

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **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)**

## **INSIDE INFORMATION**

### **TRANSFER OF SHARES BY SUBSTANTIAL SHAREHOLDER**

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance.

#### **Share Purchase Agreement**

The Board has been informed by the Purchaser (AsiaInfo Security) that the Purchaser and the Seller (which holds approximately 22.872% of the issued share capital of the Company, and indirectly controlled by Mr. ZHANG Yichen, a non-executive Director) entered into the Share Purchase Agreement on 16 January 2024, pursuant to which the Seller has agreed to sell, and the Purchaser has agreed to buy, the Sale Shares at a consideration of HK\$9.45 per Sale Share, subject to the terms of the Share Purchase Agreement.

#### **Voting Rights Entrustment Agreement**

Pursuant to the Voting Rights Entrustment Agreement entered into between Dr. TIAN, Info Addition Capital Limited Partnership, PacificInfo Limited and CBC Partners II L.P. (collectively the “**Voting Rights Entrusting Shareholders**”) and AsiaInfo Security on 16 January 2024, the Voting Rights Entrusting Shareholders have agreed to entrust the voting rights enjoyed as Shareholders of all the Shares held by them immediately after Completion to AsiaInfo Security, subject to the terms of the Voting Rights Entrustment Agreement. Immediately after Completion, the Voting Rights Entrusting Shareholders are expected to collectively hold between 89,525,781 Shares and 89,837,875 Shares, representing approximately between 9.572% and 9.605% of the issued share capital of the Company.

Upon Completion and taking into account the Voting Rights Entrustment Agreement, the Purchaser Group will hold, and be entitled to exercise the voting rights with respect to, an aggregate of between 269,441,470 Shares and 279,854,851 Shares, representing approximately between 28.808% and 29.921% of the issued share capital of the Company as of the date of this announcement.

**The Proposed Transaction is subject to the fulfilment (or waiver, where applicable) of a number of conditions precedent, including obtaining the relevant regulatory approvals, and may or may not proceed.**

**Shareholders and other investors are advised to exercise caution when dealing in the securities of the Company.**

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance.

## **THE PROPOSED TRANSACTION**

The Board has been informed by the Purchaser that the Purchaser and the Seller entered into the Share Purchase Agreement on 16 January 2024, pursuant to which the Seller has agreed to sell, and the Purchaser has agreed to buy, the Sale Shares at a consideration of HK\$9.45 per Sale Share, subject to the terms of the Share Purchase Agreement.

## **ASSIGNMENT**

AsiaInfo Security may at any time, upon giving notice to the Seller, assign all or any part of the benefit of, or its rights or benefits and transfer its obligations under the Share Purchase Agreement to the Purchaser SPV or AsiaInfo Security's successor in title.

The Purchaser SPV will be incorporated for the purpose of acquiring and holding the Sale Shares, indirectly controlled by AsiaInfo Security and wholly owned by a limited partnership enterprise to be formed in which Tianjin AsiaInfo Jin'an Technologies Co., Ltd. (天津亞信津安科技有限公司), AsiaInfo Technology (Chengdu) Co., Ltd. (亞信科技(成都)有限公司) (both being AsiaInfo Security's 100% subsidiaries), Tianjin Kehai Investment Development Co., Ltd. (天津科海投資發展有限公司) (a wholly state-owned enterprise indirectly controlled by the local authority of the State-owned Assets Supervision and Administration Commission in the government of Tianjin Jinan District) and (potentially and if applicable) one or more third party investors are expected to hold economic interests in accordance with their respective capital commitment.

## **SECONDARY SALE AND DISTRIBUTION**

Pursuant to the Share Purchase Agreement, the Seller has undertaken to sell all or part of the Shares not constituting the Sale Shares representing approximately 2.556% of the issued share capital of the Company to one or more independent third party buyer(s) (the “**Seller Secondary Sale**”) and/or distribute all or part of the Shares representing approximately 3.636% of the issued share capital of the Company to its direct or indirect shareholders (the “**Seller Distribution**”). Similarly, the Purchaser has undertaken to procure CBC to sell to one or more independent third party buyer(s) (the “**CBC Secondary Sale**”) and/or distribute to its partners (the “**CBC Distribution**”) approximately 3.337% of the issued share capital of the Company.

## **DISPOSAL OF MR. DING’S SHARES**

Pursuant to the Share Purchase Agreement, the Purchaser is required to use reasonable endeavours to procure Mr. DING to dispose of all of the Shares directly and indirectly held by Mr. DING to independent third parties. As at the date of the announcement, Mr. DING holds approximately 1.360% of the issued share capital of the Company.

