent Financial Adviser have taken into consideration, are set out on pages IFA-1 to IFA-24 of the Circular.

We wish to draw your attention to the Letter from the Board and the Letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders which contains its advice to us in respect of the Software Products and Services Framework Agreement and the transactions contemplated thereunder (including the annual caps). Your attention is also drawn to the additional information set out in the appendices to the Circular.

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## LETTER FROM THE INDEPENDENT BOARD COMMITTEE

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Having considered the terms of the Software Products and Services Framework Agreement and the transactions contemplated thereunder (including the annual caps), the advice of the Independent Financial Adviser and the relevant information contained in the Letter of the Board, we consider that the terms of the Software Products and Services Framework Agreement (including the annual caps) are fair and reasonable and the transactions contemplated thereunder are (i) entered into in the ordinary and usual course of business of the Group, (ii) on normal commercial terms on arm's length basis or on terms no more favourable than terms available to Independent Third Parties, and (iii) in the interests of the Company and the Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders to vote in favour of the resolution for approving the Software Products and Services Framework Agreement and the transactions contemplated thereunder (including the annual caps) to be proposed at the EGM.

Yours faithfully,  
The Independent Board Committee of  
**AsiaInfo Technologies Limited**

**Dr. GAO Jack Qun Yao**  
*Independent non-executive Director*

**Dr. ZHANG Ya-Qin**  
*Independent non-executive Director*

**Mr. GE Ming**  
*Independent non-executive Director*

**Ms. TAO Ping**  
*Independent non-executive Director*

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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*Set out below is the letter from Red Sun Capital Limited, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Software Products and Services Framework Agreement and the transactions contemplated thereunder (including the Annual Caps), for the purpose of inclusion in this circular.*



**红日资本有限公司**  
**RED SUN CAPITAL LIMITED**

Room 310, 3/F., China Insurance Group Building  
141 Des Voeux Road Central, Hong Kong

Tel: (852) 2857 9208  
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29 November 2022

*To: The Independent Board Committee and the Independent Shareholders of  
AsiaInfo Technologies Limited*

Dear Sirs/Madams,

### **RENEWAL OF CONTINUING CONNECTED TRANSACTIONS — SOFTWARE PRODUCTS AND SERVICES FRAMEWORK AGREEMENT**

#### **I. INTRODUCTION**

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the Software Products and Services Framework Agreement (including the proposed annual caps (the “**Annual Caps**”) and the transactions contemplated thereunder, details of which are contained in the letter from the Board (the “**Letter from the Board**”) as set out in the circular to the Shareholders dated 29 November 2022 (the “**Circular**”). Unless otherwise specified, terms defined in this letter shall have the same meanings as those contained in the Circular.

As disclosed in the Letter from the Board, CMC is a wholly-owned subsidiary of China Mobile Limited, which wholly owns China Mobile International Holdings Limited (a substantial Shareholder of the Company) and therefore a connected person of the Company under Chapter 14A of the Listing Rules. As a result, the recurring transactions between the Group and the China Mobile Group as contemplated under the Software Products and Services Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios for these continuing connected transactions under the Software Products and Services Framework Agreement are more than 5%, the transactions contemplated thereunder are subject to the reporting, annual review, announcement and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules.

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To the best of knowledge, information and belief of the Directors, having made all reasonable enquiries, save for China Mobile International Holdings Limited and its associates (who held 182,259,893 Shares as at the Latest Practicable Date), no Shareholders are required to abstain from voting on the relevant resolution at the EGM approving the Software Products and Services Framework Agreement and the transactions contemplated thereunder (including the Annual Caps).

### II. THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee, comprising all the independent non-executive Directors, namely Dr. GAO Jack Qunyao, Dr. ZHANG Ya-Qin, Mr. GE Ming and Ms. TAO Ping, has been formed to advise the Independent Shareholders in respect of the Software Products and Services Framework Agreement and the transactions contemplated thereunder (including the Annual Caps). We have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

Our appointment has been approved by the Independent Board Committee. Our role as the Independent Financial Adviser is to give our recommendation to the Independent Board Committee and the Independent Shareholders in respect of the Software Products and Services Framework Agreement (including the Annual Caps) as to whether (i) the terms thereunder are on normal commercial terms and fair and reasonable; and (ii) the respective transactions contemplated thereunder are conducted in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole, and how the Independent Shareholders should vote in respect of the relevant resolution to approve the transactions contemplated under the Software Products and Services Framework Agreement (including the Annual Caps) at the EGM.

### III. OUR INDEPENDENCE

As at the Latest Practicable Date, we were independent from and not connected with the Company, CMC or any relevant parties in connection with the Software Products and Services Framework Agreement. Accordingly, we are qualified to give independent advice to the Independent Board Committee and the Independent Shareholders regarding the transactions contemplated under the Software Products and Services Framework Agreement (including the Annual Caps). In the last two years, we have not acted as an independent financial adviser to any independent board committee and/or independent shareholders of the Group.

Apart from normal professional fees paid or payable to us in connection with this appointment as the Independent Financial Adviser, in the past two years, we have not acted as independent financial adviser and did not have any interest or ongoing business relationship with the Company that would make us not independent according to Rule 13.84 of the Listing Rules and no arrangements exist whereby we have received or will receive any fees or benefits from the Group or any other parties that could reasonably be regarded as relevant to our independence. Accordingly, we consider that we are independent from the Group pursuant to Rule 13.84 of the Listing Rules.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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### IV. BASIS OF OUR ADVICE

In formulating our advice, we have relied on the statements, information, opinions and representations contained or referred to in the Circular and the information and representations provided to us by the Group, the Directors and/or senior management of the Company (the “**Management**”). We have assumed that all information, representations and opinions contained or referred to in the Circular or made, given or provided to us by the Company, the Directors and the Management, for which they are solely and wholly responsible, were true and accurate and complete in all material respects at the time when they were made and continue to be so as at the Latest Practicable Date. We have assumed that all the opinions and representations made by the Directors in the Circular have been reasonably made after due and careful enquiry. The Directors and the Management confirmed that no material facts have been omitted from the information provided and referred to in the Circular.

We have not, however, carried out any independent verification of the information provided, nor have we conducted any independent investigation into the financial position, business and affairs of the Group, CMC and, where applicable, their respective shareholder(s) and subsidiaries or affiliates, and their respective history, experience and track records, or the prospects of the markets in which they respectively operate.

We consider that we have been provided with sufficient information to enable us to reach an informed view and to provide a reasonable basis for our advice. We have no reason to doubt the truth, accuracy and completeness of the statements, information, opinions and representations provided to us by the Group, the Directors and/or the Management and their respective advisers or to believe that material information has been withheld or omitted from the information provided to us or referred to in the aforesaid documents.

This letter is issued to the Independent Board Committee and the Independent Shareholders solely for their consideration of the transactions contemplated under the Software Products and Services Framework Agreement (including the Annual Caps), and, except for its inclusion in the Circular, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without our prior written consent.

## V. PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have taken into consideration the following principal factors and reasons:

### 1. Overview of the PRC economy and telecommunication sector

According to information published on the website of the National Bureau of Statistics of the PRC (<http://data.stats.gov.cn>), the PRC recorded year-on-year growth in gross domestic product (“GDP”) in 2021 of approximately 8.1% (2020: 2.2%). However, there have been pockets of re-emergence of Coronavirus cases in parts of the PRC from time to time. In this connection, the PRC government has introduced various regulations and measures to manage and contain the re-emergence of Coronavirus cases, some of which may have temporarily affected the level of business activities in the subject area.

Pursuant to the PRC Fourteenth Five Year Plan for the National Economic and Social Development\* (中華人民共和國國民經濟和社會發展第十四個五年規劃和2035年遠景目標綱要) (the “14th FYP”) announced by the PRC government in March 2021<sup>1</sup>, the PRC government sets forth various measures to promote internet as a national strategy\* (強化國家戰略科技力量) and deepen the integration of internet with different sectors, including but not limited to, the research and development in the telecommunication technology, and will focus on enhancing the quality and efficacy of the overall economy with a view to attain sustainable and healthy development through, among others, (i) the improvement of supply chain modernisation\* (提升產業鏈供應鏈現代化水平); (ii) the development and expansion of strategic new industries\* (發展壯大戰略性新興產業); (iii) the promotion of development in productive service industries\* (推動生產性服務業融合化發展); and (iv) the creation of new advantages in the digital economy\* (打造數字經濟新優勢).

Based on the research data on the PRC telecommunication industry<sup>2</sup> published by Prospective Industry Research Institute\* (前瞻產業研究院), the revenue of PRC telecommunication industry reached approximately RMB1.47 trillion in 2021, representing a year-on-year growth of approximately 8.0%. The application of new technologies, including but not limited to, cloud computing, big data, Internet of Things, artificial intelligence, have been the primary contributing factors to the increase in revenue of the PRC telecommunication industry. It was also noted that the related business revenue from new technologies has been accelerating, which amounted to approximately RMB222.5 billion in 2021, representing a year-on-year increase of approximately 27.8%, and the proportion of revenue from new technologies in the PRC telecommunication business also increased from approximately 12.8% in 2020 to approximately 15.2% in 2021.

