Overview and Prospects

Operation Performance

Financial Performance
Relatively stable growth in operation revenue, robust growth in revenue from Emerging Businesses

- Operation Revenue: 2,479 → 2,504 (+1.0%)
- Revenue from Emerging Businesses*: 129 → 230 (+77.7%)
- Revenue from data-driven operation: 55 → 106 (+90.7%)

Performance continued to improve substantially

- Gross profit & gross profit margin: 868 → 894 (+2.9%)
- Net profit & net profit margin: 71 → 233 (+228.8%)
- Adjusted net profit & net profit margin#: 255 → 280 (+10.1%)

• The Company has been selected as a constituent of each of Hang Seng Composite Index, Hang Seng Stock Connect Hong Kong Index and Hang Seng Internet & Information Technology Index, etc., change of which will take effect on 7 September 2020.
• The final dividend for 2019 was distributed according to the dividend payout ratio of 40% of net profit in the financial report for the period, and maintained the dividend payout guideline of not less than 40% of net profit in the financial report in 2020

*Emerging Businesses: Operation Support Systems(OSS), Data-Driven Operation (DSaaS), Vertical Industries and Enterprise Cloudification
#For details of adjusted items, please refer to Appendix 3
Established in 1993, AsiaInfo Technologies (stock code: 01675.HK) serves as a leading provider of software products, solutions and services with its focus on the industries such as communications, finance, energy, transportation, government affairs and postal services etc. The Company is committed to leveraging its strong abilities in products, services, operation and integration to continuously sourcing new customers, create new businesses and explore new models, in order to assist different sectors for digital transformation.

Possessing a software portfolio of over 500 highly reliable, stable and practical “carrier-grade” products, and continued to obtain the CMMI Level 5 (Capability Maturity Model Integration Level 5) international certification, showing AsiaInfo Technologies’ outstanding performance in software capability maturity, and once again demonstrating our capabilities in software progress improvement and software development management.

Collaborating with major cloud providers by leveraging its abundant software product systems and excellent project management ability, so as to provide products and services including cloud adoption and application as well as data-driven operation for enterprise customers and has been awarded the Excellent Level Certification in Cloud Management Service by China Academy of Information and Communications Technology (中国信息通信研究院).

Member of international standard-setting organizations such as 3rd Generation Partnership Project, GSMA, TeleManagement Forum, European Telecommunications Standards Institute and International Telecommunication Union and the vice-chairman member of the China Alliance of Industrial Internet (中国工业互联网产业联盟), deputy secretary-general unit of China Highway Travel Information Service Alliance (中国公路出行信息服务联盟), and vice chairman member of Internet Society of China (中国互联网协会).

Awarded the Most Influential Software and Information Service Enterprise in China (中国最具影响力软件和信息服务企业), the Outstanding Enterprise in Electronic Information Industry (电子信息行业卓越企业), 5G Innovation Award (5G创新先锋奖), the Top 100 Enterprises with Comprehensive Competitiveness in Software & Information Technology Service (软件和信息技术服务综合竞争力百强企业), and the Best Digital Transformation Practice Award in International Software Fair (国际软交会最佳数字化转型实践奖)
5G NETWORK WILL FACILITATE ENTERPRISE INFORMATION SUPPORT SYSTEM INTO THE "CLOUD NETWORK COMPUTING" ERA

<table>
<thead>
<tr>
<th>IT 1.0 Era</th>
<th>IT 2.0 Era</th>
<th>IT 3.0 Era</th>
</tr>
</thead>
<tbody>
<tr>
<td>Independent IT era</td>
<td>Cloud computing era</td>
<td>“Cloud network computing” era</td>
</tr>
</tbody>
</table>
BIG DATA WILL SIGNIFICANTLY ENHANCE ENTERPRISE COGNITIVE CAPABILITIES AND OPERATION MODELS

Trillions of Things

Tens of billion of people

Real Time Observation Data

Objective Record Data

Non-contactable Transaction Data

Pre-cognition

Prediction

Cognition

Insight

Perception

BIG DATA WILL SIGNIFICANTLY ENHANCE ENTERPRISE COGNITIVE CAPABILITIES AND OPERATION MODELS
“CORPORATE BRAIN” HELPS TAPPING ENTERPRISE BIG DATA VALUE, IMPROVING OPERATION EFFICIENCY

