



3 Sweden has launched the country's most developed 5G network in terms of population coverage and sites installed.

# Telecommunications





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1. 3 UK plays a major role enabling remote schooling and work from home as the country fights through the pandemic.
2. 3 Denmark launches 5G services in Copenhagen and Roskilde and will continue to expand its network to make 5G available to the whole country by 2022.
3. CK Hutchison and Ooredoo sign MOU to potentially combine their Indonesian telecommunications businesses.
4. Wind Tre is recognised as “Top Quality Network” by independent global standard analysis company Opensignal.
5. CK Hutchison Group Telecom sells its European tower assets and businesses to Cellnex for €10 billion.

## Operations Review – Telecommunications

The Group's telecommunications division consists of CK Hutchison Group Telecom ("CKHGT") which consolidates the 3 Group businesses in Europe ("3 Group Europe") and a 66.09% interest in Hutchison Telecommunications Hong Kong Holdings ("HTHKH"), which is listed on the SEHK, as well as Hutchison Asia Telecommunications ("HAT"). 3 Group Europe is a pioneer of mobile data communication technologies and an operator and innovator of converged telecommunication and digital services with businesses in six countries across Europe. HTHKH holds the Group's interests in mobile operations in Hong Kong and Macau. HAT holds the Group's interests in the mobile operations in Indonesia, Vietnam and Sri Lanka.

### CK Hutchison Group Telecom

In November 2020, CKHGT entered into an agreement to dispose of its European telecommunications tower assets for an aggregate consideration of €10 billion. Following the transactions, CKHGT will be able to increase its focus on developing its networks and IT platforms, and will retain optionality to accelerate the rollout of its 5G networks, while benefiting from significant additional financial capacity to support future growth and opportunities. The disposals of tower assets in Denmark, Austria and Ireland, pursuant to this agreement, were completed in December 2020 and as a result CKHGT recognised a disposal gain of HK\$16,583 million. Disposal of the remaining tower assets in Sweden was completed in January 2021, resulting in a gain of approximately HK\$6.6 billion, with the disposal of tower assets in Italy and in the UK expected to complete in the first half and second half of 2021 respectively.

In million	2020 HK\$	2019 HK\$	Change	Local currencies change	2020 EURO	2019 <sup>(2)</sup> EURO
<b>Total Revenue</b>	<b>90,663</b>	93,517	-3%	-4%	<b>10,231</b>	10,663
Total Margin	<b>63,563</b>	63,844	–	-1%	<b>7,182</b>	7,280
Total CACs	<b>(16,681)</b>	(18,054)	+8%		<b>(1,875)</b>	(2,059)
Less: Handset revenue	<b>13,028</b>	14,233	-8%		<b>1,462</b>	1,623
Total CACs (net of handset revenue)	<b>(3,653)</b>	(3,821)	+4%		<b>(413)</b>	(436)
Operating Expenses	<b>(27,953)</b>	(24,682)	-13%		<b>(3,162)</b>	(2,816)
Gain from disposal of tower assets	<b>16,583</b>	–	+100%		<b>1,702</b>	–
<b>EBITDA<sup>(1)</sup></b>	<b>48,540</b>	35,341	+37%	+37%	<b>5,309</b>	4,028
Depreciation & Amortisation	<b>(15,959)</b>	(14,210)	-12%		<b>(1,797)</b>	(1,620)
<b>EBIT<sup>(1)</sup></b>	<b>32,581</b>	21,131	+54%	+54%	<b>3,512</b>	2,408

Note 1: Under Post-IFRS 16 basis, EBITDA was HK\$56,706 million; EBIT was HK\$33,484 million.

Note 2: CKHGT 2019 results in Euro have been restated to reflect the translation of HK\$ into Euro at 2019 average rates.