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<sup>1</sup> Publication of the State Council of the PRC titled “中華人民共和國國民經濟和社會發展第十四個五年規劃和2035年遠景目標綱要” (Source: [http://www.gov.cn/xinwen/2021-03/13/content\\_5592681.htm](http://www.gov.cn/xinwen/2021-03/13/content_5592681.htm))

<sup>2</sup> Source: <https://www.qianzhan.com/analyst/detail/220/220221-cd823476.html>



We also noted from a publication<sup>3</sup> by an international professional accounting firm titled “The Impact of 5G to the Global Economy: a China Report”\* (5G對全球經濟的影響：中國報告) in 2021 that 5G commercialisation drove operators into a new investment cycle. In recent years, the major telecommunication operators in the PRC have continued to invest substantially in 5G related infrastructures. With the evolution of converged applications, 5G-related network capital expenditures totalled to approximately RMB170 billion in 2020. Although the 5G network in the PRC is still in the development stage in 2021, the increase in commercialisation of 5G is expected to enhance competitiveness of different industries over time. 5G network will facilitate the development of the digital economy in the PRC by further stimulating information consumption, and becoming the main artery of social information flow, intelligent connection and cloud-network integration throughout business sectors, which shall create multiplier effect on economic development.

On this basis, the continuous development in the PRC economy, the PRC government’s supportive policies in the telecommunication industry and related technologies, the application of new technologies in the telecommunication industry and the development of the 5G network in the PRC are expected to contribute towards the development of the telecommunication and related industries in the PRC.

## **2. Information of the Group**

The Group is principally engaged in the provision of (i) BSS software products and related services; (ii) data-driven operation (i.e. DSaaS), OSS, vertical industries and enterprise cloudification services; and (iii) others, including the sale of third-party software and hardware, the provision of system integration services, business consulting services and corporate training. As set out in the Letter from the Board, the Group is a leading provider of software products, solutions and services, as well as integrated cloud-network management services, serving large-scale enterprise customers in industries such as communications, government affairs, finance, postal services, transportation, energy, etc. Leveraging on its products, services, operation and integration capabilities, the Group seized 5G opportunity in traditional business to make comprehensive deployment, improve efficiency and reinforce its leading position in the BSS market. In respect of emerging business, it endeavoured the rapid and scalable development in 5G OSS intelligent network, data-driven operation services (i.e. DSaaS), vertical industries and enterprise cloudification, aiming to become a leading digital intelligence provider with full stack capabilities.

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<sup>3</sup> Source: <https://www.pwccn.com/zh/industries/telecommunications-media-and-technology/publications/economic-impact-5g.html>



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The following sets out the financial information of the Group as extracted and summarised from the interim report of the Group for the six months ended 30 June 2022 (the “**2022 Interim Report**”) and the annual report of the Group for the year ended 31 December 2021 (the “**2021 Annual Report**”):

*Summary of the consolidated statement of profit or loss and other comprehensive income of the Group*

	For the six months ended		For the year ended	
	30 June		31 December	
	2022	2021	2021	2020
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(audited)</i>	<i>(audited)</i>
<b>Revenue</b>	<b>3,109,285</b>	<b>2,715,268</b>	<b>6,894,667</b>	<b>6,019,855</b>
Traditional business	2,105,667	2,161,918	5,327,134	5,239,769
Three New Business	1,003,618	553,350	1,567,533	779,709
Network security business	—	—	—	377
<b>Gross profit</b>	<b>1,053,527</b>	<b>997,236</b>	<b>2,645,166</b>	<b>2,303,235</b>
<b>Profit before tax</b>	<b>213,755</b>	<b>310,798</b>	<b>916,531</b>	<b>764,327</b>
<b>Profit for the year attributable to owners of the Company</b>	191,789	279,772	785,729	662,103

*Financial performance for the six months ended 30 June 2022 (“1H2022”) and the six months ended 30 June 2021 (the “1H2021”)*

Revenue of the Group increased by approximately RMB394.0 million from approximately RMB2,715.3 million in 1H2021 to approximately RMB3,109.3 million in 1H2022. As set out in the 2022 Interim Report, the increase in revenue was mainly driven by the revenue from the OSS, DSaaS, vertical industries and enterprise cloudification business of the Group (the “**Three New Business**”). Revenue from the Three New Business increased by approximately RMB450.2 million from approximately RMB553.4 million in 1H2021 to approximately RMB1,003.6 million in 1H2022.

Gross profit of the Group also increased by approximately RMB56.3 million from approximately RMB997.2 million in 1H2021 to approximately RMB1,053.5 million in 1H2022. However, gross profit margin of the Group decreased from approximately 36.7% in 1H2021 to approximately 33.9% in 1H2022. Such decrease was mainly attributable to the decrease in efficiency of certain project delivery affected by the epidemic.

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Profit for the period attributable to the owners of the Company decreased by approximately RMB88.0 million from approximately RMB279.8 million in 1H2021 to approximately RMB191.8 million in 1H2022. As set out in the 2022 Interim Report, the change in net profit attributable to owners of the Group was mainly due to the combined effect of (i) the increase in gross profit as mentioned above; (ii) the increase in selling and marketing expenses of approximately RMB59.0 million, which was mainly attributable to the implementation of the strategic transformation which increased the marketing efforts for the Three New Business and the business scale growth; (iii) the increase in administrative expenses of approximately RMB41.4 million, which was mainly due to the business scale growth brought by the acquisition of an industry consulting company; (iv) the increase in the research and development expenses of approximately RMB44.2 million as the Company continued to increase its research and development investment, evolved research and development routes and developed products, supporting the Company's strategic transformation by continuous business expansion; and (v) the decrease in income tax expenses of approximately RMB6.6 million mainly due to the impact from the decrease in taxable income 1H2022.

The net profit margin of the Group decreased from approximately 10.3% in 1H2021 to approximately 6.1% in 1H2022.

***Financial performance for the year ended 31 December 2021 (the "FY2021") and the year ended 31 December 2020 (the "FY2020")***

Revenue of the Group increased by approximately RMB874.8 million from approximately RMB6,019.9 million in FY2020 to approximately RMB6,894.7 million in FY2021. As set out in the 2021 Annual Report, the increase in revenue was mainly driven by the constant and rapid development of the Three New Business. Revenue from the Three New Business increased by approximately RMB787.8 million from approximately RMB779.7 million in FY2020 to approximately RMB1,567.5 million in FY2021. The Three New Business became an important driver for the Group's business expansion.

Gross profit of the Group increased by approximately RMB342.0 million from approximately RMB2,303.2 million in FY2020 to approximately RMB2,645.2 million in FY2021. Gross profit margin of the Group was relatively stable at approximately 38.3% and 38.4% in FY2020 and FY2021, respectively.

Profit for the year attributable to the owners of the Company increased by approximately RMB123.6 million from approximately RMB662.1 million in FY2020 to approximately RMB785.7 million in FY2021. As set out in the 2021 Annual Report, the increase in net profit attributable to owners of the Group was mainly attributable to the combined result of (i) the increase in gross profit as mentioned above; (ii) the increase in selling and marketing expenses of approximately RMB32.5 million was largely driven by the development of new

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business market; (iii) the decrease in administrative expenses of approximately RMB25.2 million, which was the results of the Company's continued refinement of function management, the enhancement of digital management capabilities and the year-on-year decrease in expenses for the implementation of share incentive scheme in FY2021; (iv) the increase in the research and development expenses of approximately RMB165.8 million as the Company continued to strengthen its research and development investment so as to evolve into a comprehensive research and development product system; and (v) the increase in income tax expenses of approximately RMB31.8 million mainly due to the provision for withholding income tax of approximately RMB32.8 million in FY2021 compared to RMB nil in FY2020.

The net profit margin of the Group was broadly stable at approximately 11.0% in FY2020 and approximately 11.3% in FY2021.

