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Interim Report 2025



AsialInfo Technologies Limited

(Incorporated in the British Virgin Islands with limited liability)

Stock Code: 01675

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DEFINITIONS AND GLOSSARY OF TECHNICAL TERMS

DEFINITIONS

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

"AsialInfo Security"

AsialInfo Security Technologies Co., Ltd. (亞信安全科技股份有限公司) (whose shares are listed on the Shanghai Stock Exchange (stock code: 688225)), a substantial Shareholder and a limited liability company incorporated in the PRC on 25 November 2014, which is ultimately controlled and beneficially owned as to approximately 51.42% by Dr. TIAN as at 30 June 2025

"Audit Committee"

the audit committee of the Company

"Board"

the board of Directors

"CAICT"

the China Academy of Information and Communications Technology

"CCTEG"

China Coal Technology and Engineering Group

"CG Code"

the Corporate Governance Code as set out in Appendix C1 to the Listing Rules (applicable to the Reporting Period)

"China Coal"

China Coal Energy Company Limited

"China Mobile Group" or "China Mobile"

China Mobile Limited and its subsidiaries

"CNNC"

China National Nuclear Corporation

"Company", "We", "AsialInfo" or "AsialInfo Technologies"

AsialInfo 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)

"Director(s)"

the director(s) of the Company

"ETSI"

the European Telecommunications Standards Institute, a non-profit telecommunication standardisation organisation approved and established by the European Commission

DEFINITIONS AND GLOSSARY OF TECHNICAL TERMS

"Group"

the Company and its subsidiaries

"GTI"

Global TD-LTE Initiative

"HK\$" or "HKD"

Hong Kong dollars, the lawful currency of Hong Kong

"HKT"

Hong Kong Telecommunication Limited

"Hong Kong"

the Hong Kong Special Administrative Region of the PRC

"IDC"

International Data Corporation

"IEEE"

the Institute of Electrical and Electronics Engineers

"ITU"

the International Telecommunication Union

"Listing Rules"

the Rules Governing the Listing of Securities on the Stock Exchange

"MIIT"

the Ministry of Industry and Information Technology of the PRC

"Model Code"

the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules

"PRC" or "China"

the People's Republic of China

"Pre-IPO Share Option Scheme"

the pre-IPO share option scheme of the Company adopted on 26 June 2018

"Prospectus"

the prospectus of the Company dated 6 December 2018

"R&D"

research and development

"Remuneration Committee"

the remuneration committee of the Company

DEFINITIONS AND GLOSSARY OF
TECHNICAL TERMS**"Reporting Period"**

the six months ended 30 June 2025

"RMB"

Renminbi, the lawful currency of the PRC

"RSUs"

the restricted share units

"SFO"

the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time

"Share(s)"

ordinary share(s) of the Company

"Shareholder(s)"

holder(s) of the Share(s)

"Stock Exchange"

The Stock Exchange of Hong Kong Limited

"TMF" or "TM Forum"

the International Telecommunication Management Forum

"US"

the United States of America

"USD" or "US\$"

US dollars, the lawful currency of the US

"2019 Share Option Scheme"

the share option scheme adopted by the Company on 25 November 2019

"2020 Share Award Scheme"

the share award scheme adopted by the Company on 7 January 2020

"2023 Share Award Scheme"

the share award scheme adopted by the Company on 4 December 2023

"%"

per cent

DEFINITIONS AND GLOSSARY OF TECHNICAL TERMS

GLOSSARY OF TECHNICAL TERMS

This glossary of technical terms contains terms used in this interim report that are related to the business of the Group. As such, these terms and their meanings may not always correspond to standard industry meaning or usage of these terms.



"ACG"

artificial intelligence cloud group

"AI"

artificial intelligence

"AI-RAN"

the combination of communications base stations and AI computing power

"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

"DevOps"

development and operation system

"GPU"

Graphics Processing Unit

"ICT"

information and communications technology

"LLM"

Large Language Model

"NeRF"

Neural Radiance Fields

"O-RAN"

Open Radio Access Network

"OSS"

operations support system, 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

"PaaS"

platform as a service, a complete development and deployment environment in the cloud, with resources that enable one to deliver everything from simple cloud-based applications to sophistication, cloud-based enterprise applications

"RAG"

Retrieval-Augmented Generation

"3D"

3-dimension, referring to a spacing system in which a direction vector is added in the flat second dimension system

DEFINITIONS AND GLOSSARY OF
TECHNICAL TERMS**"3DGS"**

3D Gaussian Splatting

"3GPP"

Third-generation (3G) Partnership Project

"4G"

the fourth-generation of mobile communications technology, applied in mobile web access, IP telephony, gaming services, high-definition mobile TV, video conferencing, 3D television and cloud computing

"5G"

the fifth-generation of mobile communications technology which has higher speed and capacity and lower latency than 4G

"6G"

the sixth-generation of mobile communications technology which has higher speed and capacity and lower latency than 5G

FINANCIAL HIGHLIGHTS

Financial data	For the six months period ended 30 June		
	2025 RMB million	2024 RMB million	Changes
Revenue	2,598	2,994	(13.2%)
Cost of sales	(1,815)	(2,256)	(19.6%)
Gross profit	783	738	6.1%
Gross profit margin	30.1%	24.7%	5.4 percentage points
Net loss	(202)	(70)	(188.5%)
Net cash used in operating activities	(594)	(919)	35.3%

**GROSS
PROFIT**
RMB **783 Million**

6.1%

CHAIRMAN'S STATEMENT

In the first half of 2025, the ongoing cost-reduction and efficiency-enhancement measures adopted by the Group's major operator customers have brought greater pressure on the development of the Group's traditional business. At the same time, the rapid emergence of new technologies, led by AI, is reshaping the industry landscape. This technological shift has not only brought new opportunities for the Group to enhance operational efficiency and drive innovation, but has also raised the bar for the development of our core business competencies.

In response to these developments, the Group has proactively advanced its strategic initiatives by building three core growth engines: AI large model application and delivery, 5G private network and application, and digital intelligence-driven operation. At the same time, we have actively addressed the adverse effects brought by the ongoing cost-reduction and efficiency-enhancement within the telecommunications sector. To meet the evolving demands of operators and other customers, we have driven the deep integration of "AI+" technologies into our ICT support business, accelerating the transformation and upgrade of our traditional telecommunications business. In the meantime, we have worked with operators and other partners to explore opportunities in government-enterprise collaboration, thereby effectively mitigating the impact of customers' tightened capital expenditure and laying a solid foundation for achieving stable growth throughout the year.

In the first half of the year, the Group's overall revenue and profit declined, primarily due to industry-wide headwinds in the telecommunications sector. Nevertheless, our annual performance is expected to remain stable. In the second half of the year, the three core growth engines are projected to achieve accelerated growth, while the revenue decline in the ICT support business is anticipated to narrow significantly. Excluding the impact of one-off severance compensation incurred due to personnel restructuring optimisation, profit for the year is expected to exceed that of the previous year.



DR. TIAN SUNING

Chairman and
Executive Director

OVERALL RESULTS

During the Reporting Period, the revenue of the Group was approximately RMB2,598 million, representing a year-on-year decrease of 13.2%, among them, revenue from the ICT support business was approximately RMB2,118 million, representing a year-on-year decrease of 14.7%. Revenue from the digital intelligence-driven operation business was approximately RMB408 million, representing a year-on-year decrease of 8.8%. Revenue from the 5G private network and application business was approximately RMB47 million, representing a year-on-year decrease of 26.3%; the order amount of the first half of the year was approximately RMB82 million, representing a year-on-year increase of 51.7%. Revenue from the AI large model application and delivery business was approximately RMB26 million, with a year-on-year increase of 76 times; the order amount of the first half of the year was approximately RMB70 million, with a year-on-year increase of 78 times. (The ICT support business includes: software development and delivery services for business, operations, and management (BOM domains) for customers in the telecommunications sector, as well as ICT software development, delivery, and systems integration for government and enterprise markets.)

To cope with challenges of the ICT support business transformation, the Group implemented a series of cost-reduction and efficiency-enhancement measures proactively, such as personnel restructuring optimisation, applying AI tools to enhance its efficiency, strengthening centralised procurement, and the one-stop official consumption platforms, which have achieved significant results in cost control. In the first half of 2025, gross profit was approximately RMB783 million, representing a year-on-year increase of 6.1%, with a gross profit margin of 30.1%, representing a year-on-year increase of 5.4 percentage points. Net operating cash outflow improved by 35.3% year-on-year. Net loss for the Reporting Period was approximately RMB202 million (compared to net loss of approximately RMB70 million in the same period of the previous year), excluding the impact of one-off severance compensation due to personnel restructuring optimisation, net loss for the Reporting Period was approximately RMB48 million. The Group's revenue is affected by seasonality, and it is expected that net profit will continue to rebound in the second half of the year, with full-year profit better than last year (excluding the impact of one-off severance compensation due to personnel restructuring optimisation).

The Board has attached great importance to the Shareholders' interests and returns, and after giving due consideration to the Group's business development, profitability, and cash flow level, the Board has recommended the guideline of the final dividend for the year of 2025 is 40% of the annual net profit attributable to the Shareholders.

BUSINESS DEVELOPMENT

AI Large Model Application and Delivery Business Achieves Explosive Growth

In 2025, the industrial application of AI large models has witnessed explosive growth. Driven by the enhanced foundational capabilities of DeepSeek and cloud service providers at the beginning of the year, the boundaries of AI large model industrial application have continued to expand, with complexity further increasing, progressing from knowledge management to industrial control optimisation (seeking the most optimal solution in industrial control), and truly transitioning from office scenarios to production. The feasibility of implementation has been consistently validated, accelerating the penetration of large model applications across industries.

Leveraging its first-mover advantage of being the earliest to start and having the most application implementation in the enterprise AI large model application and delivery business, the Group has continuously built a high-quality delivery system, establishing itself as a leader in the AI large model application and delivery business. The Group's data quality governance and enhancement tool primarily utilises an intelligent data cleaning and annotation toolchain combined with rule engines and AI models to automatically rectify data issues and construct domain knowledge bases, improving data usability by 40%. The large model hallucination suppression and controllable generation tool employs RAG, knowledge constraints, and credibility verification mechanisms to ensure the generated content is based on authoritative knowledge, supplemented by post-processing validation to reduce hallucination rates. The large model Q&A accuracy enhancement tool improves response precision through intent recognition, contextual understanding, and multi-model verification, ensuring the reliability of critical answers. The multi-model intelligent function orchestration and scheduling tool leverages a smart routing engine to dynamically select the optimal model combination, balancing cost and performance for efficient inference. The prompt engineering experience accumulation and automation tool systematically manages best practices by establishing a Prompt knowledge base and optimisation platform, supporting automated generation and iterative refinement. By utilising the above toolset, the Group enhances the quality and speed of project delivery, further refining a proven methodology and cultivating a professional team through sustained high-quality execution. The Group will continue to iterate and optimise this system, striving to elevate the efficiency of large model application development, deployment, and operations to new heights. This not only delivers significant commercial value to clients but also solidifies AsiaInfo Technologies' competitive edge and technological barriers in the fiercely competitive AI large model application market.

Through collaborations with Alibaba Cloud, Baidu Intelligent Cloud, NVIDIA, AsiaInfo Security and others, the Group has constructed end-to-end industrial large model solutions covering energy and power, industrial manufacturing, transportation, smart retail, and other large enterprises. We have become a partner in Alibaba Cloud's AI Large Model Galaxy Program, jointly developed nearly 100 projects and created numerous benchmark cases for large model delivery. With a robust pipeline of business opportunities, we are driving the implementation and industrialisation of large models. During the Reporting Period, the joint solution developed with Alibaba Cloud was recognised as one of the first industry application cases in the "Integrated Intelligent Computing Solution for Large Models" by the CAICT; we signed the "ACG Delivery Service Framework" with Baidu Intelligent Cloud and were shortlisted for the "Port Truck Dispatch and Navigation Scenario Solution"; the Group has established a partnership with NVIDIA, combining our large model application and delivery capabilities with NVIDIA's digital twin simulation software to jointly empower domestic manufacturing; and through enhanced large model security capabilities with AsiaInfo Security, we are enabling sustainable business development for clients, laying the foundation for future leadership in large model operations sector. The Group was listed among the top six nationwide in the "Large Model Application Delivery Supplier Directory" jointly released by the Artificial Intelligence Industry Alliance and the CAICT.