Network + Cloud

Corporate Brain

Intelligent Platform

Network Management System

CRM

Social Platforms

Billing

ERP System

Database

Intelligent Platform

Asset Operation

Compliance Operation

Process Operation

Management Operation

Employee Operation

Collaborative Operation

Security Operation

"CORPORATE BRAIN" HELPS TAPPING ENTERPRISE BIG DATA VALUE, IMPROVING OPERATION EFFICIENCY

Network + Cloud

Corporate Brain

Intelligent Platform

Network Management System

CRM

Social Platforms

Billing

ERP System

Database

Intelligent Platform

Asset Operation

Compliance Operation

Process Operation

Management Operation

Employee Operation

Collaborative Operation

Security Operation
AsialInfo Technologies will seize opportunities in the 5G era, exerts its operational support advantages, enable digital transformation of vertical industries and help building a “corporate brain”

<table>
<thead>
<tr>
<th>Vertical Industries Enterprises</th>
<th>Energy</th>
<th>Finance</th>
<th>Transportation</th>
<th>Government Affairs</th>
<th>Postal Services</th>
<th>……</th>
</tr>
</thead>
</table>

Cloud Service Resources

Operator Network

Mixed Cloud

Public Cloud

Private Cloud

Telecom Cloud

Edge Cloud

Operator Network

AsialInfo Technologies will seize opportunities in the 5G era, exerts its operational support advantages, enable digital transformation of vertical industries and help building a “corporate brain”
OVERALL PERFORMANCE RECORDED STABLE GROWTH AND EMERGING BUSINESSES RECORDED HIGH-SPEED GROWTH

- In the first half of 2020, despite the impact of the epidemic, the overall performance still recorded a stable growth, and the Emerging Businesses, namely operation support systems (OSS), data-driven operation (DSaaS), and vertical industries and enterprise cloudification, recorded high-speed growth, the revenue of which grew by 77.7% year-on-year.

- The Company has been selected as a constituent of each of Hang Seng Composite Index, Hang Seng Stock Connect Hong Kong Index and Hang Seng Internet & Information Technology Index, etc., change of which will take effect on 7 September 2020.

### Tables

#### Operation revenue

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue (RMB million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019H1</td>
<td>2,479</td>
</tr>
<tr>
<td>2020H1</td>
<td>2,504</td>
</tr>
</tbody>
</table>

YoY: +1.0%

#### Including: Revenue From Emerging Businesses

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue (RMB million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019H1</td>
<td>129</td>
</tr>
<tr>
<td>2020H1</td>
<td>230</td>
</tr>
</tbody>
</table>

YoY: +77.7%

#### Net profit

<table>
<thead>
<tr>
<th>Year</th>
<th>Profit (RMB million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019H1</td>
<td>71</td>
</tr>
<tr>
<td>2020H1</td>
<td>233</td>
</tr>
</tbody>
</table>

YoY: +228.8%

#### Adjusted net profit*

<table>
<thead>
<tr>
<th>Year</th>
<th>Profit (RMB million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019H1</td>
<td>255</td>
</tr>
<tr>
<td>2020H1</td>
<td>280</td>
</tr>
</tbody>
</table>

YoY: +10.1%

* For details of adjusted items, please refer to Appendix 3
Vertical industries and enterprise cloudification

- Focusing on key industries with large scale replication based on matured products and solutions: energy, finance, transportation, government affairs, postal services, etc.
- Provide cloud intelligence integration services and solutions to B-terminal, G-terminal and C-terminal customers, such as cloud primary technology services, cloud professional services, cloud MSP services and digital transformation

Data-driven operation (DSaaS)

- Relying on the big data-based “products and services” platform, helping enterprises to enhance operational capabilities in market insight, stock management, new customers solicitation, risk prevention and control, and assisting the government to improve management and service capabilities in population management, public safety, emergency protection, traffic management, etc.