## **CONDITIONS TO COMPLETION**

Completion is conditional on fulfilment (or waiver, where applicable) of certain conditions by the Long Stop Date which are customary for transactions of this nature, including but not limited to, in summary:

- (1) the Proposed Transaction not triggering any mandatory general offer obligation for the entire share capital of the Company;
- (2) the result of the due diligence to be conducted by the Purchaser not revealing any matter which has or would have a material adverse effect on the Company subject to certain qualifications;
- (3) there has been no material adverse change happened prior to Completion;
- (4) all necessary consents and approvals in connection with the Proposed Transaction which are required under any existing contract of the Seller and the Purchaser Group have been obtained;
- (5) approvals by the shareholders of AsiaInfo Security in respect of the Proposed Transaction and the Shanghai Stock Exchange’s confirmation of no further comments;
- (6) (a) approvals from certain PRC regulatory and governmental authorities (including antitrust approval) and (b) all other authorisations, consents and approvals of, and all other notice to and filings or registrations with, any governmental authority as required pursuant to any applicable laws;

- (7) obtaining the Board and Shareholders' approvals for change of the composition of the Board such that the Purchaser will have six nominated Directors (including two independent non-executive Directors) on the Board at Completion. (In this connection, the Share Purchase Agreement also provides for the three Directors nominated by the Seller to resign from the Board immediately prior to Completion);
- (8) completion of the Seller Secondary Sale and, if applicable, the Seller Distribution having taken place; and
- (9) completion of the CBC Secondary Sale and, if applicable, the CBC Distribution having taken place.

The conditions set out in paragraphs 1, 5, 6(a), 8 and 9 above may not be waived by either Party.

## **TERMINATION**

The Share Purchase Agreement is also subject to termination on customary grounds as specified in the Share Purchase Agreement.

## **REASONS FOR AND BENEFITS OF THE PROPOSED TRANSACTION**

AsiaInfo Security is a leading player in the field of cyber security software in the PRC. It is committed to safeguarding the industrial internet and has become a security intelligent platform enterprise that protects the cloud, network, edge, and endpoints in the 5G era and cloud networking. The Group is a leading software product, solution, and service provider in the PRC and a leading provider of full-stack capacities with digital-intelligence. It is dedicated to empowering various industries with digital-intelligence technologies such as 5G, AI, and big data, and co-creating digital-intelligence value with its customers. The Board believes that the Purchaser, as a strategic Shareholder in the Proposed Transaction, can further optimize the Company's equity structure and maintain stability in its governance, strategic planning, and execution. It is also beneficial for both AsiaInfo Security and the Group to leverage their respective strengths, deepen strategic collaboration in the areas of cloud, network and security, and enhance the overall value of the Group in the future.

## **VOTING RIGHTS ENTRUSTMENT AGREEMENT**

Pursuant to the Voting Rights Entrustment Agreement entered into between the Voting Rights Entrusting Shareholders and AsiaInfo Security on 16 January 2024, the Voting Rights Entrusting Shareholders have agreed to entrust the voting rights enjoyed as Shareholders of all the Shares held by them immediately after Completion to AsiaInfo Security, subject to the terms of the Voting Rights Entrustment Agreement. Immediately after Completion, the Voting Rights Entrusting Shareholders are expected to collectively hold between 89,525,781 Shares and 89,837,875 Shares, representing approximately between 9.572% and 9.605% of the issued share capital of the Company.

AsiaInfo Security may assign all or any part of the benefit of, or its rights or benefits and transfer its obligations under the Voting Rights Entrustment Agreement to the Purchaser SPV or AsiaInfo Security's successor in title.

Upon Completion and taking into account the Voting Rights Entrustment Agreement, the Purchaser Group will hold, and be entitled to exercise the voting rights with respect to, an aggregate of between 269,441,470 Shares and 279,854,851 Shares, representing approximately between 28.808% and 29.921% of the issued share capital of the Company as of the date of this announcement.