### 3 Group Europe

In million	2020 HK\$	2019 HK\$	Change	Local currencies change
<b>Total Revenue</b>	<b>85,799</b>	87,516	-2%	-3%
Total Margin	<b>60,371</b>	60,229	–	–
Total CACs	<b>(16,155)</b>	(17,257)	+6%	
Less: Handset revenue	<b>12,683</b>	13,761	-8%	
Total CACs (net of handset revenue)	<b>(3,472)</b>	(3,496)	+1%	
Operating Expenses	<b>(25,521)</b>	(23,222)	-10%	
<i>Opex as a % of total margin</i>	<i>42%</i>	<i>39%</i>		
<b>EBITDA <sup>(4)</sup></b>	<b>31,378</b>	33,511	-6%	-7%
<i>EBITDA Margin % <sup>(3)</sup></i>	<i>43%</i>	<i>45%</i>		
Depreciation & Amortisation	<b>(15,108)</b>	(13,399)	-13%	
<b>EBIT <sup>(4)</sup></b>	<b>16,270</b>	20,112	-19%	-20%

Note 3: EBITDA margin % represents EBITDA as a percentage of total revenue (excluding handset revenue).

Note 4: Under Post-IFRS 16 basis, EBITDA was HK\$38,929 million; EBIT was HK\$16,982 million.

3 Group Europe has been less affected by the pandemic. Total revenue was 3% lower against 2019 in local currencies while total margin was flat, primarily reflecting lower roaming revenues from pandemic related travel restrictions and various regulatory impacts introduced since mid-2019, such as reduced intra-EU calls and SMS chargeable rates, offset by an increase in proportion of higher margin contract customers. Active customer base as at 31 December 2020 of 38.5 million is 5% lower against 2019 mainly due to lower customer bases in Wind Tre and in the UK impacted by the aggressive competition, partly offset by net additions in other operations in Europe. Management continues to focus on managing churn and the average monthly customer churn rate of the contract customer base maintained at 1.3% for the year, flat against 2019, with notable improvements in churn rates in all countries except in the UK.

3 Group Europe's net ARPU and net AMPU improved by 1% and 2% to €13.05 and €11.29 respectively compared to 2019, primarily due to the improvement in tariff mix and propositions.

Total data usage increased 35% compared to last year to approximately 5,485 petabytes in 2020. Data usage per active customer was approximately 147.7 gigabytes per user in 2020 compared to 102.3 gigabytes per user in 2019.

Total CACs, net of handset revenue in contract bundled plans, of HK\$3,472 million in 2020 are 1% lower than 2019 driven by reduced gross additions impacted by lockdown in 2020, as well as disciplined cost control to cope with the keen competition. Operating expenses increased 10% to HK\$25,521 million primarily due to one-time income recognised by Wind Tre in 2019 and certain tax dispute settlements in 2019 that did not recur in 2020 in the UK, as well as higher operating costs in the UK from escalating annual licence fees and continued dual costs from IT transformation.

3 Group Europe's EBITDA and EBIT were adverse year-on-year, primarily due to the higher operating expenses as mentioned, partly offset by disciplined spending on customer acquisition costs. 3 Group Europe reported a EBITDA margin of 43%, 2%-point lower compared to 2019. Higher depreciation and amortisation against last year is driven by the enlarged asset base due to the significant investments in IT and networks, resulting in lower EBIT year on year. Excluding the impact of one-time items in 2019 mentioned above, underlying EBITDA of 3 Group Europe was the same as last year but EBIT was 9% lower than 2019 in local currencies.

All operations launched 5G or fixed wireless access offers in 2020 with strong network and spectrum assets available to deploy and support the development of emerging 5G opportunities in all its markets.

