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中信國際電訊集團有限公司
CITIC TELECOM INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 01883)

CONTINUING CONNECTED TRANSACTIONS

FRAMEWORK AGREEMENT IN RELATION TO SIX CATEGORIES OF SERVICES

THE FRAMEWORK AGREEMENT

The Board announces that on 19 June 2024, the Company entered into the Framework Agreement with CITIC, pursuant to which the Group shall provide the following six categories of services to the CITIC Group for a term of three (3) years from 1 June 2024 to 31 May 2027 (both dates inclusive):

- the Internet Data Centre Services (i.e. the Internet Data Centre Transactions),
- the Virtual Private Network Services (i.e. the Virtual Private Network Transactions),
- the Internet Access Services (i.e. the Internet Access Transactions),
- the Information Security Management Services (i.e. the Information Security Management Transactions),
- the Cloud Computing Solutions Services (i.e. the Cloud Computing Solutions Transactions), and
- the Messaging Services (i.e. the Messaging Transactions).

LISTING RULES IMPLICATIONS

As at the date of this announcement, CITIC is the ultimate holding company of the Company and is interested in approximately 57.54% of the total number of Shares in issue. Accordingly, the CITIC Group is connected person of the Company. Therefore, the transactions entered into between the Group and the CITIC Group under the Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Since the highest applicable percentage ratios as defined in the Listing Rules calculated with reference to the annual caps for (1) the Internet Data Centre Transactions, (2) the Virtual Private Network Transactions, (3) the Internet Access Transactions, (4) the Information Security Management Transactions, (5) the Cloud Computing Solutions Transactions and (6) the Messaging Transactions are more than 0.1% but less than 5%, the Transactions are subject to the reporting, annual review and announcement requirements but exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

BACKGROUND

Reference is made to the announcement of the Company dated 1 June 2021 in relation to the Previous Framework Agreement entered into between the Company and CITIC for the provision of the Internet Data Centre Services, the Virtual Private Network Services and the Internet Access Services by the Group to the CITIC Group Members in accordance with the terms and conditions as stipulated therein. Such services have been provided by the Group to the CITIC Group Members from time to time in its ordinary and usual course of business.

Additionally, the Group have also provided the Information Security Management Services, the Cloud Computing Solutions Services and the Messaging Services to the CITIC Group Members from time to time in its ordinary course of business.

As the Previous Framework Agreement expired on 31 May 2024 and in light of the Group's proposal for more provision of the Information Security Management Services, the Cloud Computing Solutions Services and the Messaging Services to the CITIC Group, the Company and CITIC entered into the Framework Agreement on 19 June 2024, pursuant to which the Group shall provide the following six categories of services to the CITIC Group for a term of three (3) years from 1 June 2024 to 31 May 2027 (both dates inclusive):

- the Internet Data Centre Services (i.e. the Internet Data Centre Transactions),
- the Virtual Private Network Services (i.e. the Virtual Private Network Transactions),
- the Internet Access Services (i.e. the Internet Access Transactions),
- the Information Security Management Services (i.e. the Information Security Management Transactions),
- the Cloud Computing Solutions Services (i.e. the Cloud Computing Solutions Transactions), and
- the Messaging Services (i.e. the Messaging Transactions).

Separate service order forms in respect of the Transactions will be entered into between the Group and the CITIC Group. Such service order forms will follow the guidelines and terms and conditions set out in the Framework Agreement in all material aspects.

THE FRAMEWORK AGREEMENT

Date

19 June 2024

Parties

- (1) the Company; and
- (2) CITIC, the ultimate holding company of the Company.

Term

The Framework Agreement has a term of three (3) years commencing from 1 June 2024 and ending on 31 May 2027 (both dates inclusive). If either party wishes to renew the Framework Agreement, it shall provide one (1) month's written notice in advance to the other party and obtain the consent from the other party. The parties shall enter into a new framework agreement for the renewal and obtain all necessary approvals and authorisations in accordance with the Listing Rules.

Subject matter

The Group may, under the Framework Agreement, provide the Internet Data Centre Services, the Virtual Private Network Services, the Internet Access Services, the Information Security Management Services, the Cloud Computing Solutions Services and the Messaging Services to the CITIC Group in the ordinary and usual course of business and on normal commercial terms in accordance with the following principal terms:

1. Internet Data Centre Services

The Group operates carrier-class internet data centres and provides the equipment and facilities leasing services in Hong Kong, Macau, the Chinese mainland and overseas. The internet data centres are specifically designed buildings with installation of equipment and facilities such as generators, chillers, cooling towers, transformers and other power equipment up to the required loading requirements and standards.

