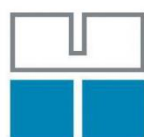


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Hutchison Telecom
Hong Kong Holdings

Hutchison Telecommunications Hong Kong Holdings Limited 和記電訊香港控