## Operations Review – Telecommunications

### CKHGT - Results by operations

In million	UK GBP		Italy <sup>(5)</sup> EURO		Sweden SEK		Denmark DKK	
	2020	2019	2020	2019	2020	2019	2020	2019
<b>Total Revenue</b>	<b>2,355</b>	2,384	<b>4,656</b>	4,854	<b>6,734</b>	6,757	<b>2,254</b>	2,182
<i>% change</i>	<b>-1%</b>		<b>-4%</b>		<b>-</b>		<b>+3%</b>	
<b>Total margin</b>	<b>1,436</b>	1,441	<b>3,524</b>	3,548	<b>4,076</b>	3,909	<b>1,737</b>	1,720
<i>% change</i>	<b>-</b>		<b>-1%</b>		<b>+4%</b>		<b>+1%</b>	
Total CACs	(891)	(882)	(348)	(464)	(2,422)	(2,563)	(245)	(244)
Less: Handset Revenue	682	680	268	382	1,954	2,045	106	100
Total CACs (net of handset revenue)	(209)	(202)	(80)	(82)	(468)	(518)	(139)	(144)
Operating Expenses	(674)	(526)	(1,444)	(1,366)	(1,359)	(1,212)	(777)	(732)
<i>Opex as a % of total margin</i>	<b>47%</b>	37%	<b>41%</b>	39%	<b>33%</b>	31%	<b>45%</b>	43%
Gain from disposal of tower assets	-	-	-	-	-	-	-	-
<b>EBITDA</b>	<b>553</b>	713	<b>2,000</b>	2,100	<b>2,249</b>	2,179	<b>821</b>	844
<i>% change</i>	<b>-22%</b>		<b>-5%</b>		<b>+3%</b>		<b>-3%</b>	
<i>EBITDA margin %<sup>(6)</sup></i>	<b>33%</b>	42%	<b>46%</b>	47%	<b>47%</b>	46%	<b>38%</b>	41%
Depreciation & Amortisation	(358)	(334)	(862)	(743)	(1,123)	(962)	(406)	(373)
<b>EBIT</b>	<b>195</b>	379	<b>1,138</b>	1,357	<b>1,126</b>	1,217	<b>415</b>	471
<i>% change</i>	<b>-49%</b>		<b>-16%</b>		<b>-7%</b>		<b>-12%</b>	
Capex (excluding licence)	(764)	(426)	(990)	(1,190)	(1,112)	(1,170)	(209)	(215)
EBITDA less Capex	(211)	287	1,010	910	1,137	1,009	612	629
Licence <sup>(7)</sup>	-	-	-	-	-	-	-	(485)

HK dollar equivalents of EBITDA and EBIT are summarised as follows:

<i>EBITDA-pre IFRS 16 basis (HK\$)</i>	5,497	7,164	17,742	18,426	1,901	1,806	977	990
<i>EBITDA-post IFRS 16 basis (HK\$)</i>	6,573	7,984	22,893	22,994	2,201	2,083	1,156	1,165
<i>EBIT-pre IFRS 16 basis (HK\$)</i>	1,934	3,815	10,067	11,914	950	1,008	494	552
<i>EBIT-post IFRS 16 basis (HK\$)</i>	2,139	3,988	10,341	12,349	978	1,040	510	577

	UK		Italy		Sweden		Denmark	
	2020	2019	2020	2019	2020	2019	2020	2019
Total registered customer base (million)	13.1	13.7	21.5	23.8	2.2	2.1	1.5	1.5
Total active customer base (million)	9.7	10.3	19.6	21.5	2.2	2.0	1.4	1.4
Contract customers as a % of the total registered customer base	58%	53%	48%	44%	69%	70%	58%	58%
Average monthly churn rate of the total contract registered customer base (%)	1.4%	1.3%	1.4%	1.5%	1.4%	1.6%	1.7%	1.8%
Active contract customers as a % of the total contract registered customer base	99%	98%	94%	93%	100%	100%	100%	100%
Active customers as a % of the total registered customer base	74%	75%	91%	90%	97%	97%	100%	97%
LTE coverage by population (%)	94%	94%	100%	100%	92%	88%	100%	100%
Full year data usage per active customer (Gigabyte)								

Note 5: Wind Tre's results include fixed line business revenue of €1,004 million (2019: €967 million) and EBITDA of €236 million (2019: €320 million).

Note 6: EBITDA margin % represents EBITDA as a percentage of total revenue (excluding handset revenue).