### Revenue Analysis

<table>
<thead>
<tr>
<th></th>
<th>2019H1</th>
<th>2020H1</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue from OSS</td>
<td>40</td>
<td>56</td>
<td>+38.6%</td>
</tr>
<tr>
<td>Revenue from DSaaS</td>
<td>55</td>
<td>106</td>
<td>+90.7%</td>
</tr>
<tr>
<td>Revenue from vertical industries and enterprise cloudification</td>
<td>34</td>
<td>68</td>
<td>+103.0%</td>
</tr>
</tbody>
</table>

(RMB million)
FURTHER SOLIDIFYING LEADERSHIP POSITION IN OPERATORS’ MARKET FOR BSS

Number of customers in operators’ market

16.4%

262

Customer retention rate

99%

Propelling 5G business support

- 5G SA billing system: Comprehensive upgrade to deploy products in over 18 provinces, and will put into commercial operation successively in the second half year
- 5G network slice end-to-end management: Help customers to achieve full-domain, full-process, and end-to-end network slice configuration and rapid activation
- 5G cloud network integration support: Further upgrading and optimization of the two-level support system for cloud network integration
- 5G integration package support: 5G integration package support upgrade for operators in various provinces
- 5G business end-to-end support upgrade: 5G end-to-end support upgrade of individual, home and other businesses
- ……

Deepening 5G smart operation

- Smart middle office platform: Actively participated in the formulation of different solutions and specifications for smart middle office platform, and provided assistance in implementing smart middle office platform projects
- Grid operation: Completed the delivery of grid operation platform in many provinces, enabled customers to run refined operations
- Equity operation: Helped customers in many provinces to set up equity operation centers and assisted customers to transform to internet-based operations
- Digital content and service operation: Assisted professional companies to carry out APP user operations under the “platform + operation” model
- Private domain traffic operation: Helped customers to construct private domain traffic marketing platform based on corporate WeChat account
- ……

Product innovation empowers digital transformation

- Self-developed database: Eliminated O for business support domain to help customers shifting to independent and controllable technology
- RPA robots: Helped operators and customers to achieve automated and intelligent business processes to further improve process efficiency
- Knowledge Graph: Helped customers to make customer service systems smarter
- Full domain AI platform: Provided intelligent-incorporated algorithm model and inspiration engine for front-end business scenarios
- Cloud primary technology: Helped provincial customers to complete the grayscale release of core systems, so as to consolidate cloud primary capabilities
- ……

Efficiency of telecom BSS core business continues to improve
ACCELERATED COMMERCIAL APPLICATION OF 5G OSS PRODUCTS

5G OSS Product series

Vendor neutrality: As a neutral vendor, it has advantages and rich experience in cross-domain vendor connectivity, and has already approached many mainstream network equipment vendors.

Cross-domain connection: Comprehensive O-domain and B-domain product solutions, helped operators to achieve O-domain and B-domain integration and end-to-end management of networks and businesses.

From AI inspiration to intelligent incorporation: Leading communication artificial intelligence technology in the industry, supported the comprehensive intelligence of networks and businesses.

Matured network management middle office business system: A full set of matured products for technology middle office, data middle office, AI middle office, and network management business middle office.

Support customer-level technical specifications: Intensely participated in the formulation of technical specifications for China operators in the network slice and network intelligent maintenance sectors. When compared with traditional equipment companies, AsiaInfo products are more appropriate to meet customers’ needs for integrated network management, activation, and intelligent operation and maintenance.

Continued to expand and upgrade 5G network intelligence products

Commercial progress of 5G OSS products in the first half year

27 sites cumulatively
Revenue exceeded RMB 15.3 million
First phase revenue breakthrough of RMB 10 million

New 5G network intelligent cooperation commercial sites

- 5G SMS gateway virtualization (AsiaInfo’s first NFV network virtualization commercial products)
- 5G network’s first management-grade system CSMF & NSMF (China’s first operator-grade 5G network slice manager commercial system)
- 5G network intelligent maintenance
- O&O integrated customer satisfaction intelligent analysis system
- IBN support system
- Wireless network intelligent management system
- ……
DSaaS BUSINESS INCREASING BY OVER 90%, WITH REVENUE BREAKTHROUGH OF RMB100 MILLION
TAPPING INTO ENTERPRISE CLOUDIFICATION BUSINESS AND CONTINUOUS EXPANSION OF VERTICAL INDUSTRIES MARKET

