AsiaInfo Technologies Limited
亞 信 科 技 控 股 有 限 公 司

(Incorporated in the British Virgin Islands with limited liability)

(Stock Code: 1675)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

The Board is pleased to announce the unaudited consolidated interim results of the Group for the Reporting Period.

INTERIM RESULTS HIGHLIGHTS

- In the first half of the year, the Group's overall revenue and profit declined due to the effects brought by the ongoing cost-reduction and efficiency-enhancement within the telecommunications sector. The Group managed to effectively control costs through its mature cost control mechanism and personnel restructuring optimisation;
- Revenue[1] amounted to approximately RMB2,598 million, representing a year-on-year decrease of 13.2%;
- Revenue from the ICT support business was approximately RMB2,118 million, representing a year-on-year decrease of 14.7% which was mainly driven by cost reductions from operators;
- 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 because of strong market demand;
- 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%, which reflects a growth potential in the market;
- Revenue from the digital intelligence-driven operation business was approximately RMB408 million, representing a year-on-year decrease of 8.8% which was mainly driven by cost reductions from operators, but with continued growth in the non-telecommunications industry;
- Net loss amounted to approximately RMB202 million, excluding the impact of one-off severance compensation due to personnel restructuring optimisation, net loss was approximately RMB48 million, compared to net loss of approximately RMB70 million in the same period of the previous year; and
- The Group will continue to focus on the three core growth engines: AI large model application and delivery, 5G private network and application, and digital intelligence-driven operation and accelerate the pace of signing contracts. Excluding the impact of one-off severance compensation due to personnel restructuring optimisation, profit for the year is expected to exceed that of the previous year.

Note[1]: Revenue includes revenue from the ICT support business, the AI large model application and delivery business, the 5G private network and application business and the digital intelligence-driven operation business.

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.

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-head automobile company and AI intelligence training system for sales consultants of b-head 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 AsiaInfo 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. AsiaInfo Technologies' ability to venture steadily in the complex and dynamic market environment lies on your support and dedication.

DR. TIAN SUNING
Chairman and Executive Director

CONDENSED CONSOLIDATED STATEMENTS 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	
		2025	2024
	Note	***RMB'000***	*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		**(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)

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME — CONTINUED

For the six months ended 30 June 2025 — unaudited

(Expressed in thousands of Renminbi, unless otherwise stated)

		Six months ended 30 June	
		2025	2024
	Note	***RMB'000***	*RMB'000*
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)

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		**284,402**	290,290
Right-of-use assets		**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**")		**70,458**	70,751
Financial assets measured at FVOCI		**40,647**	41,577
Deferred tax assets		**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		**411,718**	274,752
Trade and notes receivables	*10*	**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		**158,158**	179,217
Amounts due from related parties		**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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION — CONTINUED

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

	Note	**30 June 2025** *RMB'000*	31 December 2024 *RMB'000*
Current liabilities			
Trade and notes payables	*11*	**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		**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
Non-current liabilities			
Deferred tax liabilities		**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		**—**	—
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

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										
	Share capital *RMB'000*	Share premium *RMB'000*	Merger reserve *RMB'000*	Translation reserve *RMB'000*	Statutory surplus reserve *RMB'000*	Fair value reserve *RMB'000*	Other reserves *RMB'000*	Retained profits *RMB'000*	Sub-total *RMB'000*	Non-controlling interests *RMB'000*	Total equity *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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

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

	Note	Six months ended 30 June 2025 RMB'000	2024 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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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 condensed consolidated financial statements 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 condensed consolidated financial statements 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 condensed consolidated financial statements 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 condensed consolidated financial statements contain 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 condensed consolidated financial statements are 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.

3 PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as appropriate.

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 these condensed consolidated financial statements for the current accounting period. The amendments do not have a material impact on these condensed consolidated financial statements 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	2024
	RMB'000	*RMB'000*
Timing of revenue recognition		
At a point in time	**152,367**	272,964
Over time	**2,445,508**	2,721,298
	2,597,875	2,994,262
Types of goods and services		
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

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.

4 REVENUE — CONTINUED

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.

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	**(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.

Hong Kong SAR Government applies the minimum top-up tax from fiscal year beginning 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.

7 LOSS FOR THE PERIOD

	Six months ended 30 June	
	2025	2024
	RMB'000	*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	2024
	RMB'000	*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.

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.

10 TRADE AND NOTES RECEIVABLES

	30 June 2025	31 December 2024
	RMB'000	*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.

10 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.

11 TRADE AND NOTES PAYABLES

	30 June 2025 *RMB'000*	31 December 2024 *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 2025 *RMB'000*	31 December 2024 *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

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, the 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%.

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%.

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).

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 ratio[1] 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.

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.

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 the 2023 Share Award Scheme, and neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

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 announcement.

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.

PUBLICATION OF THE INTERIM RESULTS ANNOUNCEMENT AND 2025 INTERIM REPORT OF THE GROUP

This interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.asiainfo.com) and the 2025 interim report containing all the information required by the Listing Rules will be published on the respective websites of the Stock Exchange and the Company in due course.

DEFINITIONS

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

"AsiaInfo Security"	AsiaInfo 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"	China Mobile Limited and its subsidiaries
"CNNC"	China National Nuclear Corporation
"Company", "We", "AsiaInfo" or "AsiaInfo Technologies"	AsiaInfo Technologies Limited (亞信科技控股有限公司), an international business company incorporated in the British Virgin Islands on 15 July 2003 whose Shares are listed on the Stock Exchange (stock code: 1675)
"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
"Group"	the Company and its subsidiaries
"GTI"	Global TD-LTE Initiative

"HK$" or "HKD"	Hong Kong dollars, the lawful currency of Hong Kong
"HKT"	Hong Kong Telecommunication Limited
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"IDC"	International Data Corporation
"IEEE"	the Institute of Electrical and Electronics Engineers
"ITU"	the International Telecommunication Union
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"MIIT"	the Ministry of Industry and Information Technology of the PRC
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"PRC" or "China"	the People's Republic of China
"R&D"	research and development
"Reporting Period"	the six months ended 30 June 2025
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	ordinary share(s) of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"TMF" or "TM Forum"	the International Telecommunication Management Forum
"2023 Share Award Scheme"	the share award scheme adopted by the Company on 4 December 2023
"US"	the United States of America
"USD" or "US$"	US dollars, the lawful currency of the US
"%"	per cent

GLOSSARY OF TECHNICAL 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 communications 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-bused applications to sophistication, cloud-enabled 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
"3DGS"	3D Gaussian Splatting

"3GPP"	Third-generation (3G) Partnership Project
"4G"	the fourth-generation of mobile communications technology, applied in amended 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

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

Hong Kong, 4 August 2025

As at the date of this announcement, the Board comprises:

Executive Directors:	*Dr. TIAN Suning, Mr. GAO Nianshu and Mr. KWOK Bernard Chuen Wah*
Non-executive Directors:	*Mr. DING Jian, Mr. HE Zheng, Mr. YANG Lin, Ms. LIU Hong and Mr. E Lixin*
Independent non-executive Directors:	*Dr. ZHANG Ya-Qin, Mr. GE Ming, Ms. TAO Ping and Dr. WANG Lei*