We believe that enterprise large model application will adopt a business model combining foundational models and application services, offering strong growth potential and sustainable market opportunities. Leveraging our technological strengths and collaborations with leading AI providers, the Group continues to focus on key industries and steadfastly advances its strategic implementation, having established itself as a leader in large model delivery.

In the first half of 2025, the Group secured orders worth approximately RMB70 million, representing a year-on-year increase of 78 times. In addition, the Group entered into a framework agreement accounted for more than RMB40 million with a company. Revenue from the AI large model application and delivery business in the first half of the year reached approximately RMB26 million, representing a year-on-year increase of 76 times.

5G Private Network and Application Business Continues to Gain Momentum

At this stage, the Group's 5G private network and application business provides an important emerging telecommunications network for energy industries such as the power and mining industries. In the future, the "integrated computing and intelligence" feature of such businesses will play a crucial role in the development of AI-RAN. Especially under the policy guidance of the national unified power market, 5G and AI-RAN technologies will further play a pivotal role in the energy market. By providing customised 5G private network products and advanced industry solutions, as well as offering professional one-stop services and turnkey projects, we have created differentiation in our competitive advantage and become a leading company in the field of 5G private network.

In the field of nuclear power, the Group continued to maintain its leading position. In the first half of the year, on the basis of maintaining the continued market leadership of CNNC, the Group has successfully achieved a breakthrough in Huaneng Group and signed a contract for the 5G private network project for units 3 and 4 of the Changjiang Nuclear Power Plant in Hainan. Up to this point, the Group's nuclear power 5G private network projects have covered 29 units in seven national nuclear power bases, further consolidating its top one position in the market share of nuclear power 5G private network. The 5G private network project of Tianwan Nuclear Power Station undertaken by the Group was successfully accepted. During the construction period, the Group was honoured with various accolades, including "5G Excellent Case of the Year" by the National Energy Administration, being one of the first batch of companies included in the "5G Factory Directory" by the MIIT, "Advanced Intelligent Factory" by Jiangsu Province, and others. Moreover, the 5G private network project of Fuqing Nuclear Power Station undertaken by the Group, which is also the first 5G private network project engaging the Hualong unit, has successfully gained acceptance and favourable feedback from customers. In the first half of 2025, the country's investment in the new nuclear power sector exceeded RMB200 billion, and AsiaInfo's 5G private network in nuclear power business is expected to grow continuously.

In the field of new energy, the Group continues to make efforts in wind power and photovoltaic markets, and has currently covered more than 210 new energy stations and achieved project breakthroughs for a number of energy group customers. These projects include, among others, 5G private network project of Inner Mongolia Energy Group Co., Ltd., 5G private network project of China Energy Engineering Corporation, Zero Carbon Service Area Phase II of Hainan Province Communications Investment Holding Co., Ltd. At the same time, new energy 5G and AI-RAN technologies have begun to accelerate their entry into the distributed photovoltaic, integrated energy and virtual power plant businesses, and have played an important role in increasing income and saving costs for participants in the power market, and saving energy and reducing emissions to enhance efficiency for users in the electricity consumption market.

In the field of mining, the Group established an associated company with Zhengzhou Coal Mining Machinery Group Company Limited to explore the new model of "digital and intelligent operation of mines and equipment manufacturing". In the first half of the year, the Group acquired projects such as Zhengzhou Coal Smart Supervision Platform, China Coal AI Management and Control Platform, China Coal Pingshuo Open-pit Mining Smart Transportation and others. In addition, the Group's launch of intrinsically safe 5G private network base stations has obtained network access authorisation, and the Group has entered into cooperation with multiple 5G intrinsically safe certifiers, including CCTEG Changzhou Research Institute and China Coal. Meanwhile, we have signed a framework procurement agreement with Hangzhou Jiaoyang Communications Technology Ltd. for intrinsically safe 5G private network base stations.

In the first half of 2025, the Group has signed orders for the business amounted to approximately RMB82 million, representing a year-on-year increase of 51.7%, while revenue amounted to approximately RMB47 million, representing a year-on-year decrease of 26.3%, which was mainly attributable to the delay in some nuclear power orders and the delay in revenue recognition. In the second half of the year, the Group will expedite order conversion, which is expected to drive rapid performance growth.

Optimisation of Digital Intelligence-driven Operation Business Structure and Continued Growth in the Non-Telecommunications Industry

Leveraging over 30 years of practical experience in business support and data governance in the telecommunications sector, along with an extensive network of industry experts, the Group has expanded its offerings to major industries with large end-user bases, such as finance, automobile and consumer sectors. It provides data operation services based on “data aggregation + scenario insights + AI empowerment”, continuously creating and enhancing value for clients. This approach has further strengthened the Group’s leading position in the results-based charging commerce models.

In the non-telecommunications industry, the Group achieved an overall year-on-year order growth of 18.2% in the first half of the year, of which:

In the finance sector, the Group focused on the needs of banks, insurance, consumer finance, internet finance, and fintech companies, delivering AI-driven data tools and end-to-end operation services. Landmark projects were successfully implemented, including digital intelligence operations for UnionPay, branch-level digital operations for the Postal Savings Bank, and a CDP (customer data platform) for an insurance company with a substantial year-on-year increase of 48.3% in order amount.

In the automobile sector, in response to a market environment with intensive internal competition, the Group provided efficiency-enhancing solutions centred around lead rating, performance marketing, and intelligent customer service to assist clients explore value in the existing market. The Group successfully launched projects on digital intelligence capabilities such as intelligent customer service for a leading automobile company and AI intelligence training system for sales consultants of a leading automobile company, and the Group successfully expanded the field of second-handed car line rating. In the first half of the year, orders in the automobile sector increased by 5.3% year-on-year.

In the consumer sector, in response to structural adjustments and the market environment was in the stage of slowing growth, the Group actively pursued innovation and achieved structural breakthroughs through a differentiated strategy centred on “factor data resources + AI agent”. We successfully secured a leading sports brand project, a leading food and beverage brand project, and a cultural and tourism digital intelligence platform upgrade project of a central enterprise, laying the foundation for subsequent large-scale replication and promotion. In the first half of the year, orders in the consumer sector increased by 4.4% year-on-year.

In the telecommunications sector, the Group leveraged a “scenario + AI Agent” strategy to enhance operational efficiency of clients and drive business revenue growth. Firstly, through joint innovation with operators, the Group supported clients in implementing value-based operations at scale, securing projects such as an intelligent marketing service assistant agent for operators’ household customers, an AI solution advisor for government and enterprise clients, and a frontline AI sales assistant. Secondly, the Group actively integrated the rights resources and technical capabilities of leading internet enterprises, and united with operator customers to develop operational innovations in areas such as households and business enterprise customers, and help customers to generate revenue by obtaining projects such as AI intelligent marketing, AI intelligent recommendation, and the introduction of rights to cooperative operations with a carrier.

In the first half of 2025, revenue from this segment reached approximately RMB408 million, representing a year-on-year decrease of 8.8%, primarily driven by increased cost control efforts by operators. However, the business structure continued to improve, with revenue from results-based and commission-based charging models accounting for 33.4%, up by 6.7 percentage points year-on-year. The Group will accelerate order conversion and revenue realisation in the second half of the year to ensure the achievement of full-year targets.

ICT Support Business Proactively Responds to Industry Transformation and Accelerates Expansion in New Customers and Projects

The Group has clearly positioned itself as a software service provider, acknowledging the structural adjustments occurring in the traditional operator industry while embracing the new opportunities emerging across various sectors in the AI era. We will base ourselves on our operator's base of business and stabilise the ICT support business in the telecommunications sector, laying a solid foundation for the Group's overall business enhancement and transformation.

In terms of business and network IT support, the Group based on technologies including large model and intelligent agent, etc., to empower marketing, customer service, network operation and maintenance, technological innovation and other business scenarios, to assist customers with their "AI +" action plan. In the first half of 2025, the Group accelerated the application of AI in the BSS and OSS businesses, and 48 new projects were signed, including the R&D project of an operator's intelligent platform and the project of technological innovation platform, etc. The deployment of AI tool platform exceeded 10 provinces, and more than 10 metahuman projects have been implemented, including product sales and assisted acceptance. In addition, the Group has been steadily sourcing new customers and projects, the first phase of the HKT project has been successfully launched, and the billing system of a satellite operator has also been successfully implemented and launched.

In terms of joint market development in the government and enterprise sectors, the Group focuses on data governance, trusted data space, public services, low altitude economy and other areas, and collaborates with operators to open up the market and break the ceiling of traditional business. Several projects have been successfully delivered, including: data governance of an energy central enterprise, digital network of a province's energy bureau, a province's construction supervision and public service platform, a city's health service platform, a province's Forestry and Grassland Bureau's digital forestry platform, and a city's intelligent tourism service platform, among others.

In the first half of 2025, the Group's ICT support business maintained a leading market share, with revenue reaching approximately RMB2,118 million. However, due to factors such as reduced overall investment by operators, revenue declined by 14.7% year-on-year. To offset the downward pressure in the BSS business, the Group implemented a series of measures, including AI empowerment, expansion into new services for existing customers, expansion of new clients, and joint market development in the government and enterprise sector. Meanwhile, the Group continued to restructure its organisational model from an "olive-shaped" to a "pyramid-shaped" structure to reduce delivery costs. The Group also leveraged AI large models and other new tools to empower internal operations to achieve cost-reduction and efficiency-enhancement in order to significantly narrow the decline in full-year revenue of the ICT support business.

Strengthening the Technological Leadership of Products such as Cloud Network and Digital Intelligence

In the first half of the year, AsiaInfo Technologies continued to focus on the three major product systems of "Cloud Network", "Digital Intelligence" and "IT", comprehensively promoting the evolution and innovation of the product system towards AI Native, and continuously strengthening its technological leadership to provide strong support for the Group's three core growth engines.

In the field of cloud network domain, we continued to increase our influence through joining the AI-RAN Alliance, winning relevant awards at the GTI Awards, being selected for the Omdia Report, receiving the TM Forum Award for our joint project with operators, and receiving the Second Class Award for Scientific and Technological Advancement from the Chinese Institute of Electronics for our Smart Open Wireless Networking products. Our 5G network intelligent product system has been selected as a typical vendor in Gartner's relevant matrix for four consecutive years. We have also promoted the AI Native restructuring and innovation of this system, and created intelligent bodies and CoPilot toolsets for the advanced evolution of self-intelligent networks for commercial use by multiple operators, among which the "Self-Intelligent Network Smart Troubleshooting and Inspection Assistant" was awarded the "Excellent Case of Intelligent Agent Application" by the CAICT. In addition, we have also jointly released the "DeepSeek Enabling Self-Intelligent Network Advanced Evolution Evaluation Report" with the Intelligent Industry Research Institute of Tsinghua University, which provides the basis and reference for the large model-enabled self-intelligent network to evolve towards the advanced stage. In terms of technology and product innovation in the cloud network domain, the Group has built an AI-RAN product system to assist enterprises in digital transformation. The Group plans to conduct R&D in Agentic wireless network and core network, build 5G/6G private network with intentional awareness, high degree of self-intelligence and autonomy, and evolve towards Agentic self-intelligent network, all of which will benefit operators' self-intelligent networks to continuously evolve to an advanced level.

In the field of digital intelligence, we launched a series of innovative products, including the newly introduced "Yuansi AI Gateway", and established a comprehensive industry-oriented large model product framework comprising "2 large model platforms, 5 LLMs, and N Augmented Cognition Tools". With a full-stack capability system and strong adaptability to mainstream foundational models, we have achieved large-scale commercialisation, with over 240 successful cases. Our digital intelligence products have been featured in 16 research reports of leading international authoritative advisory institutions. Our data infrastructure platform won the first "DataOps" Innovative Product Award of the CAICT, while our trusted data space product passed certification and contributed to the drafting of technical standards, affirming AsiaInfo Technologies' leading position in the industry of trusted data circulation. From a technology and innovation perspective in the field of digital intelligence, the Group has developed multi-agent collaboration capabilities based on Agentic AI, advancing the deep integration of telecommunications network and intelligent agents, and empowering the Internet economy based on intelligent agents. In addition, catering for AI composable data infrastructure, we have enhanced our capabilities in integrated digital-intelligence multimodal data management, metadata technologies, and established a high-quality data supply system based on advanced data engineering. We are also exploring innovations in digital intelligence products enabled by ontology and semantic technologies to deepen enterprise-level domain knowledge insights and improve the accuracy of data-driven decision-making.