The Group provides the leasing of equipment and facilities services in relation to internet data centres to the CITIC Group to fulfil its data centre business needs in Hong Kong, Macau, the Chinese mainland and overseas.

a. Service Order Form

Pursuant to the Framework Agreement, the Internet Data Centre Services shall generally be provided on the basis of the Group's standard service order form, which has incorporated the general terms and conditions of service of the Group. Subject to the guidelines and terms and conditions set out in the Framework Agreement, the terms and conditions of such standard service order form may be modified to cater for specific requirements of some customers, when necessary. Key service terms such as the minimum commitment period, the minimum number of equipment and facilities under subscription and the unit service charges will be set out in such individual service order form.

b. Service charges and payment terms

The service charges for the provision of the Internet Data Centre Services usually include a one-off set-up charge per equipment/facility and a monthly rental charge. Such monthly rental charge comprises a fixed recurring charge and a variable charge (if any) which is determined based on the number of committed and additional equipment/facility and the volume of power consumption requested by the CITIC Group and agreed by the Group during the service term, as more particularly specified in each individual service order form.

The one-off set-up charge is normally payable in full upon provision of service while the rental charge is normally settled monthly.

c. Pricing basis

As a general principle, the prices and terms of the Internet Data Centre Transactions shall be negotiated on arm's length basis and determined in the ordinary and usual course of business on normal commercial terms.

Reference is made by the Group to the expected costs to be incurred, complexity, volume and duration of the services required and the then prevailing market conditions. In any event, the price and terms of the Internet Data Centre Services shall not be more favourable than those provided to the independent third party customers of the Group for similar internet data centre services. In assessing and comparing the terms offered to the CITIC Group, the Group will from time to time compare the prevailing market rates charged to independent third party customers for providing comparable internet data centre services.

d. Historical figures and annual caps

Set out below are the service charges paid/payable by the CITIC Group Members to the Group in respect of the provision of the Internet Data Centre Services by the Group under the Previous Framework Agreement for the period from 1 June 2021 to 31 December 2021, each of the financial years ended 31 December 2022 and 2023, and the period from 1 January 2024 to 31 March 2024:

	Historical amount for the period from 1 June to 31 December 2021	Historical amounts for the financial years ended 31 December		Historical amount for the period from 1 January to 31 March 2024
		2022	2023	
Transaction Amount Approximately HK\$ (million)	6.8	13.7	22.8	6.3

The service charges payable by the CITIC Group to the Group under the Framework Agreement in respect of the Internet Data Centre Transactions for the period from 1 June 2024 to 31 December 2024, each of the financial years ending 31 December 2025 and 2026, and the period from 1 January 2027 to 31 May 2027 shall not exceed the maximum amounts set out below:

	For the period from 1 June to 31 December 2024	For the financial years ending 31 December 2025 2026		For the period from 1 January to 31 May 2027
Transaction Amount HK\$ (million)	18.0	42.0	53.0	26.7

e. Basis of the Annual Caps

The annual caps of the Internet Data Centre Transactions are determined based on the following factors, including: (i) the historical amounts of service charges paid/payable by the CITIC Group Members to the Group for the Internet Data Centre Services; (ii) the prevailing market price of the provision of similar internet data centre services; (iii) the expected increase in the amount of service charges to be charged by the Group over the term of the Framework Agreement; and (iv) the estimated level of the Internet Data Centre Services required by the CITIC Group and the relevant costs of the Group during the term of the Framework Agreement. It is expected that the demand for the Internet Data Centre Services from the end-users of the CITIC Group would increase during the term of the Framework Agreement in terms of the number of committed and additional equipment/facility and the volume of power consumption, driven by a variety of emerging technologies and applications which are expected to be utilised by the CITIC Group.

f. Reasons for and benefits of entering into the Internet Data Centre Transactions

The Group operates carrier-class internet data centres and provides the equipment and facilities leasing services in Hong Kong, Macau, the Chinese mainland and overseas. Data centre business continues to represent a strategic focus in the Group's future business development. It is considered that the Internet Data Centre Transactions are consistent with the commercial objectives of the Group and fall within the core business of the Group. The Directors consider that the entering into of the Internet Data Centre Transactions would further strengthen the Group's position as a provider of the information technology services in Hong Kong, the Chinese mainland and overseas.

The Directors (including the independent non-executive Directors) consider that the Internet Data Centre Transactions are entered into in the ordinary and usual course of business of the Group, on normal commercial terms after arm's length negotiations, which are fair and reasonable and in the interests of the Company and its shareholders as a whole.

2. Virtual Private Network Services

The Group has established numerous Point(s)-of-Presence around the world to provide data and telecommunications services including virtual private network and value-added services to multinational corporations.