**Vertical industries and Enterprise cloudification**

- **Number of Large enterprise customers**: 64
- **Revenue**: 68.15 million, 103.0%

**Positioning of Asialinfo cloud business**
- Provide customers with cloud and intelligent integration services and solutions

**Industry cloud solutions**
- Energy cloud solution
- Financial cloud solution
- Transportation cloud solution
- ...

**Corporate-grade Smart Middle Office**
- Business middle office
- AI Middle office
- Data middle office
- Technology middle office
- Cloud management
- Cloud network
- Internet of Things
- 5G
- Big data
- AI

**Cloud products (PAAS+SAAS)**
- Data middle office
- Technology middle office
- DataGo
- AntDB
- DevOps
- ...

**Vertical industries market expansion**
- The market for large enterprises in vertical industries continues to expand

**MSP**
- The first phase of the e-commerce platform project supported by technology from Alibaba Cloud and Asialinfo was launched successfully
  - Construct with Alibaba Cloud to expand Hebei Steel and Delong Steel

**Finance**
- The DevOps Phase II and Big Data Project of China CITIC Bank; the Data Standard and Quality Management Project of China CITIC Bank and the CRM Project of PICC Life insurance

**Energy**

**Transportation**
- The Expressway Operation Monitoring Platform Project in Yunnan; the Road Network Integrated Management Platform Project of Guangxi Transportation Science and Technology Group

**Government affairs**
- The Data Management Project of Tianjin Fire Research Institute of MEM and the 5G Smart Water Service Project of the Water Affairs Bureau of Wuzhong District, Suzhou

**Postal Services**
- CRM supporting upgrade of China Post Group; and the Big Data Project of Postal Savings Bank head office and branches
  - The Data Collection Platform Project of Chongqing Post and the Micro Service Cloud Platform Project of Sichuan Post
The R&D investment focuses on strategic moves, continues to strengthen the technology system of middle office to drive business efficiency improvement, and increases the technology R&D investments in Emerging Business to accelerate product innovation. In the first half of 2020, the R&D investment amounted to RMB350 million, representing 14.0% of revenue, and the R&D investments remains stable.

- The BOM three-domain integration solution supports operators’ global virtualization, global intelligentization and global perception.

Based on a unified middle office system, five categories and nearly 60 5G industry products and solutions are cultivated to drive the replication and value maximization of vertical industries.
Human flow and epidemic trend sensing products
Visualization solution of 3D immersive data in sensitive regions
Novel coronavirus pneumonia public health emergency joint operation plan
Recommended by Ministry of Science and Technology

Population big data platform for epidemic prevention and control
recommended by CAICT and the Open Source Cloud Alliance for Industry

Spatio-temporal location big data-based epidemic prevention and control solutions
The Solution of Industrial Internet Platform on supporting Epidemic Prevention and Control and Resumption of Production was short listed by the Ministry of Industry and Information Technology

Continued to provide refined data support for the Ministry of Industry and Information Technology, the Beijing Municipal Development and Reform Commission, different district and county governments, and key communities to accurately and effectively assist epidemic prevention and control and resumption of production.

Responded quickly and launched 16 products and solutions for epidemic prevention and control

<table>
<thead>
<tr>
<th>Human flow and epidemic trend sensing in epidemic regions</th>
<th>Visualization of 3D immersive data on sensitive regions</th>
<th>Location capability server</th>
</tr>
</thead>
<tbody>
<tr>
<td>Epidemic command module</td>
<td>Trend sensing of high-risk population for disease control</td>
<td>Intelligent outbound epidemic information collection</td>
</tr>
<tr>
<td>Population big data platform for epidemic prevention and control</td>
<td>Public health emergency joint operation plan</td>
<td>Access control system for abnormal monitoring of sensitive people</td>
</tr>
</tbody>
</table>
In April 2020, China Mobile and AsiaInfo Technologies reached a strategic investment agreement to invest HK$1.385 billion to subscribe for the new shares and will hold nearly 20% of the shares.*