In the field of IT, the Group is committed to building a new generation of intelligent application infrastructure. Our AI-native general-purpose IT product system is evolving towards an integrated AI Native, offering capabilities such as intelligent computing infrastructure management and control, inference acceleration, and GPU virtualisation with elastic scheduling, positioning us at the forefront of the intelligent computing infrastructure field. We have extended DevOps to support observability for large models and intelligent agent, so as to ensure the stable operation of AI application. Furthermore, we build SDLC (Software Development Life Cycle) intelligent agent to develop the intelligent software development delivery tools and create a co-evolution foundation for code generation and collaboration. Our digital twin products AI Native have been restructured and upgraded, enabling advancements in spatial intelligence and AI Agent capabilities, including real-time perception and other abilities. Our leadership in IT product technologies continues to strengthen, as evidenced by our mature products, solutions, and differentiated advantages being selected multiple times in several reports of international authorities such as Gartner and IDC. Notably, our PaaS platform, Turing intelligent development kit, and digital twin products have been featured in relevant research publications, with our proposed concept of SimOps (Simulation Operations and Digital Twins) cited by Gartner. Our digital twin project has been honoured with the “Outstanding Project” Award at the 2025 Digital China Innovation Contest. In addition, thanks to our strong performance in Model-Generating Agent, we received the “Yaoguang Award” at the “Tianshu Cup” Competition. Looking ahead in the IT sector, in terms of technology and product innovation, we are planning to develop foundational digital space infrastructure based on technologies such as NeRF, 3DGS, spatial computing, and spatial intelligence to empower the low-altitude economy. We are building trusted infrastructure using blockchain and middleware technologies to facilitate reliable data circulation and on-chain and off-chain trustworthy governance. Furthermore, we aim to develop intelligent computing infrastructure based on energy efficiency/hybrid computing, AI gateways (supporting MCP and ACP protocols), and AI-assisted programming, with the goal of simplifying enterprise adoption of intelligent services, enhancing usage security, and accelerating enterprise intelligent innovation.

By continuously participating in the work of international/domestic technical standard setting organisations such as 3GPP, ITU, ETSI, IEEE, TMF, O-RAN, etc., the proportion of international standards of the Group increased significantly. As of June 2025, the Group accumulated 356 international/domestic technical standards, including 26 new settings in the first half of the year, covering core technology fields such as digital intelligence-driven large models, 5G private networks and O-RAN, which would further enhance the Group’s influence in the industry technology with more discourse power. In terms of intellectual property, the Group obtained 32 new software copyrights and 45 new patents, and applied for 29 patent applications in the first half of the year.

OUTLOOK

The results for the second half of the year is expected to improve significantly compared to the first half of the year, and the Group is determined to achieve its full-year targets by optimising the rhythm of signing contracts. In this regard, the Group will adhere to a steady and progressive development strategy. On one hand, we will continue to consolidate the foundation of our core telecommunications business to promote a steady recovery of our fundamental operations in ICT support business. On the other hand, we will continue to focus on cultivating three core growth engines: AI large model application and delivery, 5G private network and application, and digital intelligence-driven operation. We will also accelerate our pace of signing contracts, to maintain a stable and healthy annual performance. Meanwhile, we will accelerate the commercialisation of AI large model application and delivery, 5G private network and application business orders, to achieve high performance growth of the year. Combining digital intelligence-driven operation business with AI and intelligent agent technology, we will continue to promote the innovative results-based charging commerce models, and optimise the business structure.

On behalf of the Board, I would like to extend our sincerest gratitude to all Shareholders who have always given us their trust and support, to our customers who have cooperated with us, and to people from all walks of life who care about the development of AsialInfo Technologies. At the same time, we would like to express our heartfelt respect to each and every one of our employees who have been working hard for the development of the Group and have been quietly dedicated to the Group. AsialInfo Technologies' ability to venture steadily in the complex and dynamic market environment lies on your support and dedication.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERALL OPERATING RESULTS

In the first half of 2025, the Group's current overall operating scale is under pressure due to the ongoing cost-reduction and efficiency-enhancement in the telecommunications sector. However, amid the wave of new AI technologies, the Group's AI large model application and delivery business has achieved explosive growth, while the 5G private network and application business has continued to gain momentum, and it has kept optimising the business structure of digital intelligence-driven operation. Meanwhile, the Group has strengthened internal cost management to support sustainable development, and its business fundamentals will continue to be sound in the long term.

In the first half of 2025, the Group achieved revenue of approximately RMB2,598 million (the corresponding period in 2024: approximately RMB2,994 million), representing a decrease of 13.2% year-on-year.

In the first half of 2025, the Group achieved gross profit of approximately RMB783 million (the corresponding period in 2024: approximately RMB738 million), representing an increase of 6.1% year-on-year, and achieved a gross profit margin of 30.1% (the corresponding period in 2024: 24.7%), representing an increase of 5.4 percentage points year-on-year. Net loss was approximately RMB202 million, and the adjusted net loss excluding one-off severance compensation due to personnel restructuring optimisation was approximately RMB48 million (the corresponding period in 2024: net loss of approximately RMB70 million).

In the first half of 2025, net cash used in operating activities amounted to approximately RMB594 million (the corresponding period in 2024: approximately RMB919 million), representing a significant improvement of 35.3% year-on-year.

REVENUE

As a result of ongoing cost-reduction and efficiency-enhancement of the telecommunications sector, the Group achieved revenue of approximately RMB2,598 million in the first half of 2025 (the corresponding period in 2024: approximately RMB2,994 million), representing a decrease of 13.2% year-on-year. The following table sets forth the breakdown of our revenue by business category for the Reporting Period, both in absolute amounts and as percentages of our total revenue:

	For the six months period ended 30 June			
	2025		2024	
	RMB'000	%	RMB'000	%
ICT support business	2,117,736	81.5	2,483,649	83.0
Digital intelligence-driven operation business	407,647	15.7	447,001	14.9
5G private network and application business	46,652	1.8	63,277	2.1
AI large model application and delivery business	25,840	1.0	335	0.0
Total revenue	2,597,875	100.0	2,994,262	100.0

As the growth of the telecommunications sector slowed down, operator customers continued to increase their efforts to reduce costs, resulting in a year-on-year decline in the Group's ICT support business revenue. In the first half of 2025, the ICT support business achieved revenue of approximately RMB2,118 million (the corresponding period in 2024: approximately RMB2,484 million), representing a year-on-year decrease of 14.7%.

MANAGEMENT DISCUSSION AND ANALYSIS

Revenue from the Group's digital intelligence-driven operation business declined year-on-year due to the tightening of operating and consulting project budgets by the operator customers. In the first half of 2025, the digital intelligence-driven operation business achieved revenue of approximately RMB408 million (the corresponding period in 2024: approximately RMB447 million), representing a year-on-year decrease of 8.8%, accounting for approximately 15.7% of the total revenue (the corresponding period in 2024: 14.9%), representing an increase of 0.8 percentage points year-on-year.

Affected by the signing rhythm of major projects, in the first half of 2025, the 5G private network and application business achieved revenue of approximately RMB47 million (the corresponding period in 2024: approximately RMB63 million), representing a year-on-year decrease of 26.3%, accounting for approximately 1.8% of the total revenue (the corresponding period in 2024: 2.1%), representing a year-on-year decrease of 0.3 percentage points.

The Group has seized the new market opportunities arising from AI large models and has taken the lead in the field of AI large model application and delivery. In the first half of 2025, the AI large model application and delivery business achieved revenue of approximately RMB26 million (the corresponding period in 2024: approximately RMB0.3 million), accounting for approximately 1.0% of the total revenue, representing a year-on-year explosive growth.

Cost of Sales

In the first half of 2025, the cost of sales was approximately RMB1,815 million (the corresponding period in 2024: approximately RMB2,256 million), representing a year-on-year decrease of 19.6%, which is mainly due to the Group's adjustment of personnel structure and strengthening of cost control.

Gross Profit and Gross Profit Margin

In the first half of 2025, our gross profit was approximately RMB783 million (the corresponding period in 2024: approximately RMB738 million), increasing by 6.1% year-on-year, and our gross profit margin was 30.1% (the corresponding period in 2024: 24.7%), increasing by 5.4 percentage points year-on-year. The increase in gross profit was mainly due to the Group's adjustment of personnel structure and strengthening of cost control.

Selling and Marketing Expenses

The Group continues to strengthen the marketing activities required for business development. In the first half of 2025, selling and marketing expenses were approximately RMB223 million (the corresponding period in 2024: approximately RMB221 million), a year-on-year increase of 1.1%.

Administrative Expenses

Affected by the increase in one-off severance compensation due to the adjustment of personnel structure, in the first half of 2025, administrative expenses amounted to approximately RMB297 million (the corresponding period in 2024: approximately RMB183 million), representing an increase of 62.4% year-on-year; administrative expenses excluding the one-off severance compensation were approximately RMB143 million.

R&D Expenses

The Group maintained a moderate level of R&D investment in line with its operational situation to evolve its R&D product system, supporting the Group's strategic transformation. In the first half of 2025, R&D expenses amounted to approximately RMB415 million (the corresponding period in 2024: approximately RMB436 million), representing a year on year decrease of 4.9%.

MANAGEMENT DISCUSSION AND ANALYSIS

Income Tax Credit

Due to short-term pressure on the Group's performance resulting in a temporary loss, income tax credit of the first half of 2025 amounted to approximately RMB34 million (the corresponding period in 2024: approximately RMB21 million).

Net Loss

In the first half of 2025, the Group's net loss was approximately RMB202 million and the net loss excluding the one-off severance compensation was approximately RMB48 million (the same period in 2024: a net loss of approximately RMB70 million), mainly due to the increase in one-off severance compensation due to personnel structure adjustments.

Interim Dividend

The Board has resolved not to declare any interim dividend for the Reporting Period (the corresponding period in 2024: nil).

Financial Position

The overall financial position of the Group remained sound and healthy. As at 30 June 2025, total assets amounted to approximately RMB9,311 million (31 December 2024: approximately RMB10,500 million), decreasing by 11.3% year-on-year. Total liabilities amounted to approximately RMB3,153 million (31 December 2024: approximately RMB3,859 million), decreasing by 18.3% year-on-year. Net assets were approximately RMB6,158 million (31 December 2024: approximately RMB6,641 million), decreasing by 7.3% year-on-year. The changes mentioned above are mainly due to the payment of the approved annual dividends, and normal variations arising from business operations during the Reporting Period.

Net Current Assets

As at 30 June 2025, net current assets amounted to approximately RMB3,597 million (31 December 2024: approximately RMB4,177 million), decreasing by 13.9% year-on-year. The decrease in net current assets was mainly due to dividend distribution.

Goodwill

As at 30 June 2025, total goodwill was approximately RMB1,932 million (31 December 2024: approximately RMB1,932 million). During the Reporting Period, we assessed that there was no indication of impairment and no impairment risk. The Group will appoint a professional independent valuer to conduct an annual impairment assessment of the goodwill at the end of each year.

Cash and Cash Equivalents

As at 30 June 2025, cash and cash equivalents amounted to approximately RMB613 million (31 December 2024: approximately RMB1,618 million), representing a year-on-year decrease of 62.1%, mainly due to distribution of dividends and daily operating expenses.

Trade and Notes Receivables

Trade and notes receivables represented the outstanding trade and notes receivables from our customers for purchasing our products or services. As at 30 June 2025, trade and notes receivables amounted to approximately RMB1,785 million (31 December 2024: approximately RMB2,065 million), decreasing by 13.6% year-on-year, mainly due to the maturity of notes receivable (the above figures include trade and notes receivables with China Mobile Group).

MANAGEMENT DISCUSSION AND ANALYSIS

Contract Assets and Contract Liabilities

As at 30 June 2025, contract assets amounted to approximately RMB2,957 million (31 December 2024: approximately RMB2,932 million), up by 0.9% year-on-year; contract liabilities amounted to approximately RMB250 million (31 December 2024: approximately RMB294 million), decreasing by 15.2% year-on-year. The changes mentioned above are mainly due to normal variations arising from business operations during the Reporting Period (the above figures include contract assets and contract liabilities with China Mobile Group).

Financial assets measured at FVTPL — current

As at 30 June 2025, financial assets measured at FVTPL — current amounted to approximately RMB158 million (31 December 2024: approximately RMB179 million), decreasing by 11.8% year-on-year, which was mainly due to the redemption of wealth management products. During the Reporting Period, no single wealth management product investment accounted for over 5% of the Group's total assets.