The Group provides the Virtual Private Network Services by applying the multi-protocol label switching (MPLS) network. The virtual private network is a private network to connect geographically separated offices of an organisation with different classes-of-service, creating one cohesive network. Individual users can enjoy remote office and get secure access to send and receive data within their organisation's virtual private network across a public telecommunications infrastructure. The virtual private network services provide a highly secure and efficient network for transmission of video and data applications with guaranteed quality-of service.

a. Service Order Form

Pursuant to the Framework Agreement, the Virtual Private Network Services shall generally be provided on the basis of the Group's standard service order form, which has incorporated the general terms and conditions of service of the Group. Subject to the guidelines and terms and conditions set out in the Framework Agreement, the terms and conditions of such standard service order form may be modified to cater for specific requirements of some customers, when necessary. Key service terms such as the minimum commitment period, bandwidth and location of services will be set out in such individual service order form.

b. Service charges and payment terms

The service charges for the provision of the Virtual Private Network Services usually include a one-off set-up charge and a fixed recurring monthly service charge during the service term, which is determined with reference to the subscribed bandwidth, locations, class of services and the requisite support services for the provision of the Virtual Private Network Services. The service charges will be set out in the individual service order form and are agreed on an arm's length basis.

The one-off set-up charge is normally payable in full upon provision of service while the monthly service charge is settled monthly.

c. Pricing basis

As a general principle, the prices and terms of the Virtual Private Network Transactions shall be negotiated on arm's length basis and determined in the ordinary and usual course of business on normal commercial terms.

Reference is made by the Group to the expected costs to be incurred, complexity, bandwidth, location, class and duration of the services required and the then prevailing market conditions. In any event, the price and terms of the Virtual Private Network Services shall not be more favourable than those provided to the independent third party customers of the Group for similar virtual private network services. In assessing and comparing the terms offered to the CITIC Group, the Group will from time to time compare the prevailing market rates charged to

independent third party customers for providing comparable virtual private network services.

d. Historical figures and annual caps

Set out below are the service charges paid/payable by the CITIC Group Members to the Group in respect of the provision of the Virtual Private Network Services by the Group under the Previous Framework Agreement for the period from 1 June 2021 to 31 December 2021, each of the financial years ended 31 December 2022 and 2023, and the period from 1 January 2024 to 31 March 2024:

	Historical amount for the period from 1 June to 31 December 2021	Historical amounts for the financial years ended 31 December		Historical amount for the period from 1 January to 31 March 2024
		2022	2023	
Transaction Amount Approximately HK\$ (million)	16.7	31.7	32.8	8.6

The service charges payable by the CITIC Group to the Group under the Framework Agreement in respect of the Virtual Private Network Transactions for the period from 1 June 2024 to 31 December 2024, each of the financial years ending 31 December 2025 and 2026, and the period from 1 January 2027 to 31 May 2027 shall not exceed the maximum amounts set out below:

	For the period from 1 June to 31 December 2024	For the financial years ending 31 December		For the period from 1 January to 31 May 2027
		2025	2026	
Transaction Amount HK\$ (million)	22.2	44.1	48.9	22.0

e. Basis of the Annual Caps

The annual caps of the Virtual Private Network Transactions are determined based on the following factors, including: (i) the historical amounts of service charges paid/payable by the CITIC Group Members to the Group for the Virtual Private Network Services; (ii) the prevailing market price of the provision of similar virtual private network services; (iii) the expected increase in the amount of service charges to be charged by the Group over the term of the Framework Agreement; and (iv) the estimated level of the Virtual Private Network Services required by the CITIC Group and the relevant costs of the Group during the term of the Framework Agreement. It is expected that the demand for the Virtual Private Network Services

from the end-users of the CITIC Group would increase during the term of the Framework Agreement in terms of both quantities and bandwidth, driven by a variety of emerging technologies and applications which are expected to be utilised by the CITIC Group.

f. Reasons for and benefits of entering into the Virtual Private Network Transactions

It is considered that the provision of the Virtual Private Network Services is consistent with the commercial objectives of the Group and fall within the core business of the Group. The Directors consider that the entering into of the Virtual Private Network Transactions would further strengthen the Group's position as a provider of the information technology services in Hong Kong, the Chinese mainland and overseas.

The Directors (including the independent non-executive Directors) consider that the Virtual Private Network Transactions are entered into in the ordinary and usual course of business of the Group, on normal commercial terms after arm's length negotiations, which are fair and reasonable and in the interests of the Company and its shareholders as a whole.

3. Internet Access Services

The Group provides enterprises and corporations with high-availability, high-speed Metro Ethernet/broadband local loop circuits, and related network services, which enable access to the internet among customers' designated locations, servers in the data centres, and cloud computing platforms.

a. Service Order Form

Pursuant to the Framework Agreement, the Internet Access Services shall generally be provided on the basis of the Group's standard service order form, which has incorporated the general terms and conditions of service of the Group. Subject to the guidelines and terms and conditions set out in the Framework Agreement, the terms and conditions of such standard service order form may be modified to cater for specific requirements of some customers, when necessary. Key service terms such as the minimum commitment period, bandwidth and location of services will be set out in such individual service order form.

b. Service charges and payment terms

The service charges for the provision of the Internet Access Services usually include a one-off set-up charge and a fixed recurring monthly service charge during the service term, which is determined with reference to the subscribed bandwidth, locations, interface of connection and the requisite application services for provision of the Internet Access Services. The service charges will be set out in the individual service order form and are agreed on an arm's length basis.

