



HKT reports solid interim results for 2023

HKT (SEHK: 6823) – HONG KONG, 2 August 2023 – 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 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 30 June 2023.

- With the scale and diversity of HKT’s portfolio of businesses, the Group reported a solid set of results in 1H 2023. Our enterprise business performed well, while market demand for our reliable fibre services continued to be strong. Roaming revenue recorded significant rebound alongside sustained 5G penetration growth.
- Excluding Mobile product sales, total revenue increased by 3% to HK\$15,247 million.
- Total EBITDA increased by 3% to HK\$6,009 million spurred by sustained cost efficiency initiatives across the Group.
- Adjusted funds flow increased by 2.2% to HK\$2,429 million.
- Profit attributable to holders of Share Stapled Units increased by 2.2% to HK\$1,952 million.
- The Board of Directors has recommended an interim distribution of 32.05 HK cents per Share Stapled Unit.
- For the Mobile business, roaming revenue saw a strong rebound during the first half, achieving year-on-year growth of 166%. In June, both the number of roamers and consumer outbound roaming revenue surpassed pre-pandemic levels, with total revenue reaching 80% of that pre-COVID. As at July, we serve 1.27 million 5G customers, representing 38% of our total post-paid base. 5G conversion is more pronounced in our premium segment, hitting over 45% across our 1010 and csl brand segments.
- Broadband revenue grew by 2% year on year as demand for our high-speed, reliable fibre service from individuals, households and enterprises continued under the new normal. Since its launch, our 2500M fibre-to-the-home (FTTH) service has gathered momentum. We expect adoption of our higher speed FTTH services to endure as Wi-Fi 6E devices become increasingly available at more affordable prices, driving ARPU uplift for existing customers and supporting new customer acquisition.
- For Now TV, the number of subscribers grew by 4% to almost 1.428 million. Now TV continues to expand its slate of content, featuring three seasons of La Liga as well as 4K broadcast of Formula 1® and exclusive English Premier

League, together with multi-award-winning movies, children's favourites and simulcast dramas. With many hotels improving their facilities and services in the face of tourism recovery, our penetration in the hospitality sector increased which saw commercial subscription revenue grow by 17% year on year.

- On the enterprise side, local data revenue achieved an impressive growth of 10% year on year, reflecting the accelerating demand across different industries in Hong Kong and mainland China, including the Greater Bay Area, for our unique integrated fixed-mobile solutions that incorporate 5G applications with smart city solutions such as blockchain, artificial intelligence, machine learning and the Internet of Things. With enterprises refocusing on their digital transformation, total contract value of our new project wins has hit HK\$1.7 billion, representing year-on-year growth of 9%. We remain confident that growth momentum will continue for new contracts. In mainland China, the local data business registered significant growth with revenue expanding by 21% year on year as economic activity resumed. We continue to support Hong Kong enterprises expanding their reach in mainland China, and vice versa. We also noticed the resurgence of business opportunities in Macau with the revival of its gaming sector as well as local government initiatives to stimulate non-gaming parts of the economy.
- The Group's integrated loyalty and digital commerce platform, The Club, saw its member base expanding 4% year on year to over 3.78 million. Lifestyle spending on The Club platform for the period increased by 8% from a year earlier.
- In April 2023, Tap & Go continued to participate in the Consumption Voucher Scheme for a third year. We were also selected as part of a consortium to participate in HKMA's e-HKD Pilot Programme. Such experiences have helped position us as a wallet for digital assets.
- DrGo, our healthtech business, demonstrated strong performance, with registered members hitting over 371,000, benefitting from the growing acceptance and convenience of video consultations, the number of which increased 70% year on year.

Susanna Hui, HKT Group Managing Director, said, "As we look ahead to the second half of 2023 and beyond, I am excited by the prospects for HKT. With a customer-centric approach, we will further our investments in the latest technologies, talent, and customer support to provide innovative services, gain customer insight, and elevate the customer experience."

She added, "Having begun investing in digital services several years ago, we are committed to driving enhancement and integration as we build value beyond that of a telco. Through supporting smart city development in Hong Kong and mainland China as well as driving digital transformation for enterprises and government, we shall facilitate cross-border integration to address consumer and enterprise demand and stimulate economic growth."

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

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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 mobile communication 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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