Inventories

As at 30 June 2025, inventories were approximately RMB412 million (31 December 2024: approximately RMB275 million), representing a year-on-year increase of 49.9%. The aforesaid change was due to the increase in the costs of fulfilling a contract as a result of the changes in business development.

Trade and Notes Payables

The trade and notes payables represented the outstanding trade and notes payables to hardware, software and outsourcing service providers. As at 30 June 2025, the trade and notes payables amounted to approximately RMB958 million (31 December 2024: approximately RMB1,104 million), down by 13.2% year-on-year, which was mainly the result of the normal changes in line with our business development.

Deposits Received, Accrued Expenses and Other Payables

As at 30 June 2025, deposits received, accrued expenses and other payables were approximately RMB1,238 million (31 December 2024: approximately RMB1,640 million), decreasing by 24.5% year-on-year; the above changes were mainly due to the normal changes in line with our business development.

Borrowings

As at 30 June 2025, the Group had no bank borrowings (31 December 2024: nil) and thus, the corresponding gearing ratio¹ was nil (31 December 2024: nil).

Note 1: The gearing ratio was calculated by dividing total bank borrowings by total equity and multiplied by 100%.

Contingent Liabilities

As at 30 June 2025, the Group had no significant contingent liabilities (31 December 2024: nil).

Cash Flow

In the first half of 2025, net cash used in operating activities was approximately RMB594 million (the corresponding period in 2024: approximately RMB919 million), representing a significant year-on-year improvement of 35.3%, which was mainly due to the increase in sales returns during the Reporting Period as compared to the corresponding period last year and the Group's efforts to strengthen cost control on operating expenses.

MANAGEMENT DISCUSSION AND ANALYSIS

In the first half of 2025, net cash generated from investing activities was approximately RMB8 million (the corresponding period in 2024: approximately RMB328 million), down by 97.6% year-on-year, which was mainly due to the difference in the scale of the redeemed wealth management products.

In the first half of 2025, net cash used in financing activities was approximately RMB417 million (the corresponding period in 2024: approximately RMB696 million), representing a year-on-year improvement of 40.0%, which was due to the difference in the scale of payment of dividends distributed and dividend taxes during the corresponding period.

Cash and cash equivalents include cash at banks and other short-term deposits. The Group has bank balances and time deposits denominated in RMB, US dollars and Hong Kong dollars.

Funding and Working Capital Management

Funding and liquidity are managed by the treasury department of the Group. The treasury department is responsible for the overall management and implementation of the Group's internal funding, including developing the funding management policy of the Group, preparing the annual funding plan, supervising and evaluating the execution and implementation of the funding plan and taking charge of the daily funding management of the members of the Group. We also adopted an intensive funding management policy and issued administration measures on various aspects of funding management, such as account management, capital budget, fund payment as well as credit and facility grants, so as to ensure fund safety and improve the performance and efficiency in funding management.

Foreign Exchange Risk

Foreign exchange risk is the risk of loss resulting from changes in foreign currency exchange rates. Fluctuations in exchange rates between RMB and other currencies in which the Group conducts business may affect its financial position and operating results. The foreign exchange risk the Group faces mainly comes from movements in the HKD/RMB and USD/RMB exchange rates.

As of 30 June 2025, the Group did not have foreign currency hedging activity. However, the management of the Group continuously monitors foreign currency exposure and will consider hedging significant foreign currency exposure should the need arise.

Significant Investments Held, Material Acquisitions or Disposals of Subsidiaries and Future Plans Regarding Capital Asset Acquisitions or Material Investments

The Group had no significant investments held or material acquisitions and disposals of subsidiaries, associates and joint ventures during the Reporting Period. As at 30 June 2025, the Group had no clear defined plans relating to significant capital asset acquisitions or material investments, nor future plans of significant disposals of subsidiaries, associates and joint ventures.

OTHER INFORMATION

CORPORATE GOVERNANCE PRACTICES

The Company strives to maintain high standards of corporate governance in order to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the CG Code as its own code of corporate governance. During the Reporting Period, the Company has applied the principles of the CG Code on the Company's corporate governance structure and operations, and has always complied with all applicable code provisions of the CG Code. The Company will continue to review and oversee the corporate governance practices to ensure its compliance with the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as the code of conduct regarding the securities transactions of the Directors. Having made specific enquiries of all Directors, all Directors have confirmed that they have complied with the required standards as set out in the Model Code during the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the Reporting Period, the trustee did not purchase Shares on the Stock Exchange pursuant to any share award scheme of the Company, and neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

AUDIT COMMITTEE

The Audit Committee has, together with the management and external auditor of the Company, reviewed the accounting principles and practices adopted by the Group and the unaudited interim results of the Group for the Reporting Period. The Audit Committee has also reviewed the effectiveness of risk management and internal control systems of the Company and believed that the risk management and internal control systems are effective and adequate.

INTERESTS AND SHORT POSITIONS OF THE DIRECTORS AND CHIEF EXECUTIVES IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2025, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which would be 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 or short positions which they were taken or deemed to have under such provisions of the SFO) or which would be required under Section 352 of the SFO to be recorded in the register to be kept under that section, or which would be required under the Model Code to be notified to the Company and the Stock Exchange, are as follows:

Name of Directors/chief executive	Nature of interest (Note A)	Number of Shares	Approximate percentage of shareholding interest in the Company (Note B)
Dr. TIAN Suning ¹	Beneficial owner (L)	49,244,764	5.25%
	Interest in controlled corporation (L)	1,151,111	0.12%
	Interest in controlled corporation (L)	190,016,976	20.27%
	Interest in controlled corporation (L)	39,442,000	4.21%
	Total:	279,854,851	29.86%
Mr. GAO Nianshu ²	Beneficial owner (L)	20,742,257	2.21%
	Beneficiary of a trust (L)	1,600,000	0.17%
	Other (L)	3,798,656	0.41%
	Total:	26,140,913	2.79%
Dr. ZHANG Ya-Qin ³	Beneficial owner (L)	112,000	0.01%
Mr. GE Ming ³	Beneficial owner (L)	112,000	0.01%
Ms. TAO Ping ³	Beneficial owner (L)	112,000	0.01%

**OTHER
INFORMATION****Notes:**

A. (L) — Long position; (S) — Short position.

B. As of 30 June 2025, a total of 937,322,880 Shares had been issued.

- ¹ (i) 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.
- (ii) Dr. TIAN ultimately controls and beneficially owns approximately 51.42% of the equity interest in AsialInfo Security, thus Dr. TIAN is deemed to be interested in the 190,016,976 Shares held by AsialInfo Investment Limited. For details of AsialInfo Security's shareholding in the Company, please refer to note 4 in the section headed "Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares".
- (iii) 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.
- ² These interests comprise (i) 20,742,257 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 held by the custodian, Noble (Nominees) Limited; and (iii) the interests in the 1,600,000 Shares granted to Mr. GAO under the 2023 Share Award Scheme held by the trustee, AsialInfo SAS Management Trust.
- ³ The Company granted 112,000 share options to the independent non-executive Directors, namely Dr. ZHANG, Mr. GE and Ms. TAO, under the 2019 Share Option Scheme, respectively, details of which are set out in the announcements of the Company dated 16 June 2020 and 25 March 2021 and the section headed "2019 Share Option Scheme" under the "Share Schemes" section of the 2024 annual report, respectively.

Save as disclosed above, none of the Directors nor chief executives of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which would be required to be notified to the Company and the Stock Exchange; or which would be required to be registered in the register to be kept pursuant to Section 352 of the SFO, or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2025, to the best of knowledge of the Directors, the following persons (other than the Directors and chief executives of the Company) had interests or short positions in the Shares or underlying Shares which would fall under the provisions of Divisions 2 and 3 of Part XV of the SFO to be disclosed to the Company, or which would be required to be recorded in the register required to be kept under Section 336 of the SFO:

Name of Shareholders	Nature of interest (Note A)	Number of Shares	Approximate percentage of total number of Shares in issue (Note B)
AsialInfo Security ⁴	Beneficial owner (L)	279,854,851	29.86%
Nanjing AsialInfo Information Security Technology Co., Ltd. ⁴	Interest in controlled corporation (L)	279,854,851	29.86%
AsialInfo Technologies (Chengdu), Inc. ⁴	Interest in controlled corporation (L)	279,854,851	29.86%
Tianjin AsialInfo Jin'an Technologies Co., Ltd. ⁴	Interest in controlled corporation (L)	279,854,851	29.86%
Tianjin AsialInfo Jinxin Consulting Partnership (Limited Partnership) ⁴	Interest in controlled corporation (L)	279,854,851	29.86%
Tianjin Kehai Investment Development Co., Ltd. ⁴	Interest in controlled corporation (L)	279,854,851	29.86%
Tianjin Jinnan Urban Construction Investment Co., Ltd. ⁴	Interest in controlled corporation (L)	279,854,851	29.86%
Tianjin Jinnan State-owned Capital Investment and Operation Group Co., Ltd. ⁴	Interest in controlled corporation (L)	279,854,851	29.86%
Tianjin AsialInfo Xinning Technology Co., Ltd. ⁴	Interest in controlled corporation (L)	279,854,851	29.86%

Notes:

A. (L) — Long position; (S) — Short position.

B. As at 30 June 2025, a total of 937,322,880 Shares had been issued.

⁴ AsialInfo Security (as the sole shareholder of Nanjing AsialInfo Information Security Technology Co., Ltd.), Nanjing AsialInfo Information Security Technology Co., Ltd. (as the sole shareholder of AsialInfo Technologies (Chengdu), Inc.), AsialInfo Technologies (Chengdu), Inc. (as a sole shareholder of Tianjin AsialInfo Jin'an Technologies Co., Ltd.), Tianjin AsialInfo Jin'an Technologies Co., Ltd. (as the general partner of Tianjin AsialInfo Jinxin Consulting Partnership (Limited Partnership)), Tianjin Kehai Investment Development Co., Ltd. (as the general partner of Tianjin AsialInfo Jinxin Consulting Partnership (Limited Partnership)), Tianjin AsialInfo Jinxin Consulting Partnership (Limited Partnership) (the controlling shareholder of Tianjin AsialInfo Xinning Technology Co., Ltd.) and Tianjin AsialInfo Xinning Technology Co., Ltd. (as the sole shareholder of AsialInfo Investment Limited) is respectively deemed or taken to be interested in all the Shares which are beneficially owned by AsialInfo Investment Limited for the purpose of Part XV of the SFO. AsialInfo Investment Limited also pledged 190,016,976 Shares held by it to Tianjin Branch of China Bohai Bank Co., Ltd on 12 March 2025.

OTHER
INFORMATION

Tianjin Kehai Investment Development Co., Ltd. is wholly owned by Tianjin Jinnan Urban Construction Investment Co., Ltd. which in turn is owned as to 90.08% by Tianjin Jinnan State-owned Capital Investment and Operation Group Co., Ltd..

Pursuant to the Voting Rights Entrustment Agreement entered into between Dr. TIAN, Info Addition Capital Limited Partnership, PacificInfo Limited and CBC Partners II L.P. (collectively the "Voting Rights Entrusting Shareholders") and AsialInfo Security on 16 January 2024, the Voting Rights Entrusting Shareholders have agreed to entrust the voting rights enjoyed as shareholders of all the shares held by them to AsialInfo Security, and AsialInfo Security may assign all or any part of the benefit of, or its rights or benefits and transfer its obligations under the Voting Rights Entrustment Agreement to the AsialInfo Security's successor in title. Therefore, Dr. TIAN and his controlled entities will hold and be entitled to exercise the voting rights of an aggregate of 279,854,851 Shares.

Name of Shareholders	Nature of interest (Note A)	Number of Shares	Approximate percentage of total number of Shares in issue (Note B)
China Mobile International Holdings Limited ⁵	Beneficial owner (L)	182,259,893	19.44%
China Mobile Limited ⁵	Interest in controlled corporation (L)	182,259,893	19.44%
China Mobile Hong Kong (BVI) Limited ⁵	Interest in controlled corporation (L)	182,259,893	19.44%
China Mobile (Hong Kong) Group Limited ⁵	Interest in controlled corporation (L)	182,259,893	19.44%
China Mobile Communications Group Co., Ltd. ⁵	Interest in controlled corporation (L)	182,259,893	19.44%
Ocean Voice Investment Holding Limited ⁶	Beneficial owner (L)	60,129,928	6.42%
Sino Venture Capital 1B ⁶	Interest in controlled corporation (L)	60,129,928	6.42%
Sino Venture Capital 1 VCC ⁶	Interest in controlled corporation (L)	60,129,928	6.42%
Sino Capital Management Company Ltd. ⁶	Interest in controlled corporation (L)	60,129,928	6.42%
Mr. LIAO Hsueh-Hsuan ⁶	Interest in controlled corporation (L)	60,129,928	6.42%
Sino Suisse Financial Holding Limited ⁶	Interest in controlled corporation (L)	60,129,928	6.42%
A.M.Y. (Sinosuisse) Ltd. ⁶	Interest in controlled corporation (L)	60,129,928	6.42%
Mr. LIU Chung Hsing ⁶	Interest in controlled corporation (L)	60,129,928	6.42%

⁵ 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 which are owned beneficially by China Mobile International Holdings Limited for the purpose of Part XV of the SFO.