**40%:**
For new technology R&D and Emerging Business development

**25%:**
For daily operations

**35%:**
For strategic synergy investments and mergers and acquisition

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**CHBN**

- **C:** Connection + application + equity
- **H:** Smart home
- **B:** Network + cloud + DICT
- **N:** Innovation Entrepreneurship Creation

**One Consolidation, Three Developments**

**BSS**
- Vertical industries
- Enterprise cloudification

**OSS**
- Vertical industries
- Enterprise cloudification

**DSaaS**
- Vertical industries
- Enterprise cloudification

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**Facilitate the formation of in-depth strategic synergy between the two parties**

- BSS
- 5G OSS
- Building and improving IT capability
- Network platform
- Smart middle office platform

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**Enhance AsiaInfo’s service capabilities in the operators sector**

- Smart energy
- Smart city
- Smart finance
- Smart medical care

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* Assuming no further changes in the number of issued shares from this date to the completion date
## Strategic Cooperation

Cooperate with leading companies to achieve complementary advantages and win-win cooperation

<table>
<thead>
<tr>
<th>Cloud service provider</th>
<th>Vertical industries</th>
<th>5G vendors</th>
<th>Telecom operators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tencent</td>
<td></td>
<td>Lenovo</td>
<td>Thai Celcom</td>
</tr>
<tr>
<td>HUAWEI</td>
<td></td>
<td>HUAWEI</td>
<td></td>
</tr>
<tr>
<td>Baidu</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alibaba</td>
<td></td>
<td>BraveCom</td>
<td></td>
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<tr>
<td>UCloud</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## Comprehensive Strengths

Members of standardized organizations and industry associations; our influence continues to rise

- **Officially joined International Telecommunication Union**
- **Four standardized proposals cooperated with China Telecom were approved by International Telecommunication Union**
- **Two 5G network AI proposals and one 5G R17 standard were approved by 3rd Generation Partnership Project**
- **Nine proposals including 5G international standards were approved by European Telecommunications Standards Institute**
- **Joined the 5G Network Slice Alliance**
- **5G AIOps intelligent maintenance products won the TMF Asia Summit Award**

- **Become a member of GSMA to make contributions to global 5G construction**
- **Joined the O-RAN Alliance to make contributions to the construction of operator wireless networks**
- **5G AIoT intelligent maintenance products won the TMF Asia Summit Award**
- **Joined the 5G Network Slice Alliance**

- **Information system construction and service capability assessment (CS4 Level)**
- **Become a member of China Information Technology Application Innovation Working Committee**
- **CMMI Level 5 (Capability Maturity Model Integration Level 5), the highest level of certification**
- **China’s Top 100 Enterprises in Comprehensive Competitiveness in Software and Information Technology Services**
- **China’s Most Influential Industry Brand in Software and Information Services**
- **Best Practice Award for Digital Transformation in China’s Digital Economy and Software Service Industry**

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Members of standardized organizations and industry associations, our influence continues to rise
MSP capability assessment dimension

Consultation capabilities: 3 sub-dimensions and 13 capabilities
- Basic enterprise capability
- System evaluation capability
- Planning and design capability

Migration capabilities: 3 sub-dimensions and 10 capabilities
- Migration plan capability
- Migration implementation capability
- Migration verification capability

Management capabilities: 5 sub-dimensions and 14 capabilities
- Multi-cloud access capability
- Resources management capability
- Operation and maintenance management capability
- Operation management capability
- Security management capability

On 29 July 2020, the China Academy of Information and Communications Technology awarded the Cloud Management Service Capability Excellent Level Certification to AsiaInfo Technologies, being the highest assessment standards for Trusted Cloud (currently only five MSPs have passed such certification).

Provide comprehensive cloud services, and possess sound staff structure, strong technical capabilities, comprehensive tool system, and standardized management system.

To meet the various needs of the cloud MSP industry development and lead the development of the industry, AsiaInfo Technologies participated intensively in the preparation of “Cloud MSP Development White Paper” led by China Academy of Information and Communications Technology.
AsiaInfo Technologies will form cooperative alliances with China’s operators, large cloud vendors and more industry partners to seize market opportunities such as 5G, new infrastructure, information technology innovation, and epidemic-derived digital operations, and continue to practice the business strategy of “One consolidation, Three developments” to improve efficiency and growth rate, and drive the steady growth in performance.