Note 7: 2020 licence cost for Austria represents investment for 20 MHz of 700 MHz spectrum, 30 MHz of 1500 MHz spectrum and 40 MHz of 2100 MHz spectrum acquired in October 2020, and the licence cost for Hong Kong represents investment for 40 MHz of 3500 MHz spectrum acquired in October 2019 for 15 years from 2020. 2019 licence cost for Austria represents investment for 10x10 MHz of 3500 MHz spectrum acquired in March 2019, the licence cost for Denmark represents investment for 2x10 MHz of 700 MHz spectrum and 2x10 MHz of 900MHz spectrum acquired in March 2019, and the licence cost for Hong Kong represents investment for 30 MHz of 3300 MHz spectrum acquired in November 2019.



Austria		Ireland		3 Group Europe		HTHKH		Corporate and Others		CKHGT		CKHGT <sup>(9)</sup>	
EURO		EURO		HK\$		HK\$		HK\$		HK\$		EURO	
2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
850	867	593	603	85,799	87,516	4,545	5,582	319	419	90,663	93,517	10,231	10,663
-2%		-2%		-2%		-19%		-24%		-3%		-4%	
<i>Local currencies change %</i>				-3%						-4%			
618	622	448	454	60,371	60,229	3,151	3,551	41	64	63,563	63,844	7,182	7,280
-1%		-1%		-		-11%		-36%		-		-1%	
<i>Local currencies change %</i>				-						-1%			
(116)	(136)	(89)	(87)	(16,155)	(17,257)	(526)	(797)	-	-	(16,681)	(18,054)	(1,875)	(2,059)
104	121	87	82	12,683	13,761	345	472	-	-	13,028	14,233	1,462	1,623
(12)	(15)	(2)	(5)	(3,472)	(3,496)	(181)	(325)	-	-	(3,653)	(3,821)	(413)	(436)
(228)	(234)	(229)	(238)	(25,521)	(23,222)	(1,629)	(1,837)	(803)	377	(27,953)	(24,682)	(3,162)	(2,816)
37%	38%	51%	52%	42%	39%	52%	52%	N/A	N/A	44%	39%	44%	39%
-	-	-	-	-	-	-	-	16,583	-	16,583	-	1,702	-
378	373	217	211	31,378	33,511	1,341	1,389	15,821	441	48,540	35,341	5,309	4,028
+1%		+3%		-6%		-3%		+3488%		+37%		+32%	
<i>Local currencies change %</i>				-7%						+37%			
51%	50%	43%	40%	43%	45%	32%	27%			63%	45%	61%	45%
(152)	(140)	(124)	(122)	(15,108)	(13,399)	(845)	(808)	(6)	(3)	(15,959)	(14,210)	(1,797)	(1,620)
226	233	93	89	16,270	20,112	496	581	15,815	438	32,581	21,131	3,512	2,408
-3%		+4%		-19%		-15%		+3511%		+54%		+46%	
<i>Local currencies change %</i>				-20%						+54%			
(128)	(129)	(132)	(133)	(20,255)	(18,132)	(593)	(503)	(15)	(7)	(20,863)	(18,642)	(2,296)	(2,150)
250	244	85	78	11,123	15,379	748	886	15,806	434	27,677	16,699	3,013	1,878
(49)	(52)	(1)	(1)	(477)	(1,026)	(202)	(203)	-	-	(679)	(1,229)	(74)	(141)
3,343	3,268	1,918	1,857	31,378	33,511	1,341	1,389	15,821	441	48,540	35,341	€5,309	€4,028
3,779	3,698	2,327	2,202	38,929	40,126	1,776	1,850	16,001	441	56,706	42,417	€6,229	€4,835
1,999	2,043	826	780	16,270	20,112	496	581	15,815	438	32,581	21,131	€3,512	€2,408
2,084	2,123	930	875	16,982	20,952	507	597	15,995	438	33,484	21,987	€3,612	€2,505

