



HKT reports solid annual results for 2023

HKT (SEHK: 6823) – HONG KONG, 22 February 2024 – The directors of HKT Management Limited (in its capacity as the trustee-manager of the HKT Trust) (the “Trustee-Manager”) and HKT Limited (the “Company” or “HKT”) are pleased to announce the audited consolidated results of the HKT Trust and of the Company together with the Company’s subsidiaries (collectively the “Group”) for the year ended 31 December 2023. The key highlights are as follows:

- HKT reported another set of solid annual results in 2023, underpinned by its scale, diversified business portfolio and robust telecommunications infrastructure.
- Excluding Mobile product sales, total revenue increased by 3% to HK\$31,370 million, reflecting the robust demand and execution of digital transformation projects for enterprises and government customers, sustained demand for our reliable fibre services, accelerated recovery in roaming revenue and broader 5G adoption. Total revenue grew by 1% to HK\$34,330 million.
- Total EBITDA increased by 3% to HK\$13,400 million, spurred by higher revenue and concerted cost optimisation efforts, including the deployment of artificial intelligence (AI) applications across the Group.
- Adjusted funds flow (AFF) increased by 3% to HK\$5,798 million despite the 77% increase in net finance costs paid during the year.
- The Board of Directors has recommended a final distribution of 44.44 HK cents per Share Stapled Unit. Together with interim distribution, total distribution for the year will amount to 76.49 HK cents per Share Stapled Unit.
- For the Mobile business, we registered net adds of 105,000 to our post-paid customer base in 2023 despite intense competition, representing a growth of 3%, an increase from 1% in 2022. Average revenue per user (ARPU) increased by 2% to HK\$191. We served close to 1.4 million 5G customers, comprising 41% of our total post-paid base. As travel resumed, our total roaming revenue recorded a significant rise of 176%. Our consumer outbound roaming revenue reached 95% of pre-pandemic levels in the second half of the year and surpassed them in December.
- The broadband business recorded revenue growth for the 16th consecutive year, with a 2% rise as demand for our high speed, reliable fibre services from

individuals, households and enterprises continued during the year. Uptake of our newly launched 2500M broadband service has been encouraging, providing a boost with a HK\$98 plan fee uplift. Deploying the latest XGSPON technology, we offer plans that deliver symmetric speeds of up to 10GB, covering 2.4 million households in over 50,000 buildings across the city.

- For Pay TV, our installed base grew by 2% to 1.43 million, including a number of new hotels. We introduced a Now TV streaming service option to offer multi-device access to live channels and on-demand content without the need for a set-top box, helping us further tap into our mobile customer base. Continuing to strengthen its content proposition and consolidating its position as the “Home of Sports”, Now TV has secured the return of the UEFA European Championship and will exclusively broadcast all 51 games from the UEFA EURO 2024™ to fans in Hong Kong between June and July 2024.
- On the enterprise side, local data revenue achieved an impressive growth of 10%, reflecting the accelerating demand for digital transformation solutions and our capabilities in delivering industry specific applications for both public and private sectors. We ended the year having secured new project wins of HK\$4 billion. We have also been successfully partnering with Hong Kong and MNCs to expand into the mainland China market, as well as partnering with China enterprises to expand into regional markets, resulting in a notable growth of 32% in mainland China revenue. We are optimistic about achieving our mainland revenue target of HK\$1 billion in 2024.
- The Group's integrated loyalty and digital commerce platform, The Club, has further expanded its membership base by 4% to 3.85 million in 2023.
- Tap & Go accounts expanded 4% to 3.77 million, reflecting further digital adoption of digital payment by consumers. On the merchant side, we launched a new SmartPOS, which integrates the use of our Clubpoints to give consumers even greater choice.
- Our healthtech service, DrGo, saw a 50% rise in its number of completed video consultations in the second half of 2023. Registered users increased to 386,000.

Susanna Hui, HKT Group Managing Director, said, "We are pleased to report positive growth across our business lines despite the challenging global landscape. Our resilience reflects our edge as Hong Kong's only true quad-play services provider as well as sustained demand for our in-depth digital solutions across industries."

She added, "In addition to cross-selling an ever-growing array of services to our large consumer customer base, we remain dedicated to supporting our enterprise

customers as they look to expand beyond Hong Kong into the mainland China and regional markets. Embracing AI, we will improve HKT's business operations and those of our enterprise customers. We remain highly confident in driving continued growth, ultimately delivering solid and sustainable AFF growth for our shareholders."

She added, "It is worth mentioning that the Legislative Council passed a bill yesterday, requiring new buildings to provide space for operators to install mobile telecommunication facilities. We are pleased that the government has committed to addressing the industry's longstanding demands, and we hope that the authority could further enhance the arrangements by expanding the scope to cover also existing properties, hence enhancing Hong Kong's 5G coverage and facilitating its development as a smart city."

For further details of the 2023 annual results, please refer to the [announcement](#) that has been filed with The Stock Exchange of Hong Kong Limited.

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Susanna Hui, HKT Group Managing Director (right), and Patrick Poon, HKT Chief Financial Officer, present the 2023 annual results of HKT.



Susanna Hui, HKT Group Managing Director



Patrick Poon, HKT Chief Financial Officer

About HKT

HKT is a technology, media, and telecommunication leader with more than 150 years of history in Hong Kong. As the city's true 5G provider, HKT connects businesses and people locally and globally. Our end-to-end enterprise solutions make us a market-leading digital transformation partner of choice for businesses, whereas our comprehensive connectivity and smart living offerings enrich people's lives and cater for their diverse needs for work, entertainment, education, well-being, and even a sustainable low-carbon lifestyle. Together with our digital ventures which support digital economy development and help connect Hong Kong to the world as an international financial centre, HKT endeavours to contribute to smart city development and help our community tech forward.

For more information, please visit www.hkt.com.

LinkedIn: [linkedin.com/company/hkt](https://www.linkedin.com/company/hkt)

For media enquiries, please contact:

HKT

Group Communications

Nicole Lo

Group Communications

Tel: +852 2888 2742

Email: nicole.cm.lo@pccw.com

Stella Tsang

Group Communications

Tel: +852 2883 8747

Email: stella.hy.tsang@pccw.com

For investor enquiries, please contact:

HKT

Investor Relations

Marco Wong

Tel: +852 2514 5084

Email: ir@hkt.com

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