***Summary of the consolidated statement of financial position of the Group***

	<b>As at 30 June 2022</b>	<b>As at 31 December</b>	
	<b>RMB'000</b>	<b>2021</b>	<b>2020</b>
	<i>(unaudited)</i>	<i>(audited)</i>	<i>(audited)</i>
Non-current assets	3,512,876	2,985,239	2,885,758
Current assets	5,845,408	6,520,225	5,987,394
Current liabilities	2,903,562	3,109,461	3,076,841
Non-current liabilities	336,484	244,434	240,863
Equity attributable to the owners of the Company	6,105,938	6,154,779	5,555,448

***Financial positions as at 30 June 2022 and 31 December 2021***

Total assets of the Group, which amounted to approximately RMB9,358.3 million as at 30 June 2022, primarily comprised of (i) cash and cash equivalents amounted to approximately RMB1,272.0 million, representing a decrease of approximately 45.5% as compared to approximately RMB2,331.8 million as at 31 December 2021, primarily due to (a) the net cash used in operating activities of approximately RMB545.5 million, which was the result of the one off factor of changing in payment interval of employee supplementary pension insurance and technical service costs, the short-term delay in payment collection due to the impact of the epidemic and the increase in daily operating expenses after the continuous growth of business scale; (b) the net cash used in investing activities of approximately RMB183.7 million, which was mainly due to the payment for the acquisition of an industry consulting company; and (c) the net cash used in financing activities of approximately RMB337.3 million, which was mainly attributable to dividend paid; (ii) contract assets of approximately RMB2,495.7 million, representing an increase of approximately 11.9% as compared to

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approximately RMB2,230.8 million as at 31 December 2021; (iii) goodwill of approximately RMB2,146.8 million, representing an increase of approximately 11.1% as compared to approximately RMB1,932.2 million as at 31 December 2021, which arose from the acquisition of a company for business combination purposes; (iv) trade and notes receivables of approximately RMB995.1 million, representing an increase of approximately 17.5% as compared to approximately RMB846.6 million as at 31 December 2021; and (v) term deposits of approximately RMB370.0 million, representing a decrease of approximately 35.1% as compared to approximately RMB570.0 million as at 31 December 2021.

Total liabilities of the Group, which amounted to approximately RMB3,240.0 million as at 30 June 2022, primarily comprised of (i) other payables, deposits received and accrued expenses amounted to approximately RMB1,628.1 million as compared to approximately RMB2,160.0 million as at 31 December 2021; (ii) trade and notes payables amounted to approximately RMB682.9 million as compared to approximately RMB323.7 million as at 31 December 2021; and (iii) income tax payable of approximately RMB302.1 million as compared to approximately RMB274.2 million as at 31 December 2021.

As at 30 June 2022, the equity attributable to owners of the Company remained largely stable at approximately RMB6,105.9 million as compared to approximately RMB6,154.8 million as at 31 December 2021.

### *Financial positions as at 31 December 2021 and 2020*

Total assets of the Group amounted to approximately RMB9,505.5 million as at 31 December 2021, which primarily comprised of (i) cash and cash equivalents amounted to approximately RMB2,331.8 million, representing an increase of approximately 38.0% as compared to approximately RMB1,690.2 million as at 31 December 2020, primarily due to (a) the increase in net cash generated from investing activities, which was mainly due to the redemption of wealth management products issued by various banks and other financial institutions; (b) the net cash generated from operating activities, which primarily attributable to the normal changes in line with daily operation after continuous growth in the business scale; (c) the net cash used in financing activities, which was mainly due to the payment of annual dividends and repayment of bank loans; (ii) contract assets of approximately RMB2,230.8 million, representing an increase of approximately 29.5% as compared to approximately RMB1,722.5 million as at 31 December 2020, which was primarily due to the increase in project progress from the China Mobile Group; (iii) goodwill of approximately RMB1,932.2 million, which was attributable to the business merger completed in 2010 and the balance of goodwill was the same as the balance as at 31 December 2020; (iv) trade and notes receivables of approximately RMB846.6 million, representing a decrease of approximately 10.1% as compared to approximately RMB942.0 million as at 31 December 2020, which was mainly due to the decrease in turnover days of trade and notes receivables after the Company's continuous improvement of delivery quality and

achieved results in enhanced management of payment collection; and (v) financial assets at fair value through profit or loss of approximately RMB528.7 million, representing a decrease of approximately 52.1% as compared to approximately RMB1,103.8 million as at 31 December 2020, which was mainly due to the decrease of the investment in financial product held by the Company according to its production and business needs.

Total liabilities of the Group amounted to approximately RMB3,353.9 million as at 31 December 2021 primarily comprised of other payables, deposits received and accrued expenses, which amounted to approximately RMB2,160.0 million, representing an increase of approximately 4.7% as compared to approximately RMB2,063.2 million as at 31 December 2020, which was relatively stable.

As at 31 December 2021, the equity attributable to owners of the Company amounted to approximately RMB6,154.8 million, representing an increase of approximately 10.8% as compared to approximately RMB5,555.4 million as at 31 December 2020.

### **3. Information of the China Mobile Group**

As set out in the Letter from the Board, CMC, a company established in the PRC with limited liability, is a wholly-owned subsidiary of China Mobile Limited, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 00941) and on the Shanghai Stock Exchange (stock code: 600941). In addition, China Mobile Limited wholly owns China Mobile International Holdings Limited (i.e. a substantial Shareholder of the Company) and therefore CMC is a connected person of the Company under Chapter 14A of the Listing Rules.

The ultimate controlling shareholder of China Mobile Limited is China Mobile Communications Group Co., Ltd., which through the China Mobile Group, is principally engaged in the provision of telecommunications and information related services in the PRC. CMC is principally engaged in the business of network and business coordination centre.

### **4. Reasons for and the benefits of entering into the Software Products and Services Framework Agreement**

As set out in the Letter from the Board, the transactions contemplated under the Software Products and Services Framework Agreement occur on a continuing basis in the ordinary and usual course of business of the Group and the China Mobile Group.

The Company further advised that, in line with the market practice and the Company's past practice, the Company considered it necessary for purposes of compliance with the Listing Rules and administrative convenience to renew the framework agreement with CMC in order to better document and manage these continuing connected transactions. The Software Products and Services Framework Agreement serves to streamline such continuing transactions between the Group and

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the China Mobile Group by providing a single basis upon which the Company could comply with the applicable reporting, annual review, announcement and (where applicable) Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules and thereby reducing the administrative burden and costs of the Company in complying with these requirements.

The Directors believe that the maintenance of the strategic business relationships with the China Mobile Group will not only allow the realisation of synergies and economies of scale but will also continue to bring sustainable contribution to the Group's growth in the long run. The Directors consider the transactions contemplated under the Software Products and Services Framework Agreement are conducted on normal commercial terms and in the ordinary and usual course of business of the Group and the terms of the Software Products and Services Framework Agreement and the transactions contemplated thereunder (including the Annual Caps) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### 5. Software Products and Services Framework Agreement

Set out below are the principal terms of the Software Products and Services Framework Agreement:

- Date:** 28 October 2022
- Parties:**
- (i) the Company; and
  - (ii) CMC, a company established in the PRC with limited liability, is a wholly-owned subsidiary of China Mobile Limited, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 00941) and on the Shanghai Stock Exchange (stock code: 600941). The ultimate controlling shareholder of China Mobile Limited is China Mobile Communications Group Co., Ltd., which through the China Mobile Group, is principally engaged in the provision of telecommunications and information related services in the PRC. CMC is principally engaged in the business of network and business coordination center.
- Duration:** From 1 January 2023 to 31 December 2025 (both dates inclusive), subject to the fulfilment of the condition precedent.



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- Condition precedent:** The Software Products and Services Framework Agreement is subject to the passing by the Independent Shareholders in accordance with the Listing Rules and all applicable laws at the EGM of resolution approving the Software Products and Services Framework Agreement and the transactions contemplated thereunder (including the Annual Caps).
- Products and services to be provided:** Provision of software products and services to the China Mobile Group, including but not limited to, the provision of software products and related deployment services (including but not limited to CRM, billing account and big data, IoT and 5G intelligent network products), ongoing operation and maintenance services, data-driven operation services, business consulting services, system integration services, corporate trainings and procurement and sale of third-party hardware and software.
- Definitive Agreement:** The Group and the China Mobile Group will, from time to time during the term of the Software Products and Services Framework Agreement, enter into separate Definitive Agreements in respect of the transactions contemplated thereunder which shall always be in compliance with the Listing Rules and the terms of the Software Products and Services Framework Agreement.
- Pricing:** The prices to be charged by the Group for products and/or services to be provided to the China Mobile Group under any separate Definitive Agreements pursuant to the Software Products and Services Framework Agreement shall be determined based on arm's length negotiation between the parties and on order-by-order basis with reference to the prevailing market price, being the price offered to or charged by Independent Third Parties in contemporaneous transactions in respect of similar types of products or services in the ordinary course of business in the same or nearby service area and subject to normal commercial terms and in accordance with the principle of fairness and reasonableness.

The Group will compare similar transactions or quotations for similar type and specification of products and/or services with Independent Third Parties to ensure that the terms offered to the China Mobile Group are no more favourable than those available to Independent Third Parties.

**Payment:**

The fees to be charged for the products and/or services under the Software Products and Services Framework Agreement shall generally be payable according to the stage of completion of the various projects/products/services to be provided according to the specific and separate Definitive Agreements.