Austria		Ireland <sup>(8)</sup>		3 Group Europe <sup>(8)</sup>		HTHKH	
2020	2019	2020	2019	2020	2019	2020	2019
3.6	3.7	2.6	2.4	44.5	47.2	3.8	4.3
3.0	3.0	2.6	2.4	38.5	40.6	3.3	3.7
74%	71%	68%	63%	56%	51%	37%	35%
0.2%	0.2%	1.0%	1.0%	1.3%	1.3%	1.1%	1.2%
100%	100%	100%	100%	97%	96%	100%	100%
83%	80%	100%	100%	87%	86%	86%	86%
96%	98%	99%	98%	-	-	90%	90%
				147.7	102.3	74.0	58.7

Note 8: 3 Ireland's closing registered customer base as at 31 December 2020 represented the closing active base as the new system will not identify registered base separately from the active base following the completion of system integration and migration in 2020. The comparative registered base and the corresponding KBIs of 3 Ireland and 3 Group Europe have been restated to enable a like-for-like comparison.

Note 9: CKHGT 2019 results in Euro have been restated to reflect the translation of HK\$ into Euro at 2019 average rates.

## Operations Review – Telecommunications

### Key Business Indicators

	Registered Customer Base								
	Registered Customers at 31 December 2020 ('000)			Registered Customer Growth (%) from 30 June 2020 to 31 December 2020			Registered Customer Growth (%) from 31 December 2019 to 31 December 2020		
	Non-contract	Contract	Total	Non-contract	Contract	Total	Non-contract	Contract	Total
United Kingdom	5,524	7,619	<b>13,143</b>	-7%	+3%	<b>-1%</b>	-14%	+5%	<b>-4%</b>
Italy <sup>(11)</sup>	11,194	10,323	<b>21,517</b>	-9%	+1%	<b>-4%</b>	-16%	-1%	<b>-10%</b>
Sweden	682	1,527	<b>2,209</b>	+4%	+3%	<b>+3%</b>	+10%	+4%	<b>+6%</b>
Denmark	618	851	<b>1,469</b>	+3%	-	<b>+1%</b>	-	-	<b>-</b>
Austria	933	2,611	<b>3,544</b>	-7%	-	<b>-2%</b>	-14%	-	<b>-4%</b>
Ireland <sup>(12)</sup>	830	1,788	<b>2,618</b>	+5%	+13%	<b>+10%</b>	-5%	+21%	<b>+11%</b>
<b>3 Group Europe Total <sup>(12)</sup></b>	<b>19,781</b>	<b>24,719</b>	<b>44,500</b>	<b>-7%</b>	<b>+3%</b>	<b>-2%</b>	<b>-14%</b>	<b>+2%</b>	<b>-6%</b>
HTHKH	2,401	1,427	<b>3,828</b>	-1%	-2%	<b>-2%</b>	-14%	-3%	<b>-10%</b>

	Active <sup>(10)</sup> Customer Base								
	Active Customers at 31 December 2020 ('000)			Active Customer Growth (%) from 30 June 2020 to 31 December 2020			Active Customer Growth (%) from 31 December 2019 to 31 December 2020		
	Non-contract	Contract	Total	Non-contract	Contract	Total	Non-contract	Contract	Total
United Kingdom	2,191	7,515	<b>9,706</b>	-5%	+4%	<b>+2%</b>	-30%	+5%	<b>-6%</b>
Italy <sup>(11)</sup>	9,941	9,697	<b>19,638</b>	-7%	-	<b>-3%</b>	-16%	-	<b>-9%</b>
Sweden	626	1,527	<b>2,153</b>	+6%	+3%	<b>+4%</b>	+14%	+4%	<b>+7%</b>
Denmark	612	851	<b>1,463</b>	+3%	-	<b>+1%</b>	+7%	-	<b>+3%</b>
Austria	342	2,604	<b>2,946</b>	+4%	-	<b>-</b>	-4%	-	<b>-</b>
Ireland	830	1,788	<b>2,618</b>	+5%	+13%	<b>+10%</b>	-5%	+21%	<b>+11%</b>
<b>3 Group Europe Total</b>	<b>14,542</b>	<b>23,982</b>	<b>38,524</b>	<b>-5%</b>	<b>+2%</b>	<b>-</b>	<b>-16%</b>	<b>+3%</b>	<b>-5%</b>
HTHKH	1,852	1,427	<b>3,279</b>	-	-2%	<b>-1%</b>	-15%	-3%	<b>-10%</b>

Note 10: An active customer is one that generated revenue from an outgoing call, incoming call or data/content service in the preceding three months.