The one-off set-up charge is normally payable in full upon provision of service while the monthly service charge is settled monthly.

c. Pricing basis

As a general principle, the prices and terms of the Internet Access Transactions shall be negotiated on arm's length basis and determined in the ordinary and usual course of business on normal commercial terms.

Reference is made by the Group to the expected costs to be incurred, bandwidth, location, interface of connection, and duration of the services required. In any event, the price and terms of the Internet Access Services shall not be more favourable than those provided to the independent third party customers of the Group for similar internet access services. In assessing and comparing the terms offered to the CITIC Group, the Group will from time to time compare the prevailing market rates charged to independent third party customers for providing comparable internet access services.

d. Historical figures and annual caps

Set out below are the service charges paid/payable by the CITIC Group Members to the Group in respect of the provision of the Internet Access Services by the Group under the Previous Framework Agreement for the period from 1 June 2021 to 31 December 2021, each of the financial years ended 31 December 2022 and 2023, and the period from 1 January 2024 to 31 March 2024:

	Historical amount for the period from 1 June to 31 December 2021	Historical amounts for the financial years ended 31 December		Historical amount for the period from 1 January to 31 March 2024
		2022	2023	
Transaction Amount Approximately HK\$ (million)	4.4	14.4	10.1	3.2

The service charges payable by the CITIC Group to the Group under the Framework Agreement in respect of the Internet Access Transactions for the period from 1 June 2024 to 31 December 2024, each of the financial years ending 31 December 2025 and 2026, and the period from 1 January 2027 to 31 May 2027 shall not exceed the maximum amounts set out below:

	For the period from 1 June to 31 December 2024	For the financial years ending 31 December		For the period from 1 January to 31 May 2027
		2025	2026	
Transaction Amount HK\$ (million)	7.4	15.4	18.7	9.4

e. Basis of the Annual Caps

The annual caps of the Internet Access Transactions are determined based on the following factors, including: (i) the historical amounts of service charges paid/payable by the CITIC Group Members to the Group for the Internet Access Services; (ii) the prevailing market price of the provision of similar internet access services; (iii) the expected increase in the amount of service charges to be charged by the Group over the term of the Framework Agreement; and (iv) the estimated level of the Internet Access Services required by the CITIC Group and the relevant costs of the Group during the term of the Framework Agreement. It is expected that the demand for the Internet Access Services from the end-users of the CITIC Group would increase during the term of the Framework Agreement in terms of both quantities and bandwidth, driven by a variety of emerging technologies and applications which are expected to be utilised by the CITIC Group.

f. Reasons for and benefits of entering into the Internet Access Transactions

It is considered that the provision of the Internet Access Services is consistent with the commercial objectives of the Group and fall within the core business of the Group. The Directors consider that the entering into of the Internet Access Transactions would further strengthen the Group's position as a provider of the information technology services in Hong Kong, the Chinese mainland and overseas.

The Directors (including the independent non-executive Directors) consider that the Internet Access Transactions are entered into in the ordinary and usual course of business of the Group, on normal commercial terms after arm's length negotiations, which are fair and reasonable and in the interests of the Company and its shareholders as a whole.

4. Information Security Management Services

The Group provides enterprises and corporations with managed information security solutions. The Group's innovative cybersecurity framework delivers holistic enterprise protection that enables organisations to perform comprehensive assessment and identification of threats, covering services such as code review, vulnerability assessment, penetration testing, and security threat identification, to effectively detect anomalous network behaviours.

The regional security operations centres of the Group leverages its advanced dual-core security information and its security information and event management (SIEM) platform, which rapidly detects and responds to emerging threats through large-scale intelligent data analysis.

a. Service Order Form

Pursuant to the Framework Agreement, the Information Security Management Services shall generally be provided on the basis of the Group's standard service order form, which has incorporated the general terms and conditions of service of the Group. Subject to the guidelines and terms and conditions set out in the Framework Agreement, the terms and conditions of such standard service order form may be modified to cater for specific requirements of some customers, when necessary. Key service terms such as the minimum commitment period, the

minimum number of equipment and facilities under subscription will be set out in such individual service order form.

b. Service charges and payment terms

The service charges for the provision of the Information Security Management Services usually include a one-off set-up charge and a fixed recurring monthly service charge during the service term. Such monthly service charge comprises a fixed recurring charge and a variable charge (if any) which is determined based on the number of committed and additional equipment/facility requested by the CITIC Group and agreed by the Group during the service term, as more particularly specified in each individual service order form.

The one-off set-up charge is normally payable in full upon provision of service while the monthly service charge is settled monthly.

c. Pricing basis

As a general principle, the prices and terms of the Information Security Management Transactions shall be negotiated on arm's length basis and determined in the ordinary and usual course of business on normal commercial terms.