**The Proposed Transaction is subject to the fulfilment (or waiver, where applicable) of a number of conditions precedent, including obtaining the relevant regulatory approvals, and may or may not proceed.**

**Shareholders and other investors are advised to exercise caution when dealing in the securities of the Company.**

## DEFINITIONS

“AsiaInfo Security”	AsiaInfo Security Technologies Co., Limited (亞信安全科技股份有限公司), a limited liability company incorporated in the PRC on 25 November 2014 whose shares are listed on the A Share market of the Shanghai Stock Exchange, and which is ultimately controlled and beneficially owned as to approximately 47.87% by Dr. TIAN
“Board”	the board of Directors
“CBC”	CBC TMT III Limited, which holds 31,209,360 Shares (representing approximately 3.337% of the issued share capital of the Company) and is indirectly controlled by Dr. TIAN
“CBC Distribution”	has the meaning ascribed to it under the section headed “Secondary Sale and Distribution” in this announcement
“CBC Secondary Sale”	has the meaning ascribed to it under the section headed “Secondary Sale and Distribution” in this announcement
“Company”	AsiaInfo Technologies Limited (亞信科技控股有限公司), an international business company incorporated in the British Virgin Islands on 15 July 2003, whose Shares are listed on the Stock Exchange (stock code: 1675)
“Completion”	completion of the sale and purchase of the Sale Shares under the Share Purchase Agreement

“Consideration”	the consideration payable for the Sale Shares in accordance with the Share Purchase Agreement
“Director(s)”	the director(s) of the Company
“Dr. TIAN”	Dr. TIAN Suning (田溯寧博士), the chairman of the Company and an executive Director
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Long Stop Date”	31 October 2024, which shall be automatically extended to 31 January 2025 if additional time periods are required to obtain certain regulatory approvals, and may be further extended to another date as may be agreed between the Parties
“Mr. DING”	Mr. DING Jian (丁健先生), a non-executive Director who holds approximately 1.360% of the issued share capital of the Company
“Party” or “Parties”	the Purchaser and/or the Seller, as appropriate
“PRC”	the People’s Republic of China
“Proposed Transaction”	the proposed acquisition of the Sale Shares pursuant to the terms and conditions of Share Purchase Agreement
“Purchaser”	AsiaInfo Security and/or, where applicable, the Purchaser SPV, to which AsiaInfo Security may assign its rights and obligations under the Share Purchase Agreement
“Purchaser Group”	Dr. TIAN and his controlled entities (including the Purchaser, its subsidiaries and subsidiary undertakings, any holding company of the Purchaser and all other subsidiaries and subsidiary undertakings of any such holding company from time to time)

“Purchaser SPV”	a company to be incorporated for the purpose of acquiring and holding the Sale Shares, indirectly controlled by AsiaInfo Security and wholly owned by a limited partnership to be formed in which Tianjin AsiaInfo Jin’an Technologies Co., Ltd. (天津亞信津安科技有限公司), AsiaInfo Technology (Chengdu) Co., Ltd. (亞信科技(成都)有限公司) (both being AsiaInfo Security’s 100% subsidiaries), Tianjin Kehai Investment Development Co., Ltd. (天津科海投資發展有限公司) and (potentially and if applicable) one or more third party investors are expected to hold economic interests in accordance with their respective capital commitment
“Sale Share(s)”	the 179,915,689 or 190,016,976 Shares held by the Seller, representing approximately 19.236% or 20.316% of the issued share capital of the Company
“Seller”	Skipper Investment Limited, which holds 213,924,952 Shares (representing approximately 22.872% of the issued share capital of the Company) and is indirectly controlled by Mr. ZHANG Yichen, a non-executive Director
“Seller Distribution”	has the meaning ascribed to it under the section headed “Secondary Sale and Distribution” in this announcement
“Seller Secondary Sale”	has the meaning ascribed to it under the section headed “Secondary Sale and Distribution” in this announcement
“Share(s)”	the ordinary share(s) of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Share Purchase Agreement”	the share transfer agreement dated 16 January 2024 entered into between the Seller and the Purchaser setting out the terms and conditions of the Proposed Transaction
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Voting Rights Entrusting Shareholders”	Dr. TIAN, Info Addition Capital Limited Partnership, PacificInfo Limited and CBC Partners II L.P. (each of Info Addition Capital Limited Partnership, PacificInfo Limited and CBC Partners II L.P. is controlled by Dr. TIAN)

“Voting Rights Entrustment Agreement” the Voting Rights Entrustment Agreement entered into between the Voting Rights Entrusting Shareholders and AsiaInfo Security on 16 January 2024

“%” per cent

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

Beijing, 16 January 2024

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

*Executive Directors: Dr. TIAN Suning, Mr. XIN Yuesheng and Mr. GAO Nianshu*

*Non-executive Directors: Mr. ZHANG Yichen, Mr. DING Jian, Mr. YANG Lin, Ms. LIU Hong and Mr. CHENG Xike*

*Independent non-executive Directors: Dr. GAO Jack Qunyao, Dr. ZHANG Ya-Qin, Mr. GE Ming and Ms. TAO Ping*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statement in this announcement misleading.*