**6. Internal Control on Software Products and Services Framework Agreement**

As set out in the Letter from the Board, the Group has established internal control measures for reporting and monitoring on continuing connected transactions which are complied with by the Group to ensure the compliance with Chapter 14A of the Listing Rules. A summary of the Group's prevailing internal administration systems and procedures for connected transactions has been summarised below:

- (1) generally, the mechanism of the price quotation and determination process of the Group shall be in accordance with the "AsiaInfo Technologies' Quotation and Business Response Approval Procedure" and the agreement execution process shall be in accordance with the "AsiaInfo Technologies' Agreement Execution and Management Procedure", which the relevant procedures have set out clear provisions and requirements for tender response, commercial terms negotiation, price quotation and determination, agreement execution, assessment of legal risks, etc., during the preparation of quotation response, with details summarized as follows:
  - (i) the Group adopted the same quotation and price determination process applicable to all customers including connected persons and Independent Third Parties;
  - (ii) during the project quotation management process, the agreement management department of the Group will be mainly responsible for the analysis of requirements specified in the tender, the price quotation and agreement execution and seeking approval and also for coordinating with different departments to carry out relevant works;



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- (iii) the preparation of the price quotation by the sales department and other relevant department(s) will be based on many factors, including the estimated costs of project execution and delivery (such as the number of staff and the number of days required for provision of services, and products costs), complexity of the projects, the costs required for meeting the specific technical specifications, or types of products to be procured and the prevailing prices charged by competitors on similar products or services, and the price charged by the Group for providing similar products or services to other customers who are Independent Third Parties, etc.;
  - (iv) the legal department will assess the risks and commercial terms of the projects; and
  - (v) prior to the execution of any agreement for projects, each of the internal departments of the Group will, pursuant to its relevant responsibilities, manage and seek applicable level of approval (i.e. if a project reaches a certain scale, it will be approved by the management of the Company);
- (2) the Group will conduct an annual assessment of all agreements signed by the sales department, scope of which includes various factors such as commercial terms, quotations and costs, etc.;
  - (3) the agreement management department will immediately report to the Board office and the accounting department with details of the possible notifiable or connected transactions to be entered by the Group for review and checking in order to determine the appropriate type of disclosure in compliance with Chapter 14A of the Listing Rules. The agreement management department is also responsible for monitoring the prices of the transactions with connected persons by reviewing samples of the relevant sales contracts and costs, etc., to ensure such prices are in compliance with the pricing policies under the terms of their respective continuing connected transaction master or framework agreements;
  - (4) before entering into any definitive agreements pursuant to the respective continuing connected transaction master or framework agreements (including the Software Products and Services Framework Agreement), the relevant personnel of the sales department will compare other historical or contemporaneous transactions or quotations for similar transactions with Independent Third Parties for similar products or services in similar quantities and ensure that the terms offered to the relevant connected persons are no more or no less favourable than those available to or from Independent Third Parties, respectively. The relevant agreements shall also be submitted to the accounting department for review (especially to check whether the annual caps will be exceeded);

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- (5) the accounting department will check and monitor with the total transaction amounts and ensure that the transaction amounts will not exceed the annual caps of the continuing connected transactions at all times. If the total transaction amounts reach 80% of the annual caps, or are expected to exceed the annual caps within the next two months, the designated person of the accounting department shall inform the Board office immediately so as to determine the appropriate actions to be taken;
- (6) the Board office and relevant departments in each subsidiary of the Company has a designated person to record the entering into of continuing connected transactions into the office automation system of the Company;
- (7) the Board office, the financial reporting department and the internal audit department will monitor and disclose the continuing connected transactions by reviewing the minutes of important meetings as well as accounting records to identify if the Group has any undisclosed connected transactions;
- (8) the Board office will also check the terms and implementation status of the Group's policies and requirements related to continuing connected transactions from time to time, including the identification of connected persons and their procedures for dealing with continuing connected transactions; and
- (9) the financial reporting department will carry out annual and semi-annual assessments of the continuing connected transactions conducted by the Group for each financial year, the content of which includes whether the price terms are fair and reasonable and the usage of annual caps, and report to the Board. One of the assessment objectives is to ensure that the continuing connected transactions are carried out at arm's length and the terms are comparable to those with Independent Third Parties.

Furthermore, pursuant to Chapter 14A of the Listing Rules, (1) the independent non-executive Directors shall, on an annual basis, review the transactions contemplated under the Software Products and Services Framework Agreement and confirm such transactions have been entered into according to the agreement governing them on terms that are fair and reasonable and in the interests of the Company and the Shareholders as a whole; and (2) the external auditors of the Group shall, on an annual basis, report on the transactions contemplated under the Software Products and Services Framework Agreement and confirm whether anything has come to their attention that causes them to believe such transactions were not entered into, in all material respects, in accordance with the relevant agreement governing the transactions.

*6.1 Our analysis on the internal control procedures in respect of the Software Products and Services Framework Agreement*

In assessing the fairness and reasonableness of the Software Products and Services Framework Agreement, we have considered and conducted analysis on the relevant internal control measures of the Group. In this connection, we have obtained internal control policies (the “**Internal Control Policies**”) and related documents governing, among others, the Group’s continuing connected transactions.

We have reviewed the Internal Control Policies and noted that the Internal Control Policies have set out relevant procedures and requirements for tender response, commercial terms negotiation, price quotation and determination, agreement execution, assessment of legal risks during the preparation of quotation response for contracts with all customers. The approval processes prior to entering into agreement involved different departments, including the Board office, the business operation department, the sales and purchase department, the accounting department, the financial reporting department, the internal audit department and the legal department. These designated departments of the Group shall perform regular reviews and cross-checks with a view to ensure that the relevant procedures are in compliance with the Internal Control Policies.

In addition, we also noted from the Internal Control Policies that the relevant departments of the Company shall ensure that continuing connected transactions, such as the transactions contemplated under the Software Products and Services Framework Agreement, will be conducted on terms no less favourable than the terms offered to Independent Third Parties for similar products and services, with appropriate review and approval by the Management as well as measures to monitor the transaction amounts under the Software Products and Services Framework Agreement to ensure the Annual Caps will not be exceeded.

For the internal control documents, we have obtained internal approval records, setting out, among others, principal terms, nature and details of products/services under tender, for individual agreements in connection with transactions conducted under the existing software products and services framework agreement (the “**Existing Software Products and Services Framework Agreement**”) and noted that, the relevant terms, including the estimated gross margin of the sampled transactions, were approved by various departments, such as the Board office, the business operation department, the sales and purchase department, the accounting department, the financial reporting department, the internal audit department and the legal department as part of the approval procedures prior to the submission of the relevant tender. On this basis, the Management is of the view that the Group has considered sufficient information

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to determine that the prices of the relevant continuing connected transactions were no less favourable to the Group than those charged to the Independent Third Parties.

In this connection we have also obtained internal approval records for transactions with Independent Third Parties that are of a comparable nature with the sampled transactions with connected persons. As advised by the Management, when determining the prices to be charged for products and/or services under the Software Products and Services Framework Agreement, the Group will consider comparable transactions or quotations for similar type and specification of products and/or services provided to Independent Third Parties. To ascertain the internal control in this regard is effectively implemented,

- (i) we have obtained a transaction list for transactions under the Existing Software Products and Services Framework Agreement with contract amounts more than RMB1 million, which included around 400 transactions (the “**Sample Base**”) and selected 12 sample transactions from the Sample Base on a random basis, each being a connected transaction sample (the “**Connected Transaction Samples**”);
- (ii) the Connected Transaction Samples represented approximately 30% of the Sample Base, which we considered to be a representative sample size for the purpose of ascertaining whether the subject internal control procedures were effectively implemented;
- (iii) obtained the internal approval records for each of the Connected Transaction Samples and noted that each of Connected Transaction Samples has gone through relevant separate approval procedures as per the internal controls specified by the Company and each of them had obtained relevant approval from, among others, the agreement management department, the sales department, the legal department and the management of the Company (if a project reaches a certain scale);
- (iv) we have also compared the estimated gross margin of the 12 Connected Transaction Samples entered into between the Group and connected parties against gross margin of the randomly selected 14 sampled transactions with Independent Third Parties (the “**I3P Transaction Samples**”) for products and/or services of similar nature, which is considered to be comparable to the respective Connected Transaction Samples for the purpose of observing internal control procedures. Based on our work performed and documents reviewed, the gross margin of the Connected Transaction Samples were no less favourable to the Group than those I3P Transaction Samples under comparable sampled transactions;

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- (v) the Management confirmed that all transactions, including the Connected Transaction Samples and the I3P Transaction Samples, have been through the same internal approval process separately pursuant to the internal control of the Group before a sales contract has been entered into; and
- (vi) obtained the internal approval records for the I3P Transaction Samples and noted that all I3P Transaction Samples has gone through the same approval procedure separately as Connected Transaction Samples.