Reference is made by the Group to the expected costs to be incurred, complexity, volume and duration of services required and the then prevailing market conditions. In any event, the price and terms of the Information Security Management Services shall not be more favourable than those provided to the independent third party customers of the Group for similar information security management services. In assessing and comparing the terms offered to the CITIC Group, the Group will from time to time compare the prevailing market rates charged to independent third party customers for providing comparable information security management services.

d. Historical figures and annual caps

Set out below are the service charges paid/payable by the CITIC Group Members to the Group in respect of the provision of the Information Security Management Services by the Group for the period from 1 June 2021 to 31 December 2021, each of the financial years ended 31 December 2022 and 2023, and the period from 1 January 2024 to 31 March 2024:

	Historical amount for the period from 1 June to 31 December 2021	Historical amounts for the financial years ended 31 December		Historical amount for the period from 1 January to 31 March 2024
		2022	2023	
Transaction Amount				
Approximately HK\$ (million)	4.1	4.4	8.7	1.5

The service charges payable by the CITIC Group to the Group under the Framework Agreement in respect of the Information Security Management Transactions for the period from 1 June 2024 to 31 December 2024, each of the financial years ending 31 December 2025 and 2026, and the period from 1 January 2027 to 31 May 2027 shall not exceed the maximum amounts set out below:

	For the period from 1 June to 31 December 2024	For the financial years ending 31 December 2025 2026		For the period from 1 January to 31 May 2027
Transaction Amount HK\$ (million)	7.7	16.5	20.6	11.0

e. Basis of the Annual Caps

The annual caps of the Information Security Management Transactions are determined based on the following factors, including: (i) the historical amounts of service charges paid/payable by the CITIC Group Members to the Group for the Information Security Management Services; (ii) the prevailing market price of the provision of similar information security management services; (iii) the expected increase in the amount of service charges to be charged by the Group over the term of the Framework Agreement; and (iv) the estimated level of the Information Security Management Services required by the CITIC Group and the relevant costs of the Group during the term of the Framework Agreement. It is expected that the demand for the Information Security Management Services from the end-users of the CITIC Group would increase during the term of the Framework Agreement in terms of the number of committed and additional equipment/facilities, driven by a variety of emerging technologies and applications which are expected to be utilised by the CITIC Group.

f. Reasons for and benefits of entering into the Information Security Management Transactions

The Group operates world-class security operations centres that are certified with a series of international certifications, complemented by advanced security information and event management technology that traces events daily and identifies threats accurately and in a timely manner. It is considered that the Information Security Management Transactions are consistent with the commercial objectives of the Group and fall within the core business of the Group. The Directors consider that the entering into of the Information Security Management Transactions would further strengthen the Group's position as a provider of the information technology services in Hong Kong, the Chinese mainland and overseas.

The Directors (including the independent non-executive Directors) consider that the Information Security Management Transactions are entered into in the ordinary and usual course of business of the Group, on normal commercial terms after arm's length negotiations, which are fair and reasonable and in the interests of the Company and its shareholders as a whole.

5. Cloud Computing Solutions Services

The Group offers comprehensive cloud computing solutions that are flexible and customisable to its customers' needs, including Infrastructure-as-a-Service (IaaS), Platform-as-a-Service (PaaS), Software-as-a-Service (SaaS), versatile managed cloud backup and disaster recovery solutions, cloud connect, multi-cloud management and other services to support enterprises to deploy their cloud services flexibly and rapidly in different business scenarios.

a. Service Order Form

Pursuant to the Framework Agreement, the Cloud Computing Solutions Services shall generally be provided on the basis of the Group's standard service order form, which has incorporated the general terms and conditions of service of the Group. Subject to the guidelines and terms and conditions set out in the Framework Agreement, the terms and conditions of such standard service order form may be modified to cater for specific requirements of some customers, when necessary. Key service terms such as the minimum commitment period, computing resources, bandwidth and location of services will be set out in such individual service order form.

b. Service charges and payment terms

The service charges for the provision of the Cloud Computing Solutions Services usually include a one-off set-up charge and a fixed recurring monthly service charge during the service term, which is determined with reference to the subscribed computing resources, bandwidth, location of service, interface of connection and the requisite application services for provision of the Cloud Computing Solutions Services. The service charges will be set out in the individual service order form and are agreed on an arm's length basis.

The one-off set-up charge is normally payable in full upon provision of service while the monthly service charge is settled monthly.

c. Pricing basis

As a general principle, the prices and terms of the Cloud Computing Solutions Transactions shall be negotiated on arm's length basis and determined in the ordinary and usual course of business on normal commercial terms.

