



## PCCW reports robust financial results for 2021

**PCCW (SEHK:0008) – HONG KONG, February 24, 2022** – The directors (“Directors”) of PCCW Limited (“PCCW” or the “Company”) hereby announce the audited consolidated results of the Company and its subsidiaries (collectively the “Group”) for the year ended December 31, 2021. Some key figures are as follows:

- Revenue from continuing operations increased 7% to HK\$38,654 million
  - HKT total revenue up 5% to HK\$33,961 million
  - OTT Business revenue up 25% to HK\$1,480 million
  - Free TV & Related Business revenue up 152% to HK\$800 million
  - Solutions Business revenue up 20% to HK\$4,894 million
- EBITDA from continuing operations increased 6% to HK\$12,309 million
  - HKT EBITDA up 2% to HK\$12,733 million
  - OTT Business EBITDA loss narrowed to HK\$23 million
  - Free TV & Related Business EBITDA turned positive to HK\$94 million
  - Solutions Business EBITDA up 31% to HK\$656 million
- Above results reflect the continuing operations of the Company following the divestment of the Data Center Business and deconsolidation of PCPD
- After accounting for the gain from the Data Center Business divestment and impact of the PCPD deconsolidation, consolidated profit attributable to equity holders of the Company for the year was HK\$1,039 million
- Final cash dividend of 27.69 HK cents per ordinary share resulting in full-year cash dividend of 37.05 HK cents per ordinary share, an increase of 15% compared to the prior year

The Group registered robust performance across its core businesses of telecommunications, media, and IT solutions services for the year ended December 31, 2021 against the backdrop of a stabilizing environment in Hong Kong and continued expansion of the Group’s Media and Solutions Business regionally.

HKT Limited’s (“HKT”) total revenue increased by 5% to HK\$33,961 million, reflecting continued strong demand for fixed broadband services, the broader 5G adoption by both consumers and enterprises, and robust handset sales. EBITDA increased by 2% to HK\$12,733 million. HKT’s Telecommunications Services (“TSS”) business continued to demonstrate resilience as demand for fast and reliable broadband connectivity and Home Wi-Fi solutions remained strong. Mobile business benefited from the average revenue per user (“ARPU”) uplift from new subscriptions and upgrades to our 5G services and customer growth. The Pay TV business, which recorded its first full year as part of HKT, contributed revenue of HK\$2,456 million for the year ended December 31, 2021.

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In the Media Business, both over-the-top (“OTT”) and Free TV & Related Business continued to show favorable prospects, enlarging their revenue by 25% and 152% respectively. The success of the OTT Business is testimony to its high-quality content, including its Viu Original titles, which have spurred further growth in its monthly active users (“MAUs”) and paid subscribers. 2021 was a landmark year for ViuTV, built upon our prior continuous investments in the production of relevant and appealing content. This culminated in the success of MIRROR during the year, which we have also cross leveraged across other parts of the Group. Such positive response from viewers has boosted not only advertising revenue but also in artiste management and content syndication. With this enlarged revenue base, the OTT Business is nearing EBITDA breakeven, while the Free TV & Related Business turned EBITDA positive during the year.

The Solutions Business recorded a 20% increase in revenue to HK\$4,894 million due to the successful implementation of mission critical projects for customers during the year ended December 31, 2021. Benefiting from the growth in revenue and enhanced operating efficiencies, EBITDA increased by 31% to HK\$656 million with the margin expanding to 13%.

As a result, the Group’s revenue from continuing operations increased by 7% to HK\$38,654 million and EBITDA from continuing operations by 6% to HK\$12,309 million.

After accounting for the gain from the Data Center Business divestment and impact of the PCPD deconsolidation, the Group recorded consolidated profit attributable to equity holders of the Company for the year of HK\$1,039 million.

The board of Directors (the “Board”) has recommended the payment of a final cash dividend of 27.69 HK cents per ordinary share resulting in full-year cash dividend of 37.05 HK cents per ordinary share for the year ended December 31, 2021, an increase of 15% compared to 2020.

Mr. BG Srinivas, PCCW’s Group Managing Director, said, “Viu OTT will strengthen its competitive edge in the direct-to-consumer (“D2C”) market by investing in highly rated Asian content and Viu Original titles that are relevant to the audiences in each market in partnership with top local production talent across the region. More than 30 new productions in different genres and languages are expected to be released in 2022. With its growing scale, Viu OTT is nearing EBITDA breakeven.”

ViuTV will continue to gauge the interest of the domestic audience and produce quality programs to drive viewership for its TV and digital channels, while further promoting its artistes and event business.

“PCCW Solutions is strategically focused in sharpening client engagement, expanding its ecosystem with technology partners and new capabilities, and strengthening its talent pool. It will replicate proven solutions to deepen penetration in Southeast Asia and scale industry-specific expertise to win clients for a strong pipeline and recurrent revenue,” he said.

HKT is committed to catering for the connectivity needs of Hong Kong by further building upon its 5G infrastructure and maintaining its robust and reliable broadband service. We will seek to commercialize a great variety of 5G applications in healthcare, property and other sectors, and assist the public’s shift toward the digital lifestyle, thereby contributing to Hong Kong’s development into a smart city.

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Mr. Srinivas said, "As year 2022 commenced, the Omicron variant and the social distancing measures re-introduced by the Government as a result have cast new uncertainties on the pace of Hong Kong's economic recovery and the global outlook. PCCW will remain on guard against any headwinds that may arise from this highly dynamic environment, while identifying and pursuing any viable growth opportunities, with a view to creating long term value for our shareholders."

For further details of the 2021 annual results, please refer to the announcement that has been filed with The Stock Exchange of Hong Kong Limited.

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### **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.

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](http://www.pccw.com).

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