Note 11: In addition to the above, Wind Tre's has 2.8 million fixed line customers.

Note 12: 3 Ireland's closing registered customer base as at 31 December 2020 represented the closing active base as the new system will not identify registered base separately from the active base following the completion of system integration and migration in 2020. The comparative registered base and the corresponding KBIs of 3 Ireland and 3 Group Europe have been restated to enable a like-for-like comparison.

**12-month Trailing Average Revenue per Active User<sup>(13)</sup> ("ARPU")  
to 31 December 2020**

	Non-Contract	Contract	Blended Total	% Variance compared to 31 December 2019
United Kingdom	£4.42	£22.60	<b>£17.95</b>	+1%
Italy <sup>(16)</sup>	€10.81	€12.78	<b>€11.75</b>	+3%
Sweden	SEK116.18	SEK324.01	<b>SEK265.07</b>	-6%
Denmark	DKK87.77	DKK147.22	<b>DKK122.85</b>	-1%
Austria	€11.75	€21.69	<b>€20.53</b>	-
Ireland	€15.21	€18.53	<b>€17.41</b>	-10%
<b>3 Group Europe Average<sup>(16)</sup></b>	<b>€10.17</b>	<b>€19.47</b>	<b>€15.77</b>	<b>+1%</b>
HTHKH	HK\$7.82	HK\$195.63	<b>HK\$88.77</b>	-11%

**12-month Trailing Net Average Revenue per Active User<sup>(14)</sup> ("Net ARPU")  
to 31 December 2020**

	Non-Contract	Contract	Blended Total	% Variance compared to 31 December 2019
United Kingdom	£4.42	£15.53	<b>£12.69</b>	-
Italy	€10.81	€11.31	<b>€11.05</b>	+3%
Sweden	SEK116.18	SEK211.33	<b>SEK184.35</b>	-3%
Denmark	DKK87.77	DKK136.93	<b>DKK116.78</b>	-1%
Austria	€11.75	€17.80	<b>€17.09</b>	-1%
Ireland	€15.21	€14.42	<b>€14.69</b>	-11%
<b>3 Group Europe Average</b>	<b>€10.17</b>	<b>€14.96</b>	<b>€13.05</b>	<b>+1%</b>
HTHKH	HK\$7.82	HK\$170.74	<b>HK\$78.04</b>	-10%

**12-month Trailing Net Average Margin per Active User<sup>(15)</sup> ("Net AMPU")  
to 31 December 2020**

	Non-Contract	Contract	Blended Total	% Variance compared to 31 December 2019
United Kingdom	£3.76	£13.65	<b>£11.12</b>	+1%
Italy	€9.18	€9.63	<b>€9.40</b>	+5%
Sweden	SEK98.90	SEK182.76	<b>SEK158.98</b>	-
Denmark	DKK73.28	DKK112.63	<b>DKK96.50</b>	-3%
Austria	€10.16	€15.88	<b>€15.21</b>	-1%
Ireland	€13.94	€12.96	<b>€13.29</b>	-10%
<b>3 Group Europe Average</b>	<b>€8.69</b>	<b>€13.01</b>	<b>€11.29</b>	<b>+2%</b>
HTHKH	HK\$6.08	HK\$149.72	<b>HK\$67.99</b>	-13%

Note 13: ARPU equals total monthly revenue, including incoming mobile termination revenue and contributions for a handset/device in contract bundled plans, divided by the average number of active customers during the year.

Note 14: Net ARPU equals total monthly revenue, including incoming mobile termination revenue but excluding contributions for a handset/device in contract bundled plans, divided by the average number of active customers during the year.