Based on the internal control policies, the Connected Transaction Samples, the I3P Transaction Samples, the individual internal approval records for both Connected Transaction Samples and I3P Transaction Samples and the gross profit margin comparison between Connected Transaction Samples and I3P Transaction Samples, we concur with the view of the Directors that the Group has implemented internal control procedures in relation to the approval of sales agreements based on the Connected Transaction Samples and I3P Transaction Samples obtained, the effective implementation of which will ensure the continuing connected transactions are to be conducted on terms which are fair and reasonable.

Having considered the above, we also concur with the view of the Directors that the effective implementation of the Internal Control Policies shall ensure the continuing connected transactions under the Software Products and Services Framework Agreement to be conducted on terms no less favourable than those offered to Independent Third Parties.

Based on our analysis and work performed, including (i) the sampled transactions under the Existing Software Products and Services Framework Agreement were conducted in accordance with the relevant Internal Control Policies; (ii) the gross margin of the Connected Transaction Samples were no less favourable to the Group than those charged to Independent Third Parties for comparable transactions; (iii) relevant internal approval for the terms of products/services in connection with the sampled transactions were obtained from, among others, the Board office, the business operation department, the sales and purchase department, the accounting department, the financial reporting department, the internal audit department and the legal department prior to the submission of the relevant tender; and (iv) the internal control measures as mentioned above were implemented with a view to ensure that the relevant transactions were conducted under normal commercial terms that were fair and reasonable, we consider the transactions to be contemplated under the Software Products and Services Framework Agreement to be fair and reasonable so far as the Independent Shareholders are concerned.

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**7. Annual Caps for the transactions contemplated under the Software Products and Services Framework Agreement**

The Annual Caps in respect of the transactions contemplated under the Software Products and Services Framework Agreement for the three financial years ending 31 December 2023, 2024 and 2025 are set out below:

	<b>For the financial year ending 31 December</b>		
	<b>2023</b>	<b>2024</b>	<b>2025</b>
	<i>RMB</i> <i>(million)</i>	<i>RMB</i> <i>(million)</i>	<i>RMB</i> <i>(million)</i>
Annual Caps under the Software Products and Services Framework Agreement	6,200 (the “ <b>2023 Annual Cap</b> ”)	6,900 (the “ <b>2024 Annual Cap</b> ”)	7,600 (the “ <b>2025 Annual Cap</b> ”)
Rate of increase in Annual Caps	N/A	11.3%	10.1%

Set out below are the historical amounts between the Group and the China Mobile Group regarding the transactions under the Software Products and Services Framework Agreement for the three financial years ended 31 December 2019, 2020 and 2021 and for the six months ended 30 June 2022 and the historical annual caps for the three years ended/ending 31 December 2020, 2021 and 2022:

	<b>For the financial year ended 31 December</b>			<b>For the six months ended 30 June</b>
	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
	<i>RMB</i> <i>(million)</i> <i>(approximate)</i>	<i>RMB</i> <i>(million)</i> <i>(approximate)</i>	<i>RMB</i> <i>(million)</i> <i>(approximate)</i>	<i>RMB</i> <i>(million)</i> <i>(approximate)</i>
Products and services fees paid by the China Mobile Group to the Group	3,351.4	3,841.5	4,441.2	1,940.3
Historical annual caps	N/A*	4,210	4,840	5,730

\* There was no annual cap set for the year ended 31 December 2019, as the China Mobile Group only became connected persons of the Group in September 2020

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As disclosed in the Letter from the Board, the Annual Caps are determined based on the following:

- (a) the historical transaction amounts and the historical annual caps as disclosed above, in particular, the historical amounts of the relevant transactions between the Group and the China Mobile Group increased from approximately RMB3,351.4 million in 2019 to approximately RMB4,441.2 million in 2021, representing a compound annual growth rate of approximately 15.1%, with the year-on-year increase from 2020 to 2021, being approximately 15.6%. The products and service fees paid by the China Mobile Group to the Group in 2021 already represented up to approximately 91.8% of the annual caps for 2021;
- (b) it is expected in the coming years that the investment in software products and services in the telecommunications industry will continue to grow in the wake of digital transformation brought by the 5G Era and the PRC Fourteenth Five Year Plan, which will therefore require vast amount of support and services from software service providers such as the Group, which has solid leading position in the telecommunications operators' market with high customer recognition as well as leading product and technical capability and in-depth understanding on the operating environment and key areas of its customers' business.

The Group has developed insights into the business and operational needs of the China Mobile Group over many years of continuous and in-depth cooperation between them. As such, the China Mobile Group's extensive deployment of and business development on 5G and its digital transformation will also inevitably require software products and related services from the Group for the provision of business support in relation to its BSS, OSS, DSaaS, vertical industries and enterprise cloudification.

At the same time, the richness and diversity of products and services provided by the Group are also expected to be further increased. According to the growth of the above business of the Group from 2019 to 2021 (with a compound annual growth rate of the amounts of transaction between the Group and the China Mobile Group of approximately 15.1%), it is expected that from 2023 to 2025, the products and services provided by the Group to the China Mobile Group for related businesses will still maintain an approximately same growth rate as before;

- (c) the continuous synergies and strategic cooperation between the Group and the China Mobile Group in the area of 5G network intelligent operation, data-driven operation, vertical industries and enterprise cloudification, both parties will offer customers from various industries with richer and multi-dimensional communication, information infrastructures and digital services, which will create further provision of products and services from the Group to the China Mobile Group; and



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- (d) the inclusion of a buffer of 13% to cater for the development plan of, and any unexpected increase in demand from, the China Mobile Group.

Such projection is assumed solely for determining the annual caps and shall not be regarded as any indication directly or indirectly as to the respective revenue, profitability or business prospects of the Group or the China Mobile Group.

**7.1 Our analysis and work performed on the Annual Caps**

Set out below are the utilisation rate of the Existing Software Products and Services Framework Agreement for the three years ending 31 December 2022:

	For the year ended		For the six
	31 December		months ended
	2020	2021	30 June
	<i>RMB</i>	<i>RMB</i>	<i>RMB</i>
	<i>(million)</i>	<i>(million)</i>	<i>(million)</i>
Products and services fees paid by the China Mobile Group	3,841.5	4,441.2	1,940.3
The annual caps under the Existing Software Products and Services Framework Agreement	4,210.0	4,840.0	5,730.0
Utilisation rate	91.2%	91.8%	33.9%
			<i>(Annualised utilisation rate (note)):</i>
			67.7%

*Note: Annualised utilisation rate is calculated by extrapolating the six months figures to a full year figure for illustration purposes only and does not represent the actual or planned utilisation rate for the year ending 31 December 2022.*

As set out in the above table, the utilisation rate of the respective annual caps under the Existing Software Products and Services Framework Agreement exceeded 90% for each of the year ended 31 December 2020 and 2021, respectively. For the six months ended 30 June 2022, the Group has utilised approximately 33.9% of the annual cap for the year ended 31 December 2022 (the “**2022 Annual Cap**”) under the Existing Software Products and Services Framework Agreement. For illustration purposes, based on the aforesaid six months figures, the calculated annualised utilisation rate represents approximately 67.7% of the 2022 Annual Cap. In this connection, based on the aforesaid information, the actual and annualised utilisation rate ranged from approximately 67.7% to 91.8% for the years ended/ending 31 December 2020, 2021 and 2022.



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Nonetheless, the Management advised that the financial performance of the Group is subject to seasonal factors, in particular, among others, the Chinese New Year holidays, and the transaction amount for the second half of the year is typically higher as compared to the first half of the year attributable to the fact that majority of the revenue derived from the continuing connected transactions under the Software Products and Services Framework Agreement is recognised based on projects' percentage of completion, which is generally lower during the first quarters of each year attributable to Chinese New Year holidays, which would have comparatively less number of work days during the subject period of time as well as less manhour committed to the projects' progress and work performed at the material time as the relevant employees would be on statutory holiday and/or annual leave.

As advised by the Management, the historical amounts of products and services fees paid by China Mobile Group to the Group increased from approximately RMB3,351.4 million in 2019 to approximately RMB4,441.2 million in 2021, representing a compound annual growth rate (“CAGR”) of approximately 15.1% (the “**Historical Rate of Increase**”).

It is noted that the 2022 Annual Cap amounted to RMB5,730 million and the 2025 Annual Cap amounted to RMB7,600 million, representing a CAGR of approximately 9.9%. Such CAGR of approximately 9.9% is lower than the Historical Rate of Increase of approximately 15.1%.

In assessing the fairness and reasonableness of the Annual Caps, we have also obtained a schedule setting out the basis of the Annual Caps as well as an overview of the Group's expansion plan from the Management (together, the “**Annual Caps Schedule**”). As set out in the Annual Caps Schedule, we noted that the annual caps were determined with reference to the historical transaction amount of (i) its traditional business, including the BSS software products and related services, training and business consulting services, as well as sale of third-party software and hardware (the “**Traditional Business**”); and (ii) the Three New Business, including the OSS, DSaaS, vertical industries and enterprises cloudification services.

