



PCCW reports robust interim results for 2021

PCCW (SEHK:0008) – HONG KONG, August 6, 2021 – The directors (“Directors”) of PCCW Limited (“PCCW” or the “Company”) today announced the unaudited consolidated results of the Company and its subsidiaries (collectively the “Group”) for the six months ended June 30, 2021. Some of the key figures are as follows:

- Core revenue increased 9% to HK\$18,143 million
 - HKT total revenue up 7% to HK\$15,643 million
 - OTT Business revenue up 29% to HK\$646 million
 - Free TV & Related Business revenue up 97% to HK\$256 million
 - Solutions Business revenue up 51% to HK\$2,886 million
- Core EBITDA increased 6% to HK\$5,710 million
 - HKT EBITDA up 3% to HK\$5,715 million
 - OTT Business EBITDA loss narrowed to HK\$20 million
 - Free TV & Related Business EBITDA loss narrowed to HK\$44 million
 - Solutions Business EBITDA up 118% to HK\$491 million
- Consolidated revenue was stable at HK\$18,355 million
- Consolidated EBITDA increased by 4% to HK\$5,608 million
- Consolidated loss attributable to equity holders of the Company for the period narrowed to HK\$315 million
- Interim dividend of 9.36 HK cents per ordinary share

Following the initial recovery of the economy from a severe recession amid COVID-19 vaccine rollouts, PCCW recorded a robust performance across its core businesses of telecommunications, media and IT services for the six months ended June 30, 2021.

Both the over-the-top (“OTT”) and Free TV & Related Business maintained their growth momentum with revenue expanding 29% and 97% respectively. These increases were underpinned by the rising viewership and popularity of their services in their respective markets. In particular, our video streaming service, Viu, achieved an impressive revenue growth of 47%. As a result of the broadened revenue base, OTT and Free TV & Related Business further narrowed their EBITDA losses and are on the path to profitability.

On the back of the secured orders amassed by the end of 2020, the Solutions Business continued to deliver several mission-critical projects in 2021 which lifted revenue by 51% to HK\$2,886 million with a corresponding improvement in EBITDA which recorded a 118% increase to HK\$491 million and an EBITDA margin that improved from 12% to 17%.

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HKT Limited's ("HKT") total revenue increased by 7% to HK\$15,643 million benefiting from a continued strong demand for broadband and data services alongside the growing adoption of our 5G services by both consumers and enterprises, which lifted our Mobile business revenue, as well as higher handset sales. The local data services business of the Telecommunications Services ("TSS") business registered a 5% growth in revenue which offset the decline in our roaming and wholesale voice related revenue. The Pay TV business, which was fully consolidated into HKT in this interim period, generated revenue of HK\$1,231 million and EBITDA of HK\$212 million in the first half of the year, benefiting from our exclusive broadcast of UEFA EURO 2020™ with the associated subscription, event-specific pass, and advertising revenue. HKT's total EBITDA increased by 3% to HK\$5,715 million, reflecting the steady EBITDA of HKT's main businesses, the breadth and scale of its diversified business portfolio, as well as the effectiveness of cost control measures.

Consequently, core revenue climbed 9% to HK\$18,143 million and core EBITDA increased by 6% to HK\$5,710 million.

Pacific Century Premium Developments Limited ("PCPD") revenue decreased by 87% to HK\$212 million mainly because the Park Hyatt Niseko Hanazono Residences were completed and handed over in the first half of 2020 which contributed significantly to the revenue for that period, whereas the amount of property sales completed in the first half of 2021 was lower. Additionally, the hotel operations in Japan were heavily affected by the global travel restrictions amid the COVID-19 pandemic. Therefore, PCPD recorded an EBITDA loss of HK\$102 million for the period.

On a consolidated basis, revenue was stable at HK\$18,355 million and EBITDA increased by 4% to HK\$5,608 million. Consolidated loss attributable to equity holders of the Company for the period narrowed to HK\$315 million as a consequence of improvements in EBITDA for the Solutions, OTT and Free TV & Related Business.

The board of Directors (the "Board") declared an interim dividend of 9.36 HK cents per ordinary share for the six months ended June 30, 2021.

Commenting on the outlook, PCCW's Group Managing Director, Mr. BG Srinivas, said, "Our leading pan-regional OTT video service Viu will continue to reinforce its status as the hub of Asian content with a compelling lineup of Korean, Japanese, Chinese and Thai dramas, and drive viewership and subscriptions through a growing collection of Viu Originals and localized content, aided by data analytics and predictive modeling of audience preferences. We look forward to achieving breakeven in the near term."

Mr. Srinivas said, "Domestic free TV ViuTV will keep producing and releasing quality scripted and non-scripted content to entice more viewers to tune in. Grooming our artistes and identifying new talents have also proven to be effective means of expanding our viewership and advertising and associated revenues."

"PCCW Solutions will seek to further grow its IP solution suites to facilitate the digital transformation of enterprises in Hong Kong and Southeast Asia, while continuing to develop its project pipeline for strong recurrent revenues," said Mr. Srinivas.

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Building on its 5G foundation, HKT is in a unique position to facilitate the Government's smart city projects, and will keep exploring new enterprise applications and use cases for monetization opportunities. HKT will deepen its market penetration with synergistic quadplay offerings and create new revenue streams from digital services.

Mr. Srinivas added, "Vaccination is key to the resolution of the global pandemic. As more and more Hong Kong people get vaccinated, including our own staff to whom we have extended paid vaccination leave, the local economy looks set to continue its steady rebound. Nevertheless, PCCW will remain vigilant to any changes in the external environment. With our sound financial footing, we will keep a sharp lookout for any growth opportunities that may arise from the gradually improving business environment, with the objective of creating additional value for shareholders."

For further details of the 2021 interim results, please refer to the [announcement](#) that has been filed with The Stock Exchange of Hong Kong Limited.

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PCCW Group Managing Director Mr. BG Srinivas and PCCW Group Chief Financial Officer Ms. Susanna Hui present PCCW's 2021 interim results.

About PCCW Limited

PCCW Limited (SEHK: 0008) is a global company headquartered in Hong Kong which holds interests in telecommunications, media, IT solutions, property development and investment, and other businesses.

The Company holds a majority stake in the HKT Trust and HKT Limited, Hong Kong's premier telecommunications service provider and leading operator of fixed-line, broadband, mobile communication and media entertainment services. HKT delivers end-to-end integrated solutions employing emerging technologies to assist enterprises in transforming their businesses. HKT has also built a digital ecosystem integrating its loyalty program, e-commerce, travel, insurance, FinTech and HealthTech services to deepen its relationship with customers.

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PCCW owns a fully integrated multimedia and entertainment group in Hong Kong engaged in the provision of OTT video service locally and in other places in the region. Through HK Television Entertainment Company Limited, PCCW also operates a domestic free TV service in Hong Kong.

Also wholly-owned by the Group, PCCW Solutions is a leading IT and business process outsourcing provider in Hong Kong, mainland China and Southeast Asia. In addition, PCCW holds a stake in Pacific Century Premium Developments Limited and other overseas investments.

To learn more about PCCW, please visit www.pccw.com.

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Issued by PCCW Limited.