Note 15: Net AMPU equals total monthly revenue, including incoming mobile termination revenue but excluding contributions for a handset/device in contract bundled plans, less direct variable costs (including interconnection charges and roaming costs) (i.e. net customer service margin), divided by the average number of active customers during the year.

Note 16: Wind Tre's ARPU for the year ended 31 December 2019 has been restated to conform with the definition of 3 Italy before the merger with WIND.



## Operations Review – Telecommunications

### United Kingdom

EBITDA and EBIT decreased by 22% and 49% in local currency respectively mainly due to lower margin driven by regulatory changes in the UK and within EU in 2019, reduced roaming margin, increased annual spectrum licence fee imposed by Ofcom, as well as increased network & IT transformation spend and certain tax dispute settlements in 2019 that did not recur in 2020, partly offset by improvements in other margins from MVNOs and various initiatives, as well as more stringent operating costs control. EBIT was further impacted by increased depreciation from IT investments and accelerated network rollout.

3 UK has demonstrated a strong recovery in the second half of 2020, with EBITDA and EBIT increasing by 20% and 27% respectively against the first half of the year, and excluding the aforementioned tax dispute settlements in 2019, EBITDA and EBIT increased by 22% and 43% against the same period of last year, mainly driven by margin and cost saving initiatives put in place under the new senior management team.

### Italy

EBITDA and EBIT decreased by 5% and 16% in local currency respectively. Excluding the impact of a one-time income in 2019, the underlying EBITDA was relatively stable against last year as lower margin driven by reduced customer base and roaming revenue were mostly offset by increased MVNO margin and cost savings, while EBIT decreased by 8% due to higher depreciation and amortisation from an enlarged asset base.

For the second half of 2020, EBITDA and EBIT decreased by 3% and 15% respectively against the same period of 2019, mainly due to lower margin amid uncertain market sentiments. Encouragingly, as Wind Tre acclimatises to the trading environment impacted by the pandemic, in the second half of 2020, EBITDA increased by 9% compared to the first half through margin initiatives and stringent cost controls, with EBIT remaining flat across the two halves of the year as the improvement in EBITDA was mostly offset by increased depreciation and amortisation from an enlarged asset base.

### Sweden

Despite reduced roaming margin contribution due to the pandemic, Sweden, where the Group has 60% interest, reported 4% growth in total margin primarily driven by 7% active customer growth. Full year EBITDA was 3% higher than last year, primarily driven by the total margin growth, partly offset by higher operating costs incurred from enlarged network and one-off charge for certain dispute settlement in 2020. Full year EBIT was 7% below last year as the EBITDA growth was more than offset by higher depreciation from the ongoing LTE network rollout, as well as higher amortisation from the higher capitalised CACs balance. When compared to second half of last year, EBITDA for the second half of 2020 was 1% higher primarily driven by 4% higher total margin. EBIT, however, decreased by 10%, primarily due to the same reason for full year as mentioned above.

### Denmark

The operation in Denmark, where the Group has a 60% interest, reported 1% growth in total margin primarily driven by 3% higher active customer base, partly offset by reduced roaming margin due to the pandemic. Full year EBITDA and EBIT were 3% and 12% below last year respectively, mainly due to the higher network costs and depreciation charges from enlarged network base, together with increased amortisation cost from the spectrum acquired in March 2019. Second half EBITDA and EBIT were 8% and 17% lower than same period last year respectively, mainly due to the reduced roaming margin, as well as the higher costs as mentioned above.

### Austria

Austria reported a 1% growth in EBITDA in local currency compared to 2019, mainly due to stringent control on total CACs and operating costs, as well as favourable MVNO performance, partly offset by lower roaming contribution as a result of travel restriction. EBIT decreased by 3% in local currency against last year primarily due to higher depreciation from an enlarged asset base. Second half EBITDA and EBIT were 2% and 7% lower than same period last year respectively, mainly due to lower roaming contribution, higher spending on network costs and depreciation charges from enlarged network asset base.