We noted from the Annual Caps Schedule that each the 2023 Annual Cap, 2024 Annual Cap and 2025 Annual Cap was based on (i) the estimated increase in the demand for Traditional Business, which was primarily driven by the estimated business expansion in the provision of BSS software products during the same period; (ii) the estimated increase in the demand for the Three New Business, the growth of which was principally driven by the estimated business expansion in the provision of DSaaS and OSS during the same period, with the remaining growth attributable to the growth from the vertical industries and enterprises cloudification services; and (iii) a buffer was incorporated to allow a degree of flexibility to cater for any unexpected increase in demand from the China Mobile Group attributable to its development plan.

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In addition, we also reviewed the 2021 Annual Report and noted that the CAGR of the Group's total revenue from the year ended 31 December 2019 to the year ended 31 December 2021 amounted to approximately 9.8%. Furthermore, we also reviewed the interim report of China Mobile Limited for the six months ended 30 June 2022 and the annual report of China Mobile Limited for the year ended 31 December 2021, and noted that the operating expenses of China Mobile Limited increased by approximately 10.9% and 11.4%, period-on-period and year-on-year, respectively. On this basis, the rate of increase of the 2022 Annual Cap to the 2025 Annual Cap of approximately 9.9% are broadly in line with the aforesaid increases.

As set out in the 2022 Interim Report, it is the strategy of the Group to maintain its position in the PRC telecommunication industry. The 5G core network product system of the Group obtained the network access permit from the Ministry of Industry and Information Technology, with capabilities for commercial use in scale. In 1H2022, the Group continued to participate in 20 international/national standards organisations, registered 44 new software certificates, owned 9 new patents and applied for 50 new patents. The research and development expenses of the Group amounted to approximately RMB486.7 million in 1H2022 as the Group continued to increase its research and development investment, evolved research and development routes and developed products, supporting the Group's continuous business expansion.

Furthermore, China Mobile Group is one of the major telecommunication and information related services providers in the PRC. The Company is of the view that the continuous cooperation between the Group and the China Mobile Group, being a well-established and reputable corporation, can facilitate the ongoing development and growth of the Group over time. In recent years, the Group has collaborated with China Mobile Group on a range of projects as well as successfully completed the launching of various projects for the China Mobile Group across different provinces as detailed in the Group's annual reports for the years ended 31 December 2020 and 2021, and the Management expects the Software Products and Services Framework Agreement to further facilitate the aforesaid mutually beneficial working relationship with the China Mobile Group going forward.

Having considered (i) the reasons for and benefits of entering into the Software Products and Services Framework Agreement; (ii) the historical transaction amounts and growth of the Traditional Business and Non-traditional Business; (iii) the transactions under the Software Products and Services Framework Agreement are a furtherance of the Group's principal businesses; (iv) our analysis on the basis of the Annual Caps, which comprised of the Traditional Business and the Non-traditional Business; (v) the internal control in place to ensure that the transactions under the Software Products and Services Framework Agreement are to be carried out on normal commercial terms; and (vi) the Group has the right but not the obligation to provide the relevant products and/or services to the China Mobile Group at terms determined in accordance

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with the pricing policies under the Software Products and Services Framework Agreement, we concur with the Directors' view that the Annual Caps are fair and reasonable so far as the Independent Shareholders are concerned and is in the interests of the Company and the Shareholders as a whole.

### VI. RECOMMENDATION

In formulating our recommendation to the Independent Board Committee and the Independent Shareholders, we have considered the above principal factors and reasons, in particular:

- (i) the industry overview of the telecommunication sector in the PRC;
- (ii) the principal business of the Group and its recent business development and financial performance;
- (iii) the reasons for and the benefits of entering into the Software Products and Services Framework Agreement;
- (iv) our analysis and work performed in respect of the Software Products and Services Framework Agreement as set out under section headed "6.1 Our analysis on the internal control procedures in respect of the Software Products and Services Framework Agreement";
- (v) the products and services to be provided by the Group under the Software Products and Services Framework Agreement are a furtherance of the businesses of the Group; and
- (vi) our analysis on the basis for determining the Annual Caps as set out under section headed "7.1 Our analysis and work performed on the Annual Caps",

we consider the terms of the Software Products and Services Framework Agreement (including the Annual Caps) are on normal commercial terms that are fair and reasonable, the transactions contemplated thereunder (including the Annual Caps) are conducted in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole. Accordingly, we advise the Independent Board Committee to recommend, and we ourselves recommend, the Independent Shareholders to vote in favour of the relevant ordinary resolution(s) to be proposed at the EGM to approve the Software Products and Services Framework Agreement (including the Annual Caps).

Yours faithfully,  
for and on behalf of  
**Red Sun Capital Limited**  
**Lewis Lai**  
*Managing Director*

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*Mr. Lewis Lai is a licensed person registered with the SFC and a responsible officer of Red Sun Capital Limited to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO and has over 15 years of experience in the corporate finance industry.*

*\* For identification purposes only*

## 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 to the best of their knowledge and belief that 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 INTERESTS

### a) Directors' and chief executives' interests and short positions in Shares, underlying Shares or Debentures

At the Latest Practicable Date, the interests and short positions of the Directors or the chief executives of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which each of them had taken or was deemed to have taken under the provisions of the SFO) or were required, pursuant to Section 352 of the SFO, to be entered in the register maintained by the Company referred to therein, or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange, were as follows:

Name of Director/ chief executive	Nature of interest <sup>1</sup>	Number of Shares	Approximate percentage of total number of Shares in issue <sup>2</sup>
Dr. TIAN Suning <sup>3</sup>	Beneficial owner (L)	48,932,670	5.27%
	Interest in controlled corporation (L)	1,151,111	0.12%
	Interest in controlled corporation (L)	31,209,360	3.36%
	Interest in controlled corporation (L)	<u>39,442,000</u>	<u>4.25%</u>
		<u>120,735,141</u>	<u>12.99%</u>
Mr. DING Jian <sup>4</sup>	Beneficial owner (L)	11,516,704	1.24%
	Interest in controlled corporation (L)	<u>1,198,440</u>	<u>0.13%</u>
		<u>12,715,144</u>	<u>1.37%</u>
Mr. GAO Nianshu <sup>5</sup>	Beneficial owner (L)	12,281,918	1.32%
	Beneficiary of a trust (L)	2,904,179	0.31%
	Others (L)	<u>8,943,216</u>	<u>0.96%</u>
		<u>24,129,313</u>	<u>2.60%</u>

Name of Director/ chief executive	Nature of interest <sup>1</sup>	Number of Shares	Approximate percentage of total number of Shares in issue <sup>2</sup>
Mr. ZHANG Yichen <sup>6</sup>	Interest in controlled corporation (L)	213,924,952	23.03%
Dr. GAO Jack Qun Yao <sup>7</sup>	Beneficial owner (L)	112,000	0.01%
Dr. ZHANG Ya-Qin <sup>7</sup>	Beneficial owner (L)	112,000	0.01%
Mr. GE Ming <sup>7</sup>	Beneficial owner (L)	112,000	0.01%
Ms. TAO Ping <sup>7</sup>	Beneficial owner (L)	112,000	0.01%

*Notes:*

- (L) — Long position; (S) — Short position.
- The percentage represents the number of the Shares interested divided by the total number of the issued Shares as at the Latest Practicable Date of 928,896,401.
- Dr. TIAN is the sole shareholder of Info Addition Limited which in turn is a general partner of Info Addition Capital Limited Partnership. As such, Dr. TIAN is deemed to be interested in the 1,151,111 Shares in which Info Addition Capital Limited Partnership is interested for the purpose of the SFO. Dr. TIAN indirectly has full control over CBC Partners II L.P. which is the general partner of China Broadband Capital Partners II, L.P., which in turn is the sole shareholder of CBC TMT III Limited. Therefore, Dr. TIAN is deemed to be interested in the 31,209,360 Shares in which CBC TMT III Limited is interested. PacificInfo Limited is wholly owned by Dr. TIAN and therefore Dr. TIAN is deemed to be interested in the 39,442,000 Shares in which PacificInfo Limited is interested.
- New Media China Investment I Limited is wholly owned by Mr. DING, and therefore Mr. DING is deemed to be interested in the 1,198,440 Shares in which New Media China Investment I Limited is interested.
- These interests comprise (i) 12,281,918 Shares; (ii) 3,798,656 underlying Shares in respect of the outstanding share options granted to Mr. GAO under the pre-IPO share option scheme of the Company were held by the custodian, Noble (Nominees) Limited; and (iii) the interests in the 2,904,179 Shares granted to Mr. GAO under the share award scheme adopted by the Company on 7 January 2020 were held by the trustee, AsiaInfo SAS Management Trust.
- Each of Power Joy (Cayman) Limited (as the controlling shareholder of Skipper Investment Limited), CITIC Capital China Partners II, L.P. (as the sole shareholder of Power Joy (Cayman) Limited), CCP II GP, Ltd. (as the general partner of CITIC Capital China Partners II, L.P.), CCP Ltd. (as the general partner of CCP II GP, Ltd. and the shareholder of CCP II Advisory Ltd.), CITIC Capital Partners Limited (as the sole shareholder of CCP Ltd.), CITIC Capital Holdings Limited and CP Management Holdings Limited (which hold 51% and 49% shareholding of CITIC Capital Partners Limited, respectively) and Mr. ZHANG Yichen (as the sole shareholder of CP Management Holdings Limited) is deemed or taken to be interested in all the 213,924,952 Shares which are beneficially owned by Skipper Investment Limited for the purpose of Part XV of the SFO.