Looking forward: Deepen the business strategy of “One consolidation, Three developments”, core business efficiency continues to boost, strive to grow the emerging businesses at full speed, drive sound performance growth.
## PERFORMANCE HIGHLIGHTS

<table>
<thead>
<tr>
<th></th>
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<th></th>
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</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>2,504</td>
<td>2,479</td>
<td>1.0%</td>
</tr>
<tr>
<td>Including: Revenue from Emerging Businesses</td>
<td>230</td>
<td>129</td>
<td>77.7%</td>
</tr>
<tr>
<td>Gross profit</td>
<td>894</td>
<td>868</td>
<td>2.9%</td>
</tr>
<tr>
<td>Gross profit margin</td>
<td>35.7%</td>
<td>35.0%</td>
<td>0.7PP</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(633)</td>
<td>(749)</td>
<td>(15.5%)</td>
</tr>
<tr>
<td>Other profit or losses</td>
<td>30</td>
<td>5</td>
<td>536.1%</td>
</tr>
<tr>
<td>Income tax expenses</td>
<td>(58)</td>
<td>(53)</td>
<td>9.0%</td>
</tr>
<tr>
<td>Net profit</td>
<td>233</td>
<td>71</td>
<td>228.8%</td>
</tr>
<tr>
<td>Earnings per share (RMB)</td>
<td>0.32</td>
<td>0.10</td>
<td>220.0%</td>
</tr>
</tbody>
</table>

**Adjusted data**

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted net profit</td>
<td>280</td>
<td>255</td>
<td>10.1%</td>
</tr>
<tr>
<td>Adjusted net profit margin %</td>
<td>11.2%</td>
<td>10.3%</td>
<td>0.9pp</td>
</tr>
</tbody>
</table>

Net cash outflow in operating activities

<p>| | | | |</p>
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<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>181</td>
<td>358</td>
<td>(49.4%)</td>
</tr>
</tbody>
</table>

* For details of adjusted items, please refer to Appendix 3
**RELATIVELY STABLE GROWTH IN OPERATION REVENUE, ROBUST DEVELOPMENT IN EMERGING BUSINESSES**

**Operation Revenue**

- 2018H1: 2,190 RMB million
- 2019H1: 2,479 RMB million (+13.2%)
- 2020H1: 2,504 RMB million (+1.0%)

**Number of telecom operator customers**

- 2018H1: 212
- 2019H1: 225 (+16.4%)
- 2020H1: 262

**Number of large enterprise customers**

- 2018H1: 32
- 2019H1: 43 (+48.8%)
- 2020H1: 64

**Proportion of revenue from Emerging Businesses to revenue**

- 2018H1: 5.2%
- 2020H1: 9.2%

**Proportion of revenue from Emerging Businesses to revenue**

- 2019H1: 68%
- 2020H1: 77.7%

* Emerging Businesses: OSS, DSaaS, vertical industries and enterprise cloudification business
SOUND PROFITABILITY AND SIGNIFICANT IMPROVEMENT

Gross profit and gross profit margin

<table>
<thead>
<tr>
<th></th>
<th>2018H1</th>
<th>2019H1</th>
<th>2020H1</th>
</tr>
</thead>
<tbody>
<tr>
<td>RMB million</td>
<td>662</td>
<td>868</td>
<td>894</td>
</tr>
<tr>
<td>%</td>
<td>30.2%</td>
<td>35.0%</td>
<td>35.7%</td>
</tr>
</tbody>
</table>

+2.9%

Net profit and net profit margin (%)

<table>
<thead>
<tr>
<th></th>
<th>2018H1</th>
<th>2019H1</th>
<th>2020H1</th>
</tr>
</thead>
<tbody>
<tr>
<td>RMB million</td>
<td>87</td>
<td>71</td>
<td>9.3%</td>
</tr>
<tr>
<td>%</td>
<td>4.0%</td>
<td>2.9%</td>
<td>233</td>
</tr>
</tbody>
</table>

+228.8%

Adjusted net profit and adjusted net profit margin*(%)