Reference is made by the Group to the expected costs to be incurred, computing resources to be mobilised, bandwidth, location of service, interface of connection, and duration of the services required. In any event, the price and terms of the Cloud Computing Solutions Services shall not be more favourable than those provided to the independent third party customers of the Group for similar cloud computing solutions services. In assessing and comparing the terms offered to the CITIC Group, the Group will from time to time compare the prevailing market rates charged to independent third party customers for providing comparable cloud computing solutions services.

d. Historical figures and annual caps

Set out below are the service charges paid/payable by the CITIC Group Members to the Group in respect of the provision of the Cloud Computing Solutions Services by the Group for the period from 1 June 2021 to 31 December 2021, each of the financial years ended 31 December 2022 and 2023, and the period from 1 January 2024 to 31 March 2024:

	Historical amount for the period from 1 June to 31 December 2021	Historical amounts for the financial years ended 31 December		Historical amount for the period from 1 January to 31 March 2024
		2022	2023	
Transaction Amount Approximately HK\$ (million)	2.6	5.3	7.5	1.7

The service charges payable by the CITIC Group to the Group under the Framework Agreement in respect of the Cloud Computing Solutions Transactions for the period from 1 June 2024 to 31 December 2024, each of the financial years ending 31 December 2025 and 2026, and the period from 1 January 2027 to 31 May 2027 shall not exceed the maximum amounts set out below:

	For the period from 1 June to 31 December 2024	For the financial years ending 31 December		For the period from 1 January to 31 May 2027
		2025	2026	
Transaction Amount HK\$ (million)	5.8	12.0	14.4	7.2

e. Basis of the Annual Caps

The annual caps of the Cloud Computing Solutions Transactions are determined based on the following factors, including: (i) the historical amounts of service charges paid/payable by the CITIC Group Members to the Group for the Cloud Computing Solutions Services; (ii) the prevailing market price of the provision of similar cloud computing solutions services; (iii) the expected increase in the amount of service charges to be charged by the Group over the term of the Framework Agreement; and (iv) the estimated level of the Cloud Computing Solutions Services required by the CITIC Group and the relevant costs of the Group during the term of the Framework Agreement. It is expected that the demand for the Cloud Computing Solutions Services from the end-users of the CITIC Group would increase during the term of the Framework Agreement in terms of both quantities and bandwidth, driven by a variety of emerging technologies and applications which are expected to be utilised by the CITIC Group.

f. Reasons for and benefits of entering into the Cloud Computing Solutions Transactions

It is considered that the provision of the Cloud Computing Solutions Services is consistent with the commercial objectives of the Group and fall within the core business of the Group. The Directors consider that the entering into of the Cloud Computing Solutions Transactions would further strengthen the Group's position as a provider of the information technology services in Hong Kong, the Chinese mainland and overseas.

The Directors (including the independent non-executive Directors) consider that the Cloud Computing Solutions Transactions are entered into in the ordinary and usual course of business of the Group, on normal commercial terms after arm's length negotiations, which are fair and reasonable and in the interests of the Company and its shareholders as a whole.

6. Messaging Services

The Group is one of the largest international telecommunications service hubs in the Asia Pacific region, providing a wide range of messaging services such as Person-to-Person (P2P) SMS, Application-to-Person (A2P) SMS, Multimedia Messaging Service (MMS), Rich Media Messaging (RMS), Over-The-Top (OTT) messaging, voice passwords and other services to both carrier and enterprise customers, and is committed to improving the efficiency of information communication among all sectors of the community with world-class quality services.

a. Service Order Form

Pursuant to the Framework Agreement, the Messaging Services shall generally be provided on the basis of the Group's standard service order form, which has incorporated the general terms and conditions of service of the Group. Subject to the guidelines and terms and conditions set out in the Framework Agreement, the terms and conditions of such standard service order form may be modified to cater for specific requirements of some customers, when necessary. Key service terms such as the minimum commitment period and type of services will be set out in such individual service order form.

b. Service charges and payment terms

The service charges for the provision of the Messaging Services shall generally be charged based on the actual volume of consumption, which is determined with reference to the cost, quality, volume and type of services. The service charges will be set out in the individual service order form and are agreed on an arm's length basis, and is normally settled on a monthly basis.

c. Pricing basis

As a general principle, the prices and terms of the Messaging Transactions shall be negotiated on arm's length basis and determined in the ordinary and usual course of business on normal commercial terms.

Reference is made by the Group to the expected costs to be incurred, quality, expected volume of consumption and type of services. In any event, the price and terms of the Messaging Services shall not be more favourable than those provided to the independent third party customers of the Group for similar messaging services. In assessing and comparing the terms offered to the CITIC Group, the Group will from time to time compare the prevailing market rates charged to independent third party customers for providing comparable messaging services.

d. Historical figures and annual caps

Set out below are the service charges paid/payable by the CITIC Group Members to the Group in respect of the provision of the Messaging Services by the Group for the period from 1 June 2021 to 31 December 2021, each of the financial years ended 31 December 2022 and 2023, and the period from 1 January 2024 to 31 March 2024:

	Historical amount for the period from 1 June to 31 December 2021	Historical amounts for the financial years ended 31 December		Historical amount for the period from 1 January to 31 March 2024
		2022	2023	
Transaction Amount				
Approximately HK\$ (million)	2.2	5.7	8.1	2.5

The service charges payable by the CITIC Group to the Group under the Framework Agreement in respect of the Messaging Transactions for the period from 1 June 2024 to 31 December 2024, each of the financial years ending 31 December 2025 and 2026, and the period from 1 January 2027 to 31 May 2027 shall not exceed the maximum amounts set out below:

