

**HKT delivers solid interim results for 2019  
with continued AFF growth**

**HKT (SEHK: 6823) – HONG KONG, August 7, 2019** –The directors of HKT Management Limited (the “Trustee-Manager”, in its capacity as the trustee-manager of the HKT Trust) and HKT Limited (the “Company” or “HKT”) are pleased to announce the unaudited consolidated results of the HKT Trust and of the Company together with the Company’s subsidiaries (collectively the “Group”) for the six months ended June 30, 2019. Some key figures are as follows:

- Total revenue excluding Mobile product sales increased by 1% to HK\$13,768 million
- Total EBITDA increased by 2% to HK\$5,733 million
- Profit attributable to holders of Share Stapled Units increased by 16% to HK\$2,162 million; basic earnings per Share Stapled Unit was 28.55 HK cents
- Adjusted funds flow increased by 3% to HK\$2,272 million; adjusted funds flow per Share Stapled Unit was 30.01 HK cents
- Interim distribution per Share Stapled Unit of 30.01 HK cents

HKT delivered another solid set of financial results for the six months ended June 30, 2019, demonstrating the underlying strength of our core businesses and our leading market position as an integrated telecommunication service provider to both consumers and business customers.

During the period, we continued to invest for business growth and drive further efficiencies across all lines of our business. Total revenue excluding Mobile product sales increased by 1% to HK\$13,768 million, underpinned by steady growth in Telecommunications Services (“TSS”) and Mobile services revenue. Revenue from Mobile product sales of HK\$1,341 million was recorded during the period, as compared to HK\$3,374 million a year earlier, reflecting the continued lengthening of the handset replacement cycle especially in view of the impending arrival of 5G handsets.

Total EBITDA for the period was HK\$5,733 million, an increase of 2% over the same period in 2018, as a result of further operating cost efficiencies. Profit attributable to holders of the share stapled units of the HKT Trust and HKT (“Share Stapled Units”) was HK\$2,162 million, an increase of 16% over the same period in 2018. Basic earnings per Share Stapled Unit was 28.55 HK cents.

Adjusted funds flow for the six months ended June 30, 2019 expanded by 3% to HK\$2,272 million, compared to the same period in 2018. Adjusted funds flow per Share Stapled Unit correspondingly grew by 3% to 30.01 HK cents, as compared to the same period in 2018.

The board of directors of the Trustee-Manager has resolved an interim distribution of 30.01 HK cents per Share Stapled Unit for the six months ended June 30, 2019.

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HKT's Group Managing Director, Ms. Susanna Hui, said, "Going forward, HKT will continue to seek to increase profitability and cash flow of our underlying businesses by providing increased value for customers and through improvements in operational efficiencies. At the same time, we will cautiously develop our new businesses, which from relatively small bases will in time provide additional momentum for growth."

"We will stay at the forefront of the market, rolling out at opportune times innovative services and solutions to meet consumers' needs for smart living and to address the demand of enterprises of different sizes for smarter operations. We believe the prospect of the market of larger enterprises and public organizations is particularly positive for HKT as we have a strong niche in these segments which require complex system integration and managed services skill sets," she said.

HKT welcomes the Government's decision to set lower reserve prices for the mid-band 5G spectrum, which will create a more conducive environment for the industry to introducing 5G for commercial use. As Hong Kong's leading mobile service operator, we are making preparation to roll out innovative 5G services next year when the handsets, applications and content are in place.

Ms. Hui said, "So far this year, Hong Kong has witnessed a significant slowdown of its economic growth and a challenging environment for businesses. The outlook of the economy is subject to a high degree of uncertainty because of events taking place internationally and locally. Against this background, we will be particularly mindful of the need to conduct our businesses prudently with a view to delivering a stable return for unitholders."

For further details of the 2019 interim results, please refer to the [announcement](#) that has been filed with The Stock Exchange of Hong Kong Limited.

## **About HKT**

HKT (SEHK: 6823) is Hong Kong's premier telecommunications service provider and leading operator in fixed-line, broadband and mobile communication services. It meets the needs of the Hong Kong public and local and international businesses with a wide range of services including local telephony, local data and broadband, international telecommunications, mobile, enterprise solutions, and other telecommunications businesses such as customer premises equipment sales, outsourcing, consulting, and contact centers.

HKT offers a unique quadruple-play experience in Hong Kong delivering media content on its fixed-line, broadband Internet access and mobile platforms jointly with its parent company, PCCW Limited.

HKT also provides a range of innovative and smart living services beyond connectivity to make the daily lives of customers smarter, whether they are at home, in the workplace, or on the go. Consumers and merchants alike may also enjoy HKT's financial-related services such as mobile payment, smart mobile point-of-sale solutions, and insurance.

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For enterprises, HKT delivers end-to-end integrated solutions employing emerging technologies such as cloud computing, Internet of Things (IoT) and Artificial Intelligence (AI) to accelerate their digital transformation, contributing to Hong Kong's development into a smart city.

The Club is HKT's loyalty program and one of the largest of its kind in Hong Kong, not only offering a variety of privileges and benefits to enrich the lifestyle of members, but also increasingly amalgamating merchants and becoming an integral part of a new digital ecosystem connecting consumers and merchants.

For more information, please visit [www.hkt.com](http://www.hkt.com).

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