OTHER INFORMATION

⁶ 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 9 May 2025. 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 Limited (as the management shareholder of Sino Venture Capital 1 VCC) and Mr. LIAO Hsueh-Hsuan (holding 99% equity interest of Sino Capital Management Company Limited) 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. (Sinossuisse) 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.

Save as disclosed above, as at 30 June 2025, to the best of the Directors' knowledge, 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 fall under the provisions of Divisions 2 and 3 of Part XV of the SFO to be disclosed to the Company, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in this interim report, at no time during the Reporting Period did the Group enter into any arrangement that would enable the Directors to acquire benefits by means of acquisition of Shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their respective spouses or children under the age of 18 were granted any right to subscribe for the share capital or debt securities of the Company or any other body corporate or had exercised any such right.

SHARE SCHEMES

Share Option Schemes

The (i) Pre-IPO Share Option Scheme and (ii) 2019 Share Option Scheme were approved and adopted by the Shareholders on 26 June 2018 and 25 November 2019, respectively, in order to grant eligible Directors, management and employees of the Group such related share-based compensation. The Remuneration Committee will, from time to time, determine the eligibility of participants to be granted any option as an incentive pursuant to, including but not limited to, the current and expected contribution of such participant, general financial position of the Group, general business targets and future plans of the Group. The Pre-IPO Share Option Scheme and the 2019 Share Option Scheme are aimed to approve and reward eligible participants who have contributed to the Group's growth and development.

OTHER
INFORMATION

Pre-IPO Share Option Scheme

The Pre-IPO Share Option Scheme has expired after 11:59 p.m. on the business day before the listing date. The Company will no longer grant share options under the Pre-IPO Share Option Scheme. The provisions of the Pre-IPO Share Option Scheme shall remain in full force and effect to the extent necessary for the grant of any share options before the expiration of validity or other circumstances that may be required under the provisions of the scheme. Please refer to the Prospectus for further details of the Pre-IPO Share Option Scheme.

The particulars of outstanding options under the Pre-IPO Share Option Scheme during the Reporting Period, including number of options, date of grant, vesting period, exercise period and exercise price, are as follows:

Grantees	Date of Grant (Note 1)	Number of options exercised/ lapsed during the Reporting Period			Outstanding as at 30 June 2025	Exercise Price (US\$)
		Outstanding as at 1 January 2025	Exercised (Note 4)	Lapsed		
Director						
Mr. GAO Nianshu	11 July 2018	800,000	—	—	800,000	1.9225
	1 August 2018	2,998,656	—	—	2,998,656	1.2725
<i>Sub-total</i>		<i>3,798,656</i>	—	—	<i>3,798,656</i>	
Employees						
	1 August 2018	11,321,096	823,008	374,536	10,123,552	1.2725
	11 July 2018	22,127,720	—	17,065,440	5,062,280	1.9225
	1 August 2018	36,893,144	—	2,685,200	34,207,944	1.9225
<i>Sub-total</i>		<i>70,341,960</i>	<i>823,008</i>	<i>20,125,176</i>	<i>49,393,776</i>	
Total		74,140,616	823,008	20,125,176	53,192,432	

Notes:

1. The validity period of all the options is ten (10) years from the date of grant.
2. The options were fully vested and are exercisable upon vesting within the validity period.
3. No option was cancelled during the Reporting Period.
4. The weighted average closing price immediately before the dates of the exercise of the share options for the Reporting Period was approximately HK\$10.63 per Share.

2019 Share Option Scheme

The eligible participants of the 2019 Share Option Scheme include any director(s), employee(s) or consultant(s) of the Group who the Remuneration Committee considers, in its sole discretion, has/have contributed or will contribute to the Group. For further details of the 2019 Share Option Scheme, please refer to the circular of the Company dated 4 November 2019. As of 30 June 2025, the Company can further grant 33,596,629 share options under the 2019 Share Option Scheme (as of 31 December 2024: 31,398,251).

Unless otherwise terminated by the Board or the Shareholders in a general meeting in accordance with the terms of the 2019 Share Option Scheme, the 2019 Share Option Scheme shall be valid and effective for a period of 10 years from the adoption date (being 25 November 2019). The remaining life of the 2019 Share Option Scheme is about 4 years and 3 months. For further details of the 2019 Share Option Scheme, please refer to the announcements of the Company dated 4 November 2019 and 7 May 2021, respectively.

The particulars of outstanding options under the 2019 Share Option Scheme during the Reporting Period, including the number of options, date of grant, vesting period, exercise period and exercise price, are as follows:

Grantees	Date of Grant	During the Reporting Period				Exercise Price (HK\$)	
		Outstanding as at 1 January 2025	Granted	Exercised (Note 2)	Lapsed		Outstanding as at 30 June 2025
Directors							
Dr. ZHANG Ya-Qin	16 June 2020	112,000	—	—	—	112,000	9.56
Mr. GE Ming	16 June 2020	112,000	—	—	—	112,000	9.56
Ms. TAO Ping	25 March 2021	112,000	—	—	—	112,000	12.46
Others							
Former Director³							
Dr. GAO Jack Qunyao	16 June 2020	112,000	—	—	—	112,000	9.56
Employees							
	16 June 2020	6,756,760	—	1,038,760	88,000	5,630,000	9.56
	9 June 2021	10,254,912	—	60,800	680,078	9,514,034	12.54
	11 March 2022	12,293,028	—	—	679,360	11,613,668	13.24
	10 May 2022	2,695,895	—	—	—	2,695,895	13.32
	14 June 2023	15,960,000	—	96,000	654,440	15,209,560	11.72
	16 August 2024	18,400,000	—	—	184,500	18,215,500	5.20
<i>Sub-total</i>		<i>66,360,595</i>	<i>—</i>	<i>1,195,560</i>	<i>2,286,378</i>	<i>62,878,657</i>	
Total		66,808,595	—	1,195,560	2,286,378	63,326,657	

OTHER INFORMATION

Notes:

1. The validity period of share options is ten (10) years commencing from the date of grant, for the share options granted on 16 June 2020 and 25 March 2021, 50%, 20% and 30% of the share options granted shall be vested on the date falling on the first, second and third anniversary from the date of grant, respectively, which are exercisable upon vesting within the validity period; and for the share options granted on 9 June 2021, 11 March 2022, 10 May 2022 and 14 June 2023, 40%, 30% and 30% of the share options granted shall be vested on the date falling on the first, second and third anniversary from the date of grant, respectively, which are exercisable upon vesting within the validity period; and for share options granted on 16 August 2024, 20%, 20%, 30% and 30% of the shares granted shall be vested on the first, second, third and fourth anniversary from the date of grant, respectively, which are exercisable upon vesting within the validity period.
2. No option was being cancelled during the Reporting Period.
3. The weighted average closing price immediately before the dates of the exercise of the share options for the Reporting Period was approximately HK\$10.45 per Share.
4. Dr. GAO Jack Qunyao was an independent non-executive Director prior to 8 November 2024.

SHARE AWARD SCHEMES

2020 Share Award Scheme

On 7 January 2020, the Board adopted the 2020 Share Award Scheme for the purposes of (i) recognising the contributions and to fully motivate the potential and vitality of talents of the eligible persons; and (ii) encouraging the eligible persons to continue contributing to the long-term growth and development of the Group. Subject to the criteria and conditions of the 2020 Share Award Scheme, any core management personnel whom the Board or the Remuneration Committee or their respective delegate(s) considers, in its sole discretion, to have contributed or will contribute to the Group is eligible to receive an award. All award shares granted under the 2020 Share Award Scheme relate to existing Shares only and do not involve the issue of new Shares.

According to the 2020 Share Award Scheme, the Company may (i) issue and allot Shares to the trustee; and/or (ii) transfer to the trustee the necessary funds and instruct the trustee to acquire Shares through market transactions at the prevailing market price or through the over-the-counter markets at the price determined by the Company, so as to satisfy the awards. During the Reporting Period, the trustee did not acquire any Shares.

The maximum number of Shares underlying all grants to be made pursuant to the 2020 Share Award Scheme (excluding the award shares which have been forfeited in accordance with the 2020 Share Award Scheme) had been refreshed on 20 April 2021 and shall not exceed 46,013,946 Shares, representing 5.0% of the total number of issued Shares as at the date of refreshment (accounting for approximately 4.91% of the total number of issued Shares as at 30 June 2025). As of 30 June 2025, the Company can further grant 3,258,300 award shares under the 2020 Share Award Scheme (as of 31 December 2024: 3,258,300 Shares).

The terms of the 2020 Share Award Scheme do not specify any period for an award to be vested, but specify that the trust management committee of the Company may from time to time determine such vesting criteria and conditions or periods for the award to be vested.

The terms of the 2020 Share Award Scheme do not specify any amount required to be paid on acceptance of an award nor the payment period; and also do not provide for any basis of determining the purchase price of Shares awarded.

OTHER
INFORMATION

On 26 May 2021, 11 March 2022 and 29 June 2023, the Company respectively granted a total of 15,260,449 award shares, 1,000,000 award shares and 7,400,000 award shares to eligible persons. The closing prices of the Share immediately before the dates of grant (26 May 2021, 11 March 2022 and 29 June 2023) are HK\$13.12, HK\$13.24 and HK\$10.8, respectively. During the Reporting Period, no award shares were granted by the Company.

The 2020 Share Award Scheme should be valid and effective for a period of ten (10) years from the date of adoption (being 7 January 2020) unless the Board may decide to terminate in advance. The remaining effective period for the 2020 Share Award Scheme was approximately 5 years and 4 months. Please refer to the announcements of the Company dated 8 January 2020, 27 February 2020 and 20 April 2021, respectively, for further details of the 2020 Share Award Scheme.

Grantee	Date of Grant	Number of award shares not yet vested as at 1 January 2025	Number of award shares granted during the Reporting Period	Number of award shares vested during the Reporting Period ¹	Number of award shares lapsed during the Reporting Period	Number of award shares not yet vested as at 30 June 2025
Employees	26 May 2021	324,000	—	324,000	—	—
	11 March 2022	300,000	—	300,000	—	—
	29 June 2023	4,540,800	—	2,530,800	—	2,010,000
Total		5,164,800	—	3,154,800	—	2,010,000

Notes:

- For award shares granted on 26 May 2021, 11 March 2022 and 29 June 2023, the vesting period shall commence from the date which is one year from the date of grant and end on the date which is three years from the date of grant. For further details, please refer to the announcements of the Company dated 26 May 2021 and 11 March 2022. The weighted average closing price of the Shares immediately before the vesting date of the award shares held by the employees are approximately HK\$9.19, HK\$10.98 and HK\$8.8, respectively.
- No consideration is required to be paid upon the vesting of award shares.
- No award shares were canceled during the Reporting Period.

2023 Share Award Scheme

On 4 December 2023, the Board adopted the 2023 Share Award Scheme, which is a scheme funded by existing Shares and the transfer of existing Shares and/or treasury Shares, and will not involve the issue of any new Shares. As at the date of this report, all award shares granted under the scheme relate to existing Shares only. The purposes of the 2023 Share Award Scheme are (i) to recognise the contributions and fully motivate the potential and vitality of talents of the eligible persons, being those core management personnel of the Group; and (ii) to encourage the eligible persons to continue contributing to the strategic transformation, business growth and long-term development of the Group. Subject to the criteria and conditions of the 2023 Share Award Scheme, any core management personnel whom the Board or the Remuneration Committee or their respective delegate(s) considers, in its sole discretion, to have contributed or will contribute to the Group is eligible to receive an award.

**OTHER
INFORMATION**

If the Company uses treasury Shares as award shares, it will be treated as an issue of new Shares. The Company will obtain Shareholders' approval in general meeting to authorise the Directors to transfer the treasury Shares to the trustee in respect of the award shares granted under the 2023 Share Award Scheme, in accordance with the requirements of the Listing Rules. At the same time, the Company will apply to the Stock Exchange for the listing of, and permission to deal in, the treasury Shares to be transferred to the trustee for the award shares granted under the 2023 Share Award Scheme.