	For the period from 1 June to 31 December 2024	For the financial years ending 31 December		For the period from 1 January to 31 May 2027
		2025	2026	
Transaction Amount				
HK\$ (million)	19.3	36.3	39.9	18.3

e. Basis of the Annual Caps

The annual caps of the Messaging Transactions are determined based on the following factors, including: (i) the historical amounts of service charges paid/payable by the CITIC Group Members to the Group for the Messaging Services; (ii) the prevailing market price of the provision of similar messaging services; (iii) the expected increase in the amount of service charges to be charged by the Group over the term of the Framework Agreement; and (iv) the estimated level of the Messaging Services required by the CITIC Group and the relevant costs of the Group during the term of the Framework Agreement. It is expected that the demand for the Messaging Services from the end-users of the CITIC Group would increase during the term of the Framework Agreement in terms of volume of consumption, driven by a variety of emerging technologies and applications which are expected to be utilised by the CITIC Group.

f. Reasons for and benefits of entering into the Messaging Transactions

It is considered that the provision of the Messaging Services is consistent with the commercial objectives of the Group and fall within the core business of the Group. The Directors consider that the entering into of the Messaging Transactions would further strengthen the Group's position as a provider of the international telecommunication services.

The Directors (including the independent non-executive Directors) consider that the Messaging Transactions are entered into in the ordinary and usual course of business of the Group, on normal commercial terms after arm's length negotiations, which are fair and reasonable and in the interests of the Company and its shareholders as a whole.

INFORMATION OF THE PARTIES TO THE TRANSACTIONS

The Group

The Company was established in 1997 in Hong Kong and was listed on the Stock Exchange on 3 April 2007.

As one of the largest international telecommunications hubs in Asia Pacific, the Group provides full-scale international telecommunications services to carrier clients around the globe, and ICT services in Southeast Asia through its wholly-owned subsidiary Acclivis Technologies and Solutions Pte. Ltd.

CITIC Telecom International CPC Limited ("CPC"), the Company's wholly-owned subsidiary, provides one-stop ICT solutions to multinational and business enterprises. CPC is one of the most trusted partners of leading multinational and business enterprises in the Asia-Pacific region and provides comprehensive ICT services for sizeable multinational and business enterprises in the Chinese mainland through its subsidiary CEC.

The Company holds 99% equity interest in Companhia de Telecomunicações de Macau, S.A.R.L. ("CTM"). CTM is one of the leading integrated telecommunications services providers in Macau, and is the only full telecommunications services provider in Macau. It has

long provided quality telecommunications and ICT services to the residents, government and enterprises of Macau, and plays an important role in the ongoing development of Macau.

CITIC

CITIC is the ultimate holding company of the Company, and is a Chinese state-owned enterprise under the Ministry of Finance of the PRC. Since its establishment in 1979, CITIC has been a pioneer of the PRC's economic reform. It makes investment in areas with long-term potential as well as those aligned with national priorities.

GENERAL

None of the Directors has any material interest in the Transactions or is required to abstain from voting on the board resolutions of the Company for considering and approving the Transactions.

The Directors (including the independent non-executive directors of the Company) consider that the Transactions are in the ordinary and usual course of business of the Group, and the terms of the Framework Agreement and the annual caps for the Transactions are on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole.

The Company will monitor and ensure that the Transactions are conducted in accordance with the terms of the Framework Agreement and the service charges payable thereunder will not exceed the aforesaid annual caps of the respective transactions. The Board will also continue to review on a regular basis the Group's internal control system and its effectiveness in this regard. In addition, the Company will appoint an external auditor pursuant to the Listing Rules to conduct annual reviews of the Transactions and ensure compliance with their respective annual caps mentioned above.