7. The Company granted 112,000 share options to each of Dr. GAO Jack Qun Yao, Dr. ZHANG Ya-Qin, Mr. GE Ming and Ms. TAO Ping, all of whom are independent non-executive Directors, under the share option scheme adopted by the Company on 25 November 2019, respectively, details of which are set out in the announcements of the Company dated 16 June 2020 and 25 March 2021, respectively.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executives of the Company had any interests or short positions in the shares nor underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company or the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which each of them had taken or deemed to have taken under the provisions of the SFO) or which were required to be recorded in the register required to be kept under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

**b) Substantial Shareholders' interests and short positions in Shares and underlying Shares**

As at the Latest Practicable Date, according to the register of interests kept by the Company under Section 336 of the SFO, and so far as was known to the Directors or chief executives of the Company, the following persons, other than Directors or chief executives of the Company, had interests or short positions in the Shares which would require to be disclosed by the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was directly or indirectly interested in 5% or more of any class of issued Share carrying rights to vote in all circumstances at general meetings of the Company:

Name of Shareholder	Nature of interest <sup>8</sup>	Number of Shares	Approximate percentage of total number of Shares in issue <sup>9</sup>
Skipper Investment Limited <sup>10</sup>	Beneficial owner (L)	213,924,952	23.03%
Power Joy (Cayman) Limited <sup>10</sup>	Interest in controlled corporation (L)	213,924,952	23.03%
CITIC Capital China Partners II, L.P. <sup>10</sup>	Interest in controlled corporation (L)	213,924,952	23.03%
CCP II GP, Ltd. <sup>10</sup>	Interest in controlled corporation (L)	213,924,952	23.03%
CCP II Advisory Ltd. <sup>10</sup>	Interest in controlled corporation (L)	213,924,952	23.03%
CCP Ltd. <sup>10</sup>	Interest in controlled corporation (L)	213,924,952	23.03%
Trustar Capital Partners Limited <sup>10</sup>	Interest in controlled corporation (L)	213,924,952	23.03%
Trustar Capital Company Limited <sup>10</sup>	Interest in controlled corporation (L)	213,924,952	23.03%



Name of Shareholder	Nature of interest <sup>8</sup>	Number of Shares	Approximate percentage of total number of Shares in issue <sup>9</sup>
Trustar Capital Holdings Limited <sup>10</sup>	Interest in controlled corporation (L)	213,924,952	23.03%
CCHL Investment Holdings Limited <sup>10</sup>	Interest in controlled corporation (L)	213,924,952	23.03%
CP Management Holdings Limited <sup>10</sup>	Interest in controlled corporation (L)	213,924,952	23.03%
China Mobile International Holdings Limited <sup>11</sup>	Beneficial owner (L)	182,259,893	19.62%
China Mobile (Hong Kong) Group Limited <sup>11</sup>	Interest in controlled corporation (L)	182,259,893	19.62%
China Mobile Communications Group Co., Ltd. <sup>11</sup>	Interest in controlled corporation (L)	182,259,893	19.62%
China Mobile Hong Kong (BVI) Limited <sup>11</sup>	Interest in controlled corporation (L)	182,259,893	19.62%
China Mobile Limited <sup>11</sup>	Interest in controlled corporation (L)	182,259,893	19.62%
Ocean Voice Investment Holding Limited <sup>12</sup>	Beneficial owner (L)	60,129,928	6.47%
Sino Venture Capital 1B <sup>12</sup>	Interest in controlled corporation (L)	60,129,928	6.47%
Sino Venture Capital 1 VCC <sup>12</sup>	Interest in controlled corporation (L)	60,129,928	6.47%
Sino Capital Management Company Ltd. <sup>12</sup>	Interest in controlled corporation (L)	60,129,928	6.47%
Mr. LIAO Hsueh-Hsuan <sup>12</sup>	Interest in controlled corporation (L)	60,129,928	6.47%
Sino Suisse Financial Holding Limited <sup>12</sup>	Interest in controlled corporation (L)	60,129,928	6.47%
A.M.Y. (Sinosuisse) Ltd. <sup>12</sup>	Interest in controlled corporation (L)	60,129,928	6.47%
Mr. LIU Chung Hsing <sup>12</sup>	Interest in controlled corporation (L)	60,129,928	6.47%
Ellington Investments Pte. Ltd. <sup>13</sup>	Beneficial owner (L)	52,015,608	5.60%
Bartley Investments Pte. Ltd. <sup>13</sup>	Interest in controlled corporation (L)	52,015,608	5.60%
Tembusu Capital Pte. Ltd. <sup>13</sup>	Interest in controlled corporation (L)	52,015,608	5.60%
Temasek Holdings (Private) Limited <sup>13</sup>	Interest in controlled corporation (L)	52,015,608	5.60%
Al Gharrafa Investment Company <sup>14</sup>	Beneficial owner (L)	52,015,608	5.60%
Qatar Holding LLC <sup>14</sup>	Interest in controlled corporation (L)	52,015,608	5.60%

Name of Shareholder	Nature of interest <sup>8</sup>	Number of Shares	Approximate percentage of total number of Shares in issue <sup>9</sup>
Qatar Investment Authority <sup>14</sup>	Interest in controlled corporation (L)	52,015,608	5.60%
InnoValue Capital Ltd. <sup>15</sup>	Beneficial owner (L)	52,015,608	5.60%
Ms. LIU Tzu-Lien <sup>15</sup>	Interest in controlled corporation (L)	52,015,608	5.60%

*Notes:*

8. (L) — Long position; (S) — Short position.
9. The percentage represents the number of the Shares interested divided by the total number of the issued Shares as at the Latest Practicable Date of 928,896,401.
10. Each of Power Joy (Cayman) Limited (as the controlling shareholder of Skipper Investment Limited), CITIC Capital China Partners II L.P. (as the sole shareholder of Power Joy (Cayman) Limited), CCP II GP, Ltd. (as the general partner of CITIC Capital China Partners II L.P.), CCP Ltd. (as the general partner of CCP II GP, Ltd. and as the shareholder of CCP II Advisory Ltd.), Trustar Capital Partners Limited (as the sole shareholder of CCP Ltd.), Trustar Capital Company Limited (as the sole shareholder of Trustar Capital Partners Limited), Trustar Capital Holdings Limited (as the sole shareholder of Trustar Capital Company Limited), CCHL Investment Holdings Limited and CP Management Holdings Limited (which hold 51% and 49% shareholding of Trustar Capital Partners Limited, respectively) and Mr. ZHANG Yichen (as the sole shareholder of CP Management Holdings Limited) is deemed or taken to be interested in all the Shares which are beneficially owned by Skipper Investment Limited for the purpose of Part XV of the SFO. Please also refer to note 6 above.
11. China Mobile International Holdings Limited is wholly owned by China Mobile Limited, which is owned as to 72.72% by China Mobile Hong Kong (BVI) Limited. China Mobile Hong Kong (BVI) Limited is wholly owned by China Mobile (Hong Kong) Group Limited, which is wholly owned by China Mobile Communications Group Co., Ltd. Hence, each of China Mobile (Hong Kong) Group Limited, China Mobile Communications Group Co., Ltd., China Mobile Hong Kong (BVI) Limited and China Mobile Limited is deemed or taken to be interested in the Shares owned by China Mobile International Holdings Limited for the purpose of Part XV of the SFO.
12. The above shareholding information is based on the information received by the Company pursuant to an investigation conducted under Section 329 of the SFO, the specified date of which is 3 May 2022. Sino Venture Capital 1B (as the sole shareholder of Ocean Voice Investment Holding Limited), Sino Venture Capital 1 VCC (as the sole shareholder of Sino Venture Capital 1B), Sino Capital Management Company Ltd. (as the management shareholder of Sino Venture Capital 1 VCC) and Mr. LIAO Hsueh-Hsuan (holding 99% equity interest of Sino Capital Management Company Ltd.) are deemed or taken to be interested in all the Shares beneficially owned by Ocean Voice Investment Holding Limited for the purpose of Part XV of the SFO. In addition, Sino Suisse Financial Holding Limited (as the sole shareholder of Sino Suisse Capital Pte. Ltd. (as the manager of Sino Venture Capital 1 VCC)), A.M.Y. (Sinosuisse) Ltd. (holding 80% equity interest of Sino Suisse Financial

Holding Limited) and Mr. LIU Chung Hsing (as the sole shareholder of A.M.Y. (Sinossuisse) Ltd.) are deemed or taken to be interested in all the Shares beneficially owned by Ocean Voice Investment Holding Limited.