<table>
<thead>
<tr>
<th></th>
<th>2018H1</th>
<th>2019H1</th>
<th>2020H1</th>
</tr>
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<tbody>
<tr>
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<td>255</td>
<td>280</td>
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<tr>
<td>%</td>
<td>9.2%</td>
<td>10.3%</td>
<td>11.2%</td>
</tr>
</tbody>
</table>

+10.1%

Earnings per share

<table>
<thead>
<tr>
<th></th>
<th>2018H1</th>
<th>2019H1</th>
<th>2020H1</th>
</tr>
</thead>
<tbody>
<tr>
<td>RMB</td>
<td>0.14</td>
<td>0.10</td>
<td>0.32</td>
</tr>
</tbody>
</table>

+220.0%

* For details of adjusted items, please refer to Appendix 3
MAINTAIN GOOD CONTROL OVER COST AND STABLE COST STRUCTURE

**Continuous good cost - control**

- **Total cost**
  - 2019H1: 2,360 RMB million
  - 2020H1: 2,244 RMB million
  - 5.0% decrease

**Maintain stable cost structure**

- **Proportion of total cost to revenue (%)**
  - 2019H1: 95.2%
  - 2020H1: 89.6%
  - 5.6pp decrease

**Cost of sales**
- Continuous reinforcement of digitalized project management and process optimization
- On-going positive effect from our product middle office strategy
- Marketing activities decreased year-on-year due to the epidemic

**Selling expenses**
- Continuously strengthen the level of precision management of marketing activities and improve marketing efficiency
- Marketing activities decreased year-on-year due to the epidemic

**Administration expenses**
- Continuously enhance the standard of back office precision management and improve functional management efficiency
- Overheads dropped year-on-year due to the epidemic

**R&D expenses**
- Fully accounted for as expenses and relatively stable in R&D investments
- Focus on investing in products and solutions for Emerging Businesses, and continue to build a middle office technology system
Thank you!
**APPENDIX 1: SUMMARY OF CONSOLIDATED INCOME STATEMENT**

<table>
<thead>
<tr>
<th>RMB’000</th>
<th>January to June 2020</th>
<th>January to June 2019</th>
<th>YOY</th>
<th>YOY%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>2,504,146</td>
<td>2,479,331</td>
<td>24,815</td>
<td>1.0%</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>(1,610,482)</td>
<td>(1,610,848)</td>
<td>366</td>
<td>0.0%</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td>893,664</td>
<td>868,483</td>
<td>25,181</td>
<td>2.9%</td>
</tr>
<tr>
<td>Selling and marketing expenses</td>
<td>(163,242)</td>
<td>(218,091)</td>
<td>54,849</td>
<td>(25.1%)</td>
</tr>
<tr>
<td>Administrative expenses</td>
<td>(118,336)</td>
<td>(149,831)</td>
<td>31,495</td>
<td>(21.0%)</td>
</tr>
<tr>
<td>Research and development expenses</td>
<td>(351,533)</td>
<td>(381,692)</td>
<td>30,159</td>
<td>(7.9%)</td>
</tr>
<tr>
<td>Finance costs</td>
<td>(11,390)</td>
<td>(29,990)</td>
<td>18,600</td>
<td>(62.0%)</td>
</tr>
<tr>
<td>Exchange gains and losses</td>
<td>(3,820)</td>
<td>10,613</td>
<td>(14,433)</td>
<td>(136.0%)</td>
</tr>
<tr>
<td>Other income, revenue and losses</td>
<td>52,437</td>
<td>25,663</td>
<td>26,774</td>
<td>104.3%</td>
</tr>
<tr>
<td>Share of results of associates and impairment losses on associates</td>
<td>(7,656)</td>
<td>(1,637)</td>
<td>(6,019)</td>
<td>367.7%</td>
</tr>
<tr>
<td><strong>Profit before tax</strong></td>
<td>290,124</td>
<td>123,518</td>
<td>166,606</td>
<td>134.9%</td>
</tr>
<tr>
<td>Income tax expenses</td>
<td>(57,557)</td>
<td>(52,786)</td>
<td>(4,771)</td>
<td>9.0%</td>
</tr>
<tr>
<td><strong>Net profit</strong></td>
<td>232,567</td>
<td>70,732</td>
<td>161,835</td>
<td>228.8%</td>
</tr>
<tr>
<td><strong>Adjusted net profit</strong></td>
<td>280,438</td>
<td>254,666</td>
<td>25,772</td>
<td>10.1%</td>
</tr>
</tbody>
</table>
### APPENDIX 2: SUMMARY OF CONSOLIDATED BALANCE SHEET