According to the 2023 Share Award Scheme, the Company may transfer to the trustee the necessary funds for the purchase of the Shares through on-market transactions at the prevailing market price or off-market purchase at the price determined by the Company; or transfer the treasury Shares to the trustee; or instruct the trustee to accept Shares transferred, gifted, assigned, or conveyed to the trust from any Shareholder or any party designated by the Company from time to time in such number as such Shareholder or such party designated by the Company may at their sole and absolute discretion determine; or transfer the treasury Shares, for the operation of the 2023 Share Award Scheme. During the Reporting Period, the trustee did not purchase any Shares.

The maximum number of Shares underlying all grants to be made pursuant to the 2023 Share Award Scheme (excluding award shares which have been forfeited in accordance with the 2023 Share Award Scheme) shall not exceed 46,765,215 Shares, representing 5.0% of the total number of issued Shares as at the date of the adoption of the 2023 Share Award Scheme (accounting for approximately 4.99% of the total number of issued Shares as at 30 June 2025). The Company granted a total of 21,680,000 award shares and 2,000,000 award shares to eligible persons on 15 October 2024 and 24 October 2024, respectively. The closing prices of the Shares immediately before the dates of grant were HK\$5.05 and HK\$5.22, respectively. As at 30 June 2025, a further 23,275,215 award shares (as at 31 December 2024: 23,085,215) may be granted by the Company under the 2023 Share Award Scheme.

The terms of the 2023 Share Award Scheme do not specify the maximum entitlement for an individual participant.

The terms of the 2023 Share Award Scheme do not specify any period for an award to be vested, but specify that the Trust Management Committee (as defined in the 2023 Share Award Scheme) may from time to time determine such vesting criteria and conditions or periods for the award to be vested.

The terms of the 2023 Share Award Scheme do not specify any amount required to be paid on acceptance of an award nor the payment period; and also do not provide for any basis of determining the purchase price of Shares awarded.

The 2023 Share Award Scheme should be valid and effective for a period of ten (10) years from the date of adoption (being 4 December 2023) unless the Board may decide to terminate in advance. The remaining effective period for the 2023 Share Award Scheme was approximately 8 years and 4 months. Please refer to the announcement of the Company dated 4 December 2023 for further details of the 2023 Share Award Scheme.

The Company has determined the vesting conditions of the award shares granted in 2024 based on the Group and individual performance of the eligible persons with reference to a mixture of key performance indicators components.

OTHER INFORMATION

The Company did not grant award shares during the Reporting Period. Details of the movements in the award shares granted under the 2023 Share Award Scheme during the Reporting Period are as follows:

Grantees	Date of Grant	Number of award shares not yet vested as at 1 January 2025	Number of award shares granted during the Reporting Period	Number of award shares vested during the Reporting Period ¹	Number of award shares lapsed during the Reporting Period	Number of award shares not yet vested as at 30 June 2025
Director						
Mr. GAO Nianshu	24 October 2024	1,600,000	—	—	—	1,600,000
Employees						
	15 October 2024	18,080,000	—	—	190,000	17,890,000
Total		19,680,000	—	—	190,000	19,490,000

Notes:

1. The vesting period shall commence on the date of grant (i.e. 15 October 2024 and 24 October 2024, respectively) and end on the date which is four years from the date of grant. Performance targets for such grant include the Company's financial performance indicators and the individual performance indicators of the grantees. The Company has determined the fair value of the award shares on the date of grant under the basis of market price, taking into account the characteristics of the award, including expected dividends and charged the same to profit or loss during the vesting period.
2. No consideration is required to be paid upon the vesting of award shares.
3. No award shares were canceled during the Reporting Period.

GENERAL

The number of Shares that may be issued in respect of share options or award shares granted under all the share schemes of the Company divided by the weighted average number of Shares of the relevant classes, excluding the treasury Shares, in issue during the Reporting Period is 0%.

EMPLOYMENT MANAGEMENT

During the Reporting Period, the Group had strictly complied with the Labour Law of the PRC and the Labour Contract Law of the PRC and other applicable laws and regulations. The labour contracts were entered into on an equal and voluntary basis in order to protect the rights of both employees and employers and build an equal labour relationship. Meanwhile, the Group has strictly complied with the Provisions on the Prohibition of Using Child Labour and will not employ child labour under any circumstances. As of 30 June 2025, the total number of full-time employees of the Group was 11,379 (31 December 2024: 12,868).

OTHER INFORMATION

REMUNERATION AND BENEFITS

The staff remuneration mechanism consists of salary and annual bonuses. The Group will pay pension insurance, unemployment insurance, basic medical insurance, work-related injury insurance, maternity insurance and housing provident fund for employees in compliance with applicable legal requirements. In addition, the Group provides life and medical insurance, supplemental insurance benefits, health checks, holidays and various kinds of benefits to employees.

RETIREMENT BENEFIT SCHEME

According to the PRC's rules and regulations, the Group participates in various defined contribution retirement benefit plans which are available to all relevant employees. These plans are generally funded through payments to schemes established by governments or trustee-administered funds. The Group's contributions to the defined contribution plans are expensed as incurred and not reduced by contributions forfeited by those employees who leave the plans prior to vesting fully in the contributions.

PERFORMANCE MANAGEMENT AND STAFF DEVELOPMENT

To ensure the fulfillment of the strategic development goals of the Company, the Group continues to improve the performances of the Group and the staff by way of performance management and facilitates continuous improvement of the staff's capabilities.

Through position promotion measures, the Group effectively identifies potential talents and creates a career development platform for its employees. Aiming at enhancing the core competitiveness of the Group and cultivating excellent teams of employees and managers, the Group provides diverse opportunities for education and training to employees in line with the business growth needs and the staff's career development.

EVENTS AFTER THE REPORTING PERIOD

No major subsequent events affecting the Group have occurred since the end of the Reporting Period and up to the date of this interim report.

REPORT ON REVIEW OF INTERIM FINANCIAL REPORT



REVIEW REPORT TO THE BOARD OF DIRECTORS OF ASIAINFO TECHNOLOGIES LIMITED

(Incorporate in the British Virgin Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial report set out on pages 36 to 56 which comprises the condensed consolidated statement of financial position of AsiaInfo Technologies Limited (the “**Company**”) and its subsidiaries (collectively the “**Group**”) as of 30 June 2025 and the related condensed consolidated statement of profit or loss and other comprehensive income and condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six months period then ended and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34, Interim financial reporting (“**HKAS 34**”), issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of the interim financial report in accordance with HKAS 34.

Our responsibility is to form a conclusion, based on our review, on the interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the Hong Kong Institute of Certified Public Accountants. A review of the interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 June 2025 is not prepared, in all material respects, in accordance with HKAS 34.

KPMG

Certified Public Accountants

8th Floor, Prince’s Building
10 Chater Road
Central, Hong Kong

4 August 2025

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025 — unaudited
(Expressed in thousands of Renminbi)

		Six months ended 30 June	
	Note	2025 RMB'000	2024 RMB'000
Revenue	4	2,597,875	2,994,262
Cost of sales		(1,814,839)	(2,255,981)
Gross profit		783,036	738,281
Other income	5	20,129	31,445
Impairment losses under expected credit loss model, net of reversal	14	(105,239)	(32,127)
Other gains and losses		4,920	318
Selling and marketing expenses		(223,133)	(220,714)
Administrative expenses		(297,373)	(183,144)
Research and development ("R&D") expenses		(414,863)	(436,012)
Share of results of associates		1,721	17,586
Finance costs		(5,722)	(7,025)
Loss before tax		(236,524)	(91,392)
Income tax credit	6	34,195	21,261
Loss for the period	7	(202,329)	(70,131)
Item that will not be reclassified to profit or loss: Changes in the fair value of financial assets measured at fair value through other comprehensive income ("FVOCI")		(930)	—
Item that may be reclassified subsequently to profit or loss: Exchange differences arising on translation of foreign operations		175	(143)
Other comprehensive income for the period		(755)	(143)
Total comprehensive income for the period		(203,084)	(70,274)
Loss for the period attributable to:			
Equity holders of the Company		(198,261)	(59,490)
Non-controlling interests		(4,068)	(10,641)
Total comprehensive income for the period attributable to:			
Equity holders of the Company		(199,016)	(59,633)
Non-controlling interests		(4,068)	(10,641)
Loss per share			
— Basic (RMB)	9	(0.22)	(0.06)
— Diluted (RMB)	9	(0.22)	(0.06)

The accompanying notes on pages 41 to 56 form part of this interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025 — unaudited
(Expressed in thousands of Renminbi)

	Note	30 June 2025 RMB'000	31 December 2024 RMB'000
Non-current assets			
Property, plant and equipment	10	284,402	290,290
Right-of-use assets	10	222,777	232,614
Intangible assets		94,897	78,035
Goodwill		1,932,246	1,932,246
Investments in associates		52,598	45,989
Financial assets measured at fair value through profit or loss ("FVTPL")	19	70,458	70,751
Financial assets measured at FVOCI	19	40,647	41,577
Deferred tax assets	11	165,701	131,381
Restricted bank deposits		430	430
Other non-current assets		39,550	38,078
		2,903,706	2,861,391
Current assets			
Inventories	13	411,718	274,752
Trade and notes receivables	12	1,785,071	2,065,075
Prepayments, deposits and other receivables		279,761	318,974
Contract assets		2,957,416	2,931,980
Financial assets measured at FVTPL	19	158,158	179,217
Amounts due from related parties	21	22,875	21,949
Restricted bank deposits		179,978	200,747
Term deposits		—	27,781
Cash and cash equivalents		612,693	1,618,100
		6,407,670	7,638,575
Current liabilities			
Trade and notes payables	15	958,493	1,103,714
Contract liabilities		249,740	294,475
Deposits received, accrued expenses and other payables		1,238,248	1,640,373
Amounts due to related parties	21	13,854	11,935
Income tax payable		287,605	339,616
Lease liabilities		62,340	71,502
		2,810,280	3,461,615
Net current assets		3,597,390	4,176,960
Total assets less current liabilities		6,501,096	7,038,351

The accompanying notes on pages 41 to 56 form part of this interim financial report.

**CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION**As at 30 June 2025 — unaudited
(Expressed in thousands of Renminbi)

	Note	30 June 2025 RMB'000	31 December 2024 RMB'000
Non-current liabilities			
Deferred tax liabilities	11	260,692	309,985
Lease liabilities		82,216	87,167
		342,908	397,152
NET ASSETS		6,158,188	6,641,199
CAPITAL AND RESERVES			
Share capital	16	—	—
Reserves		6,203,482	6,682,425
Equity attributable to equity holders of the Company		6,203,482	6,682,425
Non-controlling interests		(45,294)	(41,226)
TOTAL EQUITY		6,158,188	6,641,199

The interim financial report was approved and authorised for issue by the board of directors on 4 August 2025.