13. Each of Bartley Investments Pte. Ltd. (as the sole shareholder of Ellington Investments Pte. Ltd.), Tembusu Capital Pte. Ltd. (as the sole shareholder of Bartley Investments Pte. Ltd.) and Temasek Holdings (Private) Limited (as the sole shareholder of Tembusu Capital Pte. Ltd.) is deemed or taken to be interested in all the Shares which are beneficially owned by Ellington Investments Pte. Ltd. for the purpose of Part XV of the SFO.
14. Each of Qatar Holding LLC (as the sole shareholder of Al Gharrafa Investment Company) and Qatar Investment Authority (as the sole shareholder of Qatar Holding LLC) is deemed or taken to be interested in all the Shares which are beneficially owned by Al Gharrafa Investment Company for the purpose of Part XV of the SFO.
15. Ms. LIU Tzu-Lien (as the sole shareholder of InnoValue Capital Ltd.) is deemed or taken to be interested in all the Shares which are beneficially owned by InnoValue Capital Ltd. for the purpose of Part XV of the SFO.

Save as disclosed above and to the best knowledge of the Directors, as at the Latest Practicable Date, no other person (other than the Directors and chief executives of the Company) had interests or short positions in the Shares or underlying Shares which would require to be disclosed by the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or is directly or indirectly interested in 5% or more of any class of issued Shares carrying rights to vote in all circumstances at general meetings of the Company.

### **3. SERVICE CONTRACTS**

As at the Latest Practicable Date, none of the Directors had entered or proposed to enter into any service agreements with any member of the Group, excluding contracts expiring or determinable by the Group within one year without payment of compensation (other than statutory compensation).

### **4. MATERIAL INTERESTS**

Save as disclosed in the section headed “Directors’ Report — Continuing Connected Transactions” of the 2021 annual report of the Company (pages 129–132), as at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group, which was subsisting as at the Latest Practicable Date and was significant in relation to the business of the Group taken as a whole.

## 5. COMPETING INTERESTS

Apart from the businesses of the Group, Dr. TIAN, the chairman and an executive Director of the Company, as at the Latest Practicable Date, held interests in the following businesses, which complete or are likely to compete, directly or indirectly, with the Group's businesses:

Name of Entity Engaging in Such Business	Equity Interest	Summary of Business
AsiaInfo Security Limited	Indirectly held approximately 50.71%	Operation of software products and services related to network security
Nanjing AsiaInfo Rongxin Enterprise Management Center (Limited Partnership) (南京亞信雲互聯網信息科技有限公司)	Indirectly held approximately 30.00%	Operation of software research and development, sales, product system (platform and cooperation) and other related businesses
Beijing Youyou Tianyu System Technology Co., Ltd. (北京友友天宇系統技術有限公司)	Indirectly held approximately 26.52%	Operation of software technology development, data processing and other related business
Beijing Tianyun Rongchuang Software Technology Co., Ltd. (北京天雲融創軟件技術有限公司)	Indirectly held approximately 17.15%	Operation of software technology development business
Tianyun Rongchuang Data Technology (Beijing) Co., Ltd. (天雲融創數據科技(北京)有限公司)	Indirectly held approximately 6.88%	Operation of technology development, application software services and other related businesses

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor their respective close associates (as defined in the Listing Rules) had any interest in any business which competes or is likely to compete, or is in conflict or is likely to be in conflict, either directly or indirectly, with the businesses of Group.

## 6. DIRECTORS' AND EXPERT'S INTEREST IN ASSETS

None of the Directors nor the expert (as named in paragraph 8 of this appendix) had any interest, directly or indirectly, in any asset which has, since 31 December 2021 (being the date to which the latest published audited consolidated financial statements of the Group were made up), up to the Latest Practicable Date, been 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.

## 7. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors confirmed that there had not been any material adverse change in the financial or trading position of the Group since 31 December 2021, being the date of the latest published audited financial statements of the Company.

## 8. EXPERT AND CONSENT

The followings are the name and the qualifications of the professional adviser who has given opinions or advice which are contained or referred to in this circular:

<b>Name</b>	<b>Qualifications</b>
Red Sun Capital Limited	A corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO

As at the Latest Practicable Date, Red Sun Capital Limited had no beneficial interest in the share capital of any member of the Group or had any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of the Group or do not have any interest, either directly or indirectly, in any assets which have been, since 31 December 2021, being the date to which the latest published audited consolidated accounts of the Group were made up, acquired or disposed of by or leased to or are proposed to be acquired or disposed of by or leased to any member of the Group. Red Sun Capital Limited has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and reference to its name in the form and context in which they appear.

## 9. GENERAL

- a) The company secretary of the Company is Ms. YU Wing Sze of TMF Hong Kong Limited (a company secretarial service provider); and
- b) in the event of any inconsistency, the English text of this circular and the accompanying form of proxy shall prevail over the Chinese text for the purpose of interpretation.

## 10. DOCUMENT ON DISPLAY

A copy of the Software Products and Services Framework Agreement will be available on the Stock Exchange's website and the Company's website at [www.hkexnews.hk](http://www.hkexnews.hk) and [www.asiainfo.com](http://www.asiainfo.com), respectively, for at least 14 days from the date of this circular till the date of the EGM.



**AsiaInfo Technologies Limited**

**亞信科技控股有限公司**

*(Incorporated in the British Virgin Islands with limited liability)*

**(Stock Code: 1675)**

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the extraordinary general meeting (the “EGM”) of the shareholders of AsiaInfo Technologies Limited (the “Company”) will be held at meeting room at 31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong on Thursday, 15 December 2022 at 10:00 a.m. for the following purpose:

To consider and if thought fit, to pass with or without modification the following resolution as an ordinary resolution:

**ORDINARY RESOLUTION**

1. “**THAT,**

- (a) the Software Products and Services Framework Agreement dated 28 October 2022 entered into between the Company and China Mobile Communication Co., Ltd. (the “**Software Products and Services Framework Agreement**”), a copy of which has been produced to the EGM marked exhibit “A” and signed by the chairman of the EGM for identification purpose) and the annual caps for the continuing connected transactions contemplated thereunder for the period from 1 January 2023 to 31 December 2025, be and are hereby approved, confirmed and ratified; and
- (b) any Director(s) be and is/are hereby authorised, for and on behalf of the Company, to enter into any agreement, deed or instrument and/or to execute and deliver all such documents and/or do all such acts on behalf of the Company as he may consider necessary, desirable or expedient for the purpose of, or in connection with (i) the Software Products and Services Framework Agreement; and (ii) any amendment, variation or modification of the Software Products and Services Framework Agreement and the transactions contemplated thereunder upon such terms and conditions as the Board may think fit.”

By Order of the Board  
**AsiaInfo Technologies Limited**  
**Dr. TIAN Suning**  
*Chairman and Executive Director*

Hong Kong, 29 November 2022

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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*Notes:*

- (i) A shareholder entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend, speak and vote in his/her stead. The proxy does not need to be a shareholder of the Company.
- (ii) Where there are joint registered holders of any share, any one of such persons may vote at the above meeting (or at any adjournment of it), either personally or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders is present at the above meeting, whether in person or by proxy, the person so present being the more or most senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand on the register of members of the Company in respect of the relevant joint holding.
- (iii) In order to be valid, the completed form of proxy, must be deposited at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority (such certification to be made by either a notary public or a solicitor qualified to practice in Hong Kong), at least 48 hours before the time appointed for holding the above meeting or any adjournment thereof (as the case may be). The completion and return of the form of proxy shall not preclude shareholders of the Company from attending and voting in person at the above meeting (or any adjourned meeting thereof) if they so wish, and in such event the form of proxy shall be deemed to be revoked.
- (iv) The register of members of the Company will be closed from 13 December 2022 to 15 December 2022, both days inclusive, in order to determine the eligibility of shareholders to attend the above meeting, during which period no share transfers will be registered. To be eligible to attend the above meeting, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on 12 December 2022.
- (v) Pursuant to Rule 13.39(4) of the Listing Rules, voting for the resolution set out in this notice will be taken by poll at the above meeting.

*As at the date of this notice, the Board comprises:*

*Executive Directors:*

*Dr. TIAN Suning, Mr. DING Jian and  
Mr. GAO Nianshu*

*Non-executive Directors:*

*Mr. ZHANG Yichen, Mr. XIN Yuesheng,  
Mr. YANG Lin, Ms. LIU Hong and  
Mr. CHENG Xike*

*Independent non-executive Directors:*

*Dr. GAO Jack Qunyao, Dr. ZHANG Ya-Qin,  
Mr. GE Ming and Ms. TAO Ping*