### Ireland

EBITDA and EBIT in local currency increased by 3% and 4% respectively compared to 2019 driven by stringent control on total CACs and operating cost, partly offset by lower total margin from decreased roaming revenue. EBIT also reflected the higher depreciation and amortisation from an enlarged asset base. EBITDA and EBIT for the second half of 2020 decreased by 2% and 4% respectively against the same period of 2019, primarily due to lower roaming revenue as mentioned above, partly offset by various cost saving initiatives.

### Hutchison Telecommunications Hong Kong Holdings

HTHKH announced its 2020 Post-IFRS 16 profit attributable to shareholders of HK\$361 million. On Pre-IFRS 16 basis, EBITDA and EBIT of HK\$1,341 million and HK\$496 million were 3% and 15% lower respectively when compared with last year. The decrease was mainly due to lower interest income following the distribution of special interim dividend and cash settlement for the acquisition of a 24.1% interest in the mobile business in May 2019, together with lower net customer service margin as roaming revenue declined due to the prolonged global travel restrictions, partly offset by stringent control on operating costs.

## Hutchison Asia Telecommunications

	2020 HK\$ million	2019 HK\$ million	Change	Local currencies change
<b>Total Revenue</b>	<b>9,147</b>	8,984	+2%	+6%
- Indonesia	<b>7,964</b>	7,804	+2%	+6%
- Vietnam	<b>761</b>	690	+10%	+11%
- Sri Lanka	<b>422</b>	490	-14%	-10%
<b>EBITDA<sup>(17)</sup></b>	<b>2,034</b>	2,167	-6%	-3%
- Indonesia	<b>2,051</b>	2,581	-21%	-18%
- Vietnam	<b>29</b>	(282)	+110%	+109%
- Sri Lanka	<b>48</b>	1	+4700%	+5000%
- Corporate costs	<b>(94)</b>	(133)	+29%	+29%
<b>EBIT<sup>(17)</sup></b>	<b>544</b>	1,055	-48%	-46%
- Indonesia	<b>1,015</b>	1,800	-44%	-42%
- Vietnam	<b>(259)</b>	(511)	+49%	+48%
- Sri Lanka	<b>(118)</b>	(101)	-17%	-21%
- Corporate costs	<b>(94)</b>	(133)	+29%	+29%
<b>Total active customer base ('000)</b>	<b>57,018</b>	45,527	+25%	

Note 17: Under Post-IFRS 16 basis, EBITDA was HK\$4,362 million (2019: HK\$4,328 million); EBIT was HK\$1,480 million (2019: HK\$2,032 million).

As of 31 December 2020, HAT had approximately 57.0 million active customer accounts, 25% higher than 2019. Indonesia and Vietnam represent 70% and 23% of the total active customer account numbers respectively.

As at 31 December 2020, the Indonesia operation had a 4G network of approximately 31,000 base transceiver stations ("BTS") covering approximately 36,000 villages. With an enlarged network base, the operation grew its active customer account numbers by 31% during 2020. However, revenue only grew 6% in local currency, as the favourable impact of customer base growth was mostly offset by decline in ARPU as a result of market pressure during the pandemic. In local currencies, EBITDA and EBIT of Indonesia were 18% and 42% below 2019 due to the higher network costs and depreciation from network expansion, as well as certain foreign exchange gains included in 2019 results.

The Vietnam operation revenue growth of 11% in local currency was primarily driven by 24% growth in active customer accounts and ARPU improvement during 2020. The operation turnaround and reported positive EBITDA in 2020, reflecting revenue growth and disciplined cost controls. EBIT in 2020 also improved by 48% in local currency from 2019, reflecting the EBITDA improvement, partly offset by higher depreciation charges from network expansion.

The Sri Lanka operation continued to be under challenge in stabilising its customer base and reported a 7% decrease in active customer accounts, which resulted in a 10% decrease in revenue in local currency when compared to 2019. Despite the revenue drop, EBITDA grew from HK\$1 million in 2019 to HK\$48 million in 2020 through continued realisation of cost synergies from the merged network and stringent cost controls. However, EBIT was 21% adverse to last year in local currency, primarily due to the higher depreciation following the 4G network rollout.