LISTING RULES IMPLICATIONS

As at the date of this announcement, CITIC is the ultimate holding company of the Company and is interested in approximately 57.54% of the total number of Shares in issue. Accordingly, the CITIC Group is connected person of the Company. Therefore, the transactions entered into between the Group and the CITIC Group under the Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Since the highest applicable percentage ratios as defined in the Listing Rules calculated with reference to the annual caps for (1) the Internet Data Centre Transactions, (2) the Virtual Private Network Transactions, (3) the Internet Access Transactions, (4) the Information Security Management Transactions, (5) the Cloud Computing Solutions Transactions and (6) the Messaging Transactions are more than 0.1% but less than 5%, the Transactions are subject to the reporting, annual review and announcement requirements but exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“associates”; “connected persons”; “continuing connected transactions”; “percentage ratios”; and “subsidiary(ies)”	each has the meaning ascribed to it under the Listing Rules;
“Board”	the board of Directors;
“CEC”	中企網絡通信技術有限公司 (China Enterprise ICT Solutions Limited), a company established under the laws of the PRC and an indirect non-wholly owned subsidiary of the Company and also an associate of the CITIC Group;
“CITIC”	中國中信集團有限公司 (CITIC Group Corporation), a wholly state-owned enterprise established under the laws of the PRC, and the ultimate holding company of the Company;
“CITIC Group”	the CITIC Group Members and CEC;
“CITIC Group Members”	CITIC, its subsidiaries and associates (excluding the Group) from time to time;
“Cloud Computing Solutions Services”	the provision of comprehensive cloud computing solutions, such as Infrastructure-as-a-Service (IaaS), Platform-as-a-Service (PaaS), Software-as-a-Service (SaaS), versatile managed cloud backup and disaster recovery solutions, cloud connect, multi-cloud management and other services, by the Group;
“Cloud Computing Solutions Transactions”	the provision of the Cloud Computing Solutions Services, as more particularised in the paragraph headed “The Framework Agreement – 5. Cloud Computing Solutions Services” in this announcement and on terms and conditions of the Framework Agreement;
“Company”	CITIC Telecom International Holdings Limited (中信國際電訊集團有限公司), a company incorporated under the laws of Hong Kong with limited liability, the shares of which are listed on the Stock Exchange (stock code: 01883);
“Director(s)”	the director(s) of the Company;

“Framework Agreement”	the framework agreement entered into between the Company and CITIC on 19 June 2024 in respect of the Internet Data Centre Transactions, the Virtual Private Network Transactions, the Internet Access Transactions, the Information Security Management Transactions, the Cloud Computing Solutions Transactions and the Messaging Transactions;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Information Security Management Services”	the provision of managed information security solutions by the Group;
“Information Security Management Transactions”	the provision of the Information Security Management Services, as more particularised in the paragraph headed “The Framework Agreement – 4. Information Security Management Services” in this announcement and on terms and conditions of the Framework Agreement;
“Internet Access Services”	the provision of Metro Ethernet/broadband local loop circuits and related network services to enable access to the internet by the Group;
“Internet Access Transactions”	the provision of the Internet Access Services, as more particularised in the paragraph headed “The Framework Agreement – 3. Internet Access Services” in this announcement and on terms and conditions of the Framework Agreement;
“Internet Data Centre Services”	the leasing of equipment and facilities services in relation to internet data centres by the Group;
“Internet Data Centre Transactions”	the provision of the Internet Data Centre Services, as more particularised in the paragraph headed “The Framework Agreement – 1. Internet Data Centre Services” in this announcement and on terms and conditions of the Framework Agreement;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Macau”	the Macau Special Administrative Region of the PRC;
“Messaging Services”	the provision of messaging services, such as Person-to-Person (P2P) SMS, Application-to-Person (A2P) SMS, Multimedia Messaging Service (MMS), Rich Media

	Messaging (RMS), Over-The-Top (OTT) messaging, voice passwords and other services by the Group;
“Messaging Transactions”	the provision of the Messaging Services, as more particularised in the paragraph headed “The Framework Agreement – 6. Messaging Services” in this announcement and on terms and conditions of the Framework Agreement;
“PRC” or “the Chinese mainland”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, Macau and Taiwan);
“Previous Framework Agreement”	the framework agreement entered into between the Company and CITIC on 1 June 2021 in respect of the provision of the Internet Data Centre Services, the Virtual Private Network Services and the Internet Access Services in accordance with the terms and conditions as stipulated therein by the Group to the CITIC Group Members;
“Share(s)”	share(s) in the capital of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Transactions”	the continuing connected transactions relating to the provision of the Internet Data Centre Services (i.e. the Internet Data Centre Transactions), the Virtual Private Network Services (i.e. the Virtual Private Network Transactions), the Internet Access Services (i.e. the Internet Access Transactions), the Information Security Management Services (i.e. the Information Security Management Transactions), the Cloud Computing Solutions Services (i.e. the Cloud Computing Solutions Transactions) and the Messaging Services (i.e. the Messaging Transactions) to the CITIC Group by the Group pursuant to the Framework Agreement;
“Virtual Private Network Services”	the provision of the virtual private network services by the Group;
“Virtual Private Network Transactions”	the provision of the Virtual Private Network Services, as more particularised in the paragraph headed “The Framework Agreement – 2. Virtual Private Network Services” in this announcement and on terms and conditions of the Framework Agreement; and
“%”	per cent.

The English names of the PRC entities referred to in this announcement (if any) are translations from their Chinese names and are for identification purposes only. If there is any inconsistency, the Chinese names shall prevail.

By Order of the Board
CITIC Telecom International Holdings Limited
Luo Xicheng
Chairman

Hong Kong, 19 June 2024

The Directors of the Company as at the date of this announcement are: Executive Directors: Luo Xicheng (Chairman) and Luan Zhenjun; Non-Executive Directors: Liu Jifu (Sui Chen as his alternate), Zhang Bo and Wang Hua; and Independent Non-Executive Directors: Zuo Xunsheng, Lam Yiu Kin and Wen Ku.