<table>
<thead>
<tr>
<th>RMB'000</th>
<th>2020/6/30</th>
<th>2019/12/31</th>
<th>YOY</th>
<th>YOY%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Including: Goodwill</td>
<td>1,932,246</td>
<td>1,932,246</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Pledged bank deposits and term deposits - non-current</td>
<td>24,371</td>
<td>198,612</td>
<td>(174,241)</td>
<td>(87.7%)</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td>4,921,500</td>
<td>4,717,908</td>
<td>203,592</td>
<td>4.3%</td>
</tr>
<tr>
<td>Including: Trade and note receivables</td>
<td>853,485</td>
<td>841,182</td>
<td>12,303</td>
<td>1.5%</td>
</tr>
<tr>
<td>Contract assets</td>
<td>1,630,971</td>
<td>1,554,521</td>
<td>76,450</td>
<td>4.9%</td>
</tr>
<tr>
<td>Pledged bank deposits and term deposits - current</td>
<td>629,092</td>
<td>321,246</td>
<td>307,846</td>
<td>95.8%</td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td>3,377,473</td>
<td>3,471,080</td>
<td>(93,607)</td>
<td>(2.7%)</td>
</tr>
<tr>
<td>Including: Trade and note payables</td>
<td>394,105</td>
<td>358,048</td>
<td>36,057</td>
<td>10.1%</td>
</tr>
<tr>
<td>Contract liabilities</td>
<td>181,556</td>
<td>296,945</td>
<td>(115,389)</td>
<td>(38.9%)</td>
</tr>
<tr>
<td>Other payables, deposits received and accrued expenses</td>
<td>1,635,690</td>
<td>1,922,837</td>
<td>(287,147)</td>
<td>(14.9%)</td>
</tr>
<tr>
<td>Bank borrowings - current</td>
<td>858,035</td>
<td>594,372</td>
<td>263,663</td>
<td>44.4%</td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td>248,320</td>
<td>162,357</td>
<td>85,963</td>
<td>52.9%</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td>3,982,988</td>
<td>3,907,203</td>
<td>75,785</td>
<td>1.9%</td>
</tr>
</tbody>
</table>
To facilitate comparisons of the operating performance of the Company in different periods, non-recurring, non-cash or non-operating items, which were not indicative of the operation of the Company, were excluded, and are listed as follows:

<table>
<thead>
<tr>
<th>Details of adjustment</th>
<th>For the year ended 30 June</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reconciliation of net profit to adjusted net profit</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net profit</td>
<td></td>
<td>86,837</td>
<td>70,732</td>
<td>232,567</td>
</tr>
<tr>
<td>Add:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pre-IPO Share-based compensation plan related expenses</td>
<td></td>
<td>24,531</td>
<td>175,608</td>
<td>38,867</td>
</tr>
<tr>
<td>Amortisation of intangible assets arising from acquisition</td>
<td></td>
<td>17,148</td>
<td>7,566</td>
<td>5,184</td>
</tr>
<tr>
<td>One-off listing expenses</td>
<td></td>
<td>20,862</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Interest expenses for the privatisation of syndicated Loan</td>
<td></td>
<td>24,069</td>
<td>11,373</td>
<td>-</td>
</tr>
<tr>
<td>Exchange loss/(gain), net</td>
<td></td>
<td>27,240</td>
<td>(10,613)</td>
<td>3,820</td>
</tr>
<tr>
<td>Sub-total of adjusted items</td>
<td></td>
<td>113,850</td>
<td>183,934</td>
<td>47,871</td>
</tr>
<tr>
<td>Adjusted net profit</td>
<td></td>
<td>200,687</td>
<td>254,666</td>
<td>280,438</td>
</tr>
</tbody>
</table>