Dr. TIAN Suning
DIRECTOR**Mr. GAO Nianshu**
DIRECTOR

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025 — unaudited
(Expressed in thousands of Renminbi)

	Attributable to equity holders of the Company										Total equity
	Share capital	Share premium	Merger reserve	Translation reserve	Statutory surplus reserve	Fair value reserve	Other reserves	Retained profits	Sub-total	Non-controlling interests	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2025	—	2,262,630	260,662	(26,883)	196,538	(9,559)	1,611,462	2,387,575	6,682,425	(41,226)	6,641,199
Loss for the period	—	—	—	—	—	—	—	(198,261)	(198,261)	(4,068)	(202,329)
Other comprehensive income for the period	—	—	—	175	—	(930)	—	—	(755)	—	(755)
Total comprehensive income	—	—	—	175	—	(930)	—	(198,261)	(199,016)	(4,068)	(203,084)
Recognition of equity-settled share-based payments	—	—	—	—	—	—	48,808	—	48,808	—	48,808
Lapse of share options and restricted stock units	—	—	—	—	—	—	(58,064)	58,064	—	—	—
Vesting of restricted stock units	—	32,072	—	—	—	—	(32,072)	—	—	—	—
Exercise of share options	—	45,558	—	—	—	—	(27,142)	—	18,416	—	18,416
Dividends declared in respect of the previous year (note 8)	—	—	—	—	—	—	—	(347,151)	(347,151)	—	(347,151)
At 30 June 2025	—	2,340,260	260,662	(26,708)	196,538	(10,489)	1,542,992	1,900,227	6,203,482	(45,294)	6,158,188
At 1 January 2024	—	2,367,119	263,344	(26,357)	196,038	3,464	1,659,172	2,152,959	6,615,739	(15,340)	6,600,399
Loss for the period	—	—	—	—	—	—	—	(59,490)	(59,490)	(10,641)	(70,131)
Other comprehensive income for the period	—	—	—	(143)	—	—	—	—	(143)	—	(143)
Total comprehensive income	—	—	—	(143)	—	—	—	(59,490)	(59,633)	(10,641)	(70,274)
Recognition of equity-settled share-based payments	—	—	—	—	—	—	47,861	—	47,861	—	47,861
Lapse of share options and restricted stock units	—	—	—	—	—	—	(16,400)	16,400	—	—	—
Vesting of restricted stock units	—	63,679	—	—	—	—	(63,679)	—	—	—	—
Acquisition of additional equity interests in a subsidiary	—	—	(2,682)	—	—	—	—	—	(2,682)	2,682	—
Purchase of Shares for share award scheme	—	(69,214)	—	—	—	—	—	—	(69,214)	—	(69,214)
Dividends declared in respect of the previous year (note 8)	—	—	—	—	—	—	—	(361,182)	(361,182)	—	(361,182)
At 30 June 2024	—	2,361,584	260,662	(26,500)	196,038	3,464	1,626,954	1,748,687	6,170,889	(23,299)	6,147,590

The accompanying notes on pages 41 to 56 form part of this interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025 — unaudited
(Expressed in thousands of Renminbi)

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Net cash used in operating activities	(594,425)	(919,009)
Investing activities		
Purchases of property, plant and equipment and intangible assets	(40,450)	(54,277)
Purchases of financial assets measured at FVTPL	(701,038)	(966,392)
Proceeds on disposal of property, plant and equipment	35	22
Proceeds on disposal of financial assets measured at FVTPL	723,180	1,177,657
Placement of term deposits	—	(135,886)
Withdrawal of term deposits	27,781	305,621
Interest received on bank balances and deposits	2,560	4,035
Acquisition of investment in associates	(6,870)	—
Other cash flows arising from investing activities	2,772	(2,405)
Net cash generated from investing activities	7,970	328,375
Financing activities		
Capital element of lease rentals paid	(38,903)	(45,664)
Interest element of lease rentals paid	(3,766)	(5,099)
Proceeds from issue of shares under share option schemes	18,416	—
Payment for discounted bills	—	(30,000)
Acquisition of additional equity interests in subsidiaries	—	(24,538)
Payment for repurchase of shares	—	(69,214)
Dividends and taxes paid	(406,685)	(509,675)
Other cash flows arising from financing activities	13,463	(12,006)
Net cash used in financing activities	(417,475)	(696,196)
Net decrease in cash and cash equivalents	(1,003,930)	(1,286,830)
Cash and cash equivalents at 1 January	1,618,100	2,612,771
Effect of exchange rate changes	(1,477)	491
Cash and cash equivalents at 30 June	612,693	1,326,432

The accompanying notes on pages 41 to 56 form part of this interim financial report.

NOTES TO THE INTERIM FINANCIAL REPORT

For the six months ended 30 June 2025 — unaudited
(Expressed in thousands of Renminbi, unless otherwise stated)

1 GENERAL INFORMATION

AsiaInfo Technologies Limited (the “**Company**”) is incorporated in the British Virgin Islands (“**BVI**”) as a company with limited liability and the Company’s ordinary shares (the “**Shares**”) are listed on the Main Board of the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) with effect from 19 December 2018.

The Company is an investment holding company. The principal activities of the Group are provision of software products and related services.

2 BASIS OF PREPARATION

The interim financial report for the six months ended 30 June 2025 has been prepared in accordance with HKAS 34 Interim financial reporting issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) as well as with the applicable disclosure provisions to the Listing Rules. It was authorised for issue on 4 August 2025.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2024 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025 annual financial statements. Details of any changes in accounting policies are set out in note 3.

The preparation of the interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

The interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Company and its subsidiaries (together, the “**Group**”) since the 2024 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with HKFRS Accounting Standards.

This interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, Review of interim financial information performed by the independent auditor of the entity, issued by the HKICPA. KPMG’s independent review report to the Board of Directors of the Company is included on page 35.

3 PRINCIPAL ACCOUNTING POLICIES

The interim financial report has been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as appropriate.

**NOTES TO THE INTERIM
FINANCIAL REPORT**

For the six months ended 30 June 2025 — unaudited
(Expressed in thousands of Renminbi, unless otherwise stated)

3 PRINCIPAL ACCOUNTING POLICIES (Continued)**Application of new and amendments to HKFRSs**

The Group has applied amendments to HKAS 21, The effects of changes in foreign exchange rates — Lack of exchangeability, issued by the HKICPA to this interim financial report for the current accounting period. The amendments do not have a material impact on this interim financial report as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new or amended standard that is not yet effective for the current accounting period.

4 REVENUE

The Group's revenue is primarily generated from project-based software development contracts, under which the Group develops software products and provides services at fixed prices and/or variable prices. Revenue is recognised net of sales related taxes.

Disaggregation of revenue

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
<i>Timing of revenue recognition</i>		
At a point in time	152,367	272,964
Over time	2,445,508	2,721,298
	2,597,875	2,994,262
<i>Types of goods and services</i>		
Provision of services	2,469,563	2,769,909
Software development, operation and related services	2,391,981	2,648,172
Others	77,582	121,737
Sales of goods	128,312	224,353
	2,597,875	2,994,262

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4 REVENUE (Continued)

Segment information

The Group makes resources allocation decisions based on internal management functions and assesses the Group's business performance as one integrated business instead of by separate business lines or geographical regions. Accordingly, the Group has only one operating segment and therefore, no segment information is presented.

Geographical information

The Group's operations are in the PRC. Substantially all revenue of the Group and non-current assets of the Group are generated from and located in the PRC. Information about the Group's revenue from external customers is presented based on the location of the signing parties of the sales or service contracts.

5 OTHER INCOME

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Government grants ⁽ⁱ⁾	8,800	17,758
Interest income on bank balances, restricted bank deposits and term deposits	6,889	13,180
Net gains on disposal of financial assets measured at FVTPL ⁽ⁱⁱ⁾	966	4,609
Changes in fair value of financial assets measured at FVTPL	114	(3,791)
Others	3,360	(311)
	20,129	31,445

Notes:

- (i) During the six months ended 30 June 2025, government grants amounted to RMB3,833,000 (2024: RMB13,424,000) are related to high-tech industrial development. Government grants amounted to RMB4,967,000 (2024: RMB4,334,000) are mainly related to human resources related subsidies. The amounts have been recognised as other income, and there was no unfulfilled condition attached to these government grants in the period in which they were recognised.
- (ii) The financial assets measured at FVTPL substantially represent the financial products bought from banks, with no principal or return guaranteed.

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6 INCOME TAX CREDIT

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Tax for current period:		
Current tax	49,418	3,571
Deferred tax (note 11)	(83,613)	(24,832)
	(34,195)	(21,261)

Under the Law of the PRC on Enterprise Income Tax (the “**EIT Law**”) and implementation regulation of the EIT Law, the tax rate of the PRC subsidiaries was 25% during the six months ended 30 June 2025 (2024: 25%). Certain subsidiaries of the Company are entitled to enjoy the preferential tax rate of 10% and 15% (2024: 10% and 15%).

The Group’s subsidiaries operating in the PRC were eligible for certain tax credits of 200% deduction rates on certain R&D expenses for the six months ended 30 June 2025 (2024: 200%).

According to the relevant tax law in the PRC, dividend distributed to foreign investors out of the profit generated from 1 January 2008 onwards shall be subject to withholding tax at 10% and withheld by the PRC entity, pursuant to Articles 3 and 37 of the EIT Law and Article 91 of its Detailed Rules for the Implementation of the Regulation.

The Hong Kong SAR Government applies the minimum top-up tax from the fiscal year commencing on 1 January 2025. The adoption of the above amended tax laws is not expected to have a material impact on the Group.

Pursuant to the rules and regulations of the BVI, the Company is not subject to any income tax in the BVI.

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7 LOSS FOR THE PERIOD

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Loss for the period has been arrived at after charging:		
Staff costs, including Directors' and chief executive's remuneration		
Directors' remuneration	5,416	6,820
Employee benefit expenses		
Other staff costs (salaries, wages, allowance, bonus and others)	1,560,779	1,583,824
Contribution to retirement benefits scheme	175,889	184,729
Share-based compensation expenses	47,499	45,430
Total staff costs	1,789,583	1,820,803
Cost of inventories recognised as expenses (transferred into cost of sales)	206,063	190,919
Depreciation of property, plant and equipment	22,081	20,133
Depreciation of right-of-use assets	41,396	47,666
Amortisation of intangible assets	10,385	4,769
Expense of short-term and low value lease	24,224	27,311

8 DIVIDENDS

Dividends payable to equity holders attributable to the previous financial year:

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Final dividend in respect of the previous financial year, approved during the following interim period, of HK\$0.252 (equivalent to RMB0.230) per Share (2024: HK\$0.412 (equivalent to RMB0.376) per Share)	217,078	351,697
Special dividend in the previous financial year, approved during the following interim period, of HK\$0.160 (equivalent to RMB0.146) per Share (2024: Special dividend approved in the previous financial year, and paid during the following interim period, of HK\$0.600 (equivalent to RMB0.545) per Share)	137,827	510,014

For the purpose of this note, the dividends are translated into RMB for disclosure with reference to the exchange rate at the end of the respective reporting periods.

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9 LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to the ordinary equity holders of the Company is based on the following data:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Loss:		
Loss for the purpose of calculating basic and diluted loss per share	(198,261)	(59,490)
Number of Shares:		
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	898,222,535	915,519,744

The calculation of basic loss per share for the six months ended 30 June 2025 and 2024 was based on the loss for the period attributable to the ordinary equity holders of the Company.

The calculation of the number of shares for the purpose of basic loss per share had taken into account the shares issued/transferred upon the exercise/vesting of share options/RSUs and purchase of shares in respect of RSUs, where applicable.

The computation of diluted loss per share for the six months ended 30 June 2025 and 2024 did not assume the exercise of the share options under the 2014 stock incentive plan, the Pre-IPO Share Option Scheme and the 2019 Share Option Scheme, nor did it assume the vesting of the RSUs under each share award scheme, since such share options and RSUs had an anti-dilutive effect.

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10 MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT, AND RIGHT-OF-USE ASSETS

During the current interim period, the Group incurred expenditure on leasehold improvements and furniture, fixtures and equipment with a cost of RMB16,638,000 and disposed of certain assets of leasehold improvements and furniture, fixtures and equipment with an aggregate carrying amount of RMB445,000 for cash proceeds of RMB35,000, resulting in a loss on disposal of RMB410,000. During the six months ended 30 June 2024, the Group incurred expenditure on leasehold improvements and furniture, fixtures and equipment with a cost of RMB25,248,000 and disposed of certain assets of leasehold improvements and furniture, fixtures and equipment with an aggregate carrying amount of RMB67,000 for cash proceeds of RMB22,000, resulting in a loss on disposal of RMB45,000.

During the current interim period, the Group entered into several new lease agreements for the use of buildings ranging from one year to five years. The Group is required to make fixed monthly payments. On lease commencement, the Group recognised RMB45,219,000 of right-of-use asset and RMB40,811,000 of lease liability (six months ended 30 June 2024: recognised RMB47,254,000 of right-of-use asset and RMB41,048,000 of lease liability).

11 DEFERRED TAX ASSETS AND LIABILITIES

The followings are the major deferred tax liabilities and assets recognised and movements thereon during the current and preceding interim periods:

	Impairment loss RMB'000	Tax losses RMB'000	Accrued payroll and expenses RMB'000	Lease liabilities RMB'000	Right-of-use assets RMB'000	Withholding tax on undistributed profits of the PRC subsidiaries RMB'000	Fair value changes RMB'000	Intangible assets RMB'000	Total RMB'000
At 31 December 2024	35,802	21,704	73,875	22,564	(22,373)	(305,688)	(2,388)	(2,100)	(178,604)
Credited (charged) to profit or loss	9,680	36,284	(11,644)	(3,380)	2,524	50,000	—	149	83,613
At 30 June 2025	45,482	57,988	62,231	19,184	(19,849)	(255,688)	(2,388)	(1,951)	(94,991)
At 31 December 2023	24,063	38,828	92,896	27,061	(27,068)	(271,688)	(6,407)	(2,398)	(124,713)
(Charged) credited to profit or loss	(3,455)	52,161	(24,223)	(433)	634	—	—	148	24,832
At 30 June 2024	20,608	90,989	68,673	26,628	(26,434)	(271,688)	(6,407)	(2,250)	(99,881)

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11 DEFERRED TAX ASSETS AND LIABILITIES (Continued)

For the purpose of presentation in the condensed consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purpose:

	30 June 2025 RMB'000	31 December 2024 RMB'000
Deferred tax assets	165,701	131,381
Deferred tax liabilities	(260,692)	(309,985)
	(94,991)	(178,604)

Deferred tax assets are recognised if it is probable that all of the deferred tax assets will be realised through the recovery of taxes previously paid and/or future taxable income. The directors of the Company have reviewed the deferred tax assets of the Group at the end of the six months ended 30 June 2025 and considered that it is probable that the deferred tax assets of the Group will be realised through future taxable income based on directors' assessment of the probability that taxable profits will be available over the years which the deferred tax assets can be realised or utilised.

12 TRADE AND NOTES RECEIVABLES

	30 June 2025 RMB'000	31 December 2024 RMB'000
Notes receivables	93,735	502,052
Trade receivables	1,927,016	1,737,433
Amounts due from third parties	920,571	810,515
Amounts due from related parties	1,006,445	926,918
Less: allowance for credit losses	(235,680)	(174,410)
	1,785,071	2,065,075

For the purpose of data comparison, the amounts above included the trade and notes receivables from China Mobile Group.

The Group generally grants credit period of 30 days from the dates of acceptance reports when the Group had the right to consideration becomes unconditional. The extension of credit period to the customers may be granted on a discretionary basis by considering customer type, the current creditworthiness, the financial condition and the payment history to the Group.

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12 TRADE AND NOTES RECEIVABLES (Continued)

The following is an analysis of trade and notes receivables by ageing, presented based on the dates when the Group has the right to bill, net of allowance for doubtful debts.

	30 June 2025 RMB'000	31 December 2024 RMB'000
1–30 days	624,666	1,202,637
31–90 days	359,079	384,894
91–180 days	275,527	216,801
181–365 days	418,923	162,773
Over 1 year	106,876	97,970
	1,785,071	2,065,075

As at 30 June 2025, total notes receivables amounting to RMB93,735,000 (31 December 2024: RMB502,052,000) are held by the Group for settlement of trade receivables. Notes receivables are bank acceptance notes and commercial acceptance notes issued by large enterprise customers, which management believes that all the counterparties are of high credit quality and the expected credit loss is not significant. All notes receivables of the Group are with a maturity period of less than one year.

13 INVENTORIES

	30 June 2025 RMB'000	31 December 2024 RMB'000
Inventories		
— Equipment and materials	59,032	58,902
— Other contract costs	352,686	215,850
Total	411,718	274,752

The amount of write-down of equipment and materials recognised in profit or loss was RMB14,843,000 for the six months ended 30 June 2025 (2024: RMB32,941,000), which was recognised as cost of sales.

Contract costs are recognised as cost of sales in the period in which revenue from the related contract is recognised. The amount of provision in relation to the contract costs capitalised recognised in profit or loss during the period was RMB7,536,000 (2024: RMB7,508,000).

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**14 IMPAIRMENT ASSESSMENT ON FINANCIAL ASSETS AND OTHER ITEMS SUBJECT TO
EXPECTED CREDIT LOSS (“ECL”) MODEL**

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Impairment loss recognised, net of reversal	105,239	32,127

The basis of determining the inputs and assumptions and the estimation techniques used in the condensed consolidated financial statements for the six months ended 30 June 2025 are materially the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2024.

15 TRADE AND NOTES PAYABLES

	30 June	31 December
	2025	2024
	RMB'000	RMB'000
Trade payables	741,219	865,626
Notes payables	217,274	238,088
	958,493	1,103,714

The table below sets forth, as at the end of the reporting period, the ageing analysis of the trade and notes payables presented based on the invoice date:

	30 June	31 December
	2025	2024
	RMB'000	RMB'000
1–90 days	487,538	601,728
91–180 days	94,048	77,546
181–365 days	131,201	244,346
Over 1 year	245,706	180,094
	958,493	1,103,714

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16 SHARE CAPITAL

The Company

Details of the movement of share capital of the Company are as follows:

	Number of Shares	Nominal value per Share	Share capital
Authorised			
At 30 June 2025 and 31 December 2024	800,000,000,000	HK\$0.0000000125	HK\$10,000.00
Issued			
At 31 December 2024	935,304,312	HK\$0.0000000125	HK\$11.69
Exercise of share options ⁽¹⁾	2,018,568	HK\$0.0000000125	HK\$0.03
At 30 June 2025	937,322,880	HK\$0.0000000125	HK\$11.72

Note:

- (1) During the six months ended 30 June 2025, the Company issued and allotted 823,008 shares and 1,195,560 shares respectively, resulting from the exercising of options to certain employees and directors pursuant to the stock share option under the Pre-IPO Share Option Scheme and 2019 Share Option Scheme.

17 PURCHASE OF SHARES

During the six months ended 30 June 2024, the Company, through the trustee of the 2023 share award scheme adopted by the Company on 4 December 2023 (the “**2023 Share Award Scheme**”) and the 2020 share award scheme adopted by the Company on 7 January 2020 (the “**2020 Share Award Scheme**”), purchased its Shares on the Stock Exchange as follows:

Month/year	Number of Shares purchased	Highest price paid per Share HK\$	Lowest price paid per Share HK\$	Aggregate price paid HK\$'000
Jan 2024	4,261,200	8.10	7.55	33,418
Mar 2024	2,595,600	7.47	7.10	19,057
Apr 2024	1,400,000	7.00	6.81	9,661
May 2024	700,000	7.29	7.08	5,008
Jun 2024	1,304,000	7.12	6.72	9,031
				76,175

The trustee purchased shares for the implementation of the 2020 Share Award Scheme and 2023 Share Award Scheme under the instructions of the Company.

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17 PURCHASE OF SHARES (Continued)

During the six months ended 30 June 2025, the Company did not purchase any Shares for 2020 Share Award Scheme or 2023 Share Award Scheme. 3,154,800 RSUs were vested by using the Shares purchased from the market under the instructions from the Company.

During the six months ended 30 June 2024, the Company had purchased 10,260,800 Shares for 2023 Share Award Scheme using the deposits placed in the trustee at a total consideration of HK\$76,175,000 (equivalent to RMB69,214,000). 6,136,534 RSUs were vested by using the Shares purchased from the market under the instructions from the Company.

18 SHARE-BASED PAYMENTS

For the six months ended 30 June 2025, the Company did not grant any share options or RSUs.

For the six months ended 30 June 2025, the Company recognised a total share-based compensation expenses of RMB48,808,000 in relation to the share options and RSUs issued under the 2019 Share Option Scheme, the 2020 Share Award Scheme and the 2023 Share Award Scheme in profit or loss (for the six months ended 30 June 2024: RMB47,861,000).

19 FINANCIAL INSTRUMENTS

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

The following table presents the fair value of the Group's financial assets measured at the end of the reporting period on a recurring basis, which was categorised into the three-level fair value hierarchy as defined in HKFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs, i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs, i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available
- Level 3 valuations: Fair value measured using significant unobservable inputs

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19 FINANCIAL INSTRUMENTS (Continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (Continued)

	Fair value as at 30 June 2025 RMB'000	Fair value as at 31 December 2024 RMB'000	Fair value hierarchy	Valuation technique and key input and correlation
Financial assets measured at FVTPL				
— Wealth management products	158,158	179,217	Level 3	Discounted cashflow Method, estimated return rate, negatively correlated
— Investment funds	26,896	27,003	Level 3	Market approach, discount for lack of marketability, negatively correlated
— Unlisted equity investments	43,562	43,562	Level 3	Market approach, Recent transaction price, positively correlated
— Listed equity investments	—	186	Level 1	N/A
Total	228,616	249,968		
Financial assets measured at FVOCI				
— Unlisted equity investments	40,647	41,577	Level 3	Market approach, discount for lack of marketability, negatively correlated

During the six months ended 30 June 2025 and 2024, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3.

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19 FINANCIAL INSTRUMENTS (Continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (Continued)

The movements during the period in the balance of these Level 3 fair value measurements are as follows:

	As at 31 December 2024 RMB'000	Addition RMB'000	Disposal RMB'000	Recognised in profit or loss RMB'000	Recognised in other comprehensive income RMB'000	As at 30 June 2025 RMB'000
Financial assets measured at FVOCI	41,577	—	—	—	(930)	40,647
Financial assets measured at FVTPL	249,782	701,038	(723,180)	1,084	(108)	228,616
	291,359	701,038	(723,180)	1,084	(1,038)	269,263

	As at 31 December 2023 RMB'000	Addition RMB'000	Disposal RMB'000	Recognised in profit or loss RMB'000	Recognised in other comprehensive income RMB'000	As at 30 June 2024 RMB'000
Financial assets measured at FVOCI	58,619	—	—	—	—	58,619
Financial assets measured at FVTPL	387,977	1,009,953	(1,177,657)	818	141	221,232
	446,596	1,009,953	(1,177,657)	818	141	279,851

Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the interim financial report approximate their fair values due to short maturity, initially recognised close to each reporting date, or with floating interest rates.

20 COMMITMENTS

As at 30 June 2025, the Group was committed to acquire property, plant and equipment and intangible assets for its business operation amounting to approximately RMB11,293,000 (31 December 2024: RMB25,785,000).

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21 RELATED PARTY BALANCES AND TRANSACTIONS

(a) Balances with related parties

The outstanding balances related to transactions with related parties are included in the following accounts captions summarised as follows:

(i) Balances due from related parties

	30 June 2025 RMB'000	31 December 2024 RMB'000
Trade and notes receivables⁽ⁱ⁾	992,902	912,327
Contract assets⁽ⁱ⁾	1,735,610	1,690,361
Amounts due from related parties:		
Amounts due from a shareholder	20,575	18,600
Amounts due from entities controlled by a director	2,300	3,349
Sub-total	22,875	21,949
Total	2,751,387	2,624,637

Note:

- (i) Trade receivables and contract assets are arising from the software business services provided to a shareholder, China Mobile Group. The carrying amount of trade receivables from China Mobile Group as at 30 June 2025 included the original value and the loss allowance amounting to RMB1,006,445,000 (31 December 2024: RMB926,918,000) and RMB13,543,000 (31 December 2024: RMB14,591,000), respectively. The carrying amounts of contract assets from China Mobile Group as at 30 June 2025 included the original value and the loss allowance amounting to RMB1,773,531,000 (31 December 2024: RMB1,719,603,000) and RMB37,921,000 (31 December 2024: RMB29,242,000), respectively.

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21 RELATED PARTY BALANCES AND TRANSACTIONS (Continued)**(a) Balances with related parties (Continued)****(ii) Balances due to related parties**

	30 June 2025 RMB'000	31 December 2024 RMB'000
Contract liabilities⁽ⁱ⁾	73,851	72,891
Amounts due to related parties:		
Amounts due to a shareholder	7,155	4,342
Amounts due to entities controlled by a director	6,699	7,593
Sub-total	13,854	11,935
Total	87,705	84,826

Note:

- (i) Contract liabilities represent the receipt in advance from China Mobile Group in relation to the provision of software business services.

(b) The significant transactions with related parties during the six months ended 30 June 2025 and 2024 are listed out below

For the six months ended 30 June 2025 and 2024, the Group had the following major transactions with related companies, other than those disclosed elsewhere in the interim financial report:

	Six months ended 30 June 2025 RMB'000	2024 RMB'000
A shareholder of the Group:		
— Software business services provided to	1,442,619	1,706,772
— Information and telecommunication technology services and products charged by	11,096	6,734

(c) Compensation of key management personnel

The remuneration of key management personnel which represents the directors of the Company and key executives of the Group during both periods are as follows:

	Six months ended 30 June 2025 RMB'000	2024 RMB'000
Salaries, allowances and benefits in kind	6,245	7,142
Discretionary bonus	4,794	4,794
Contributions to retirement benefits scheme	148	153
Share-based compensation expenses	8,622	13,422
Total emoluments	19,809	25,511

The remuneration of the directors of the Company and key executives of the Group is determined having regard to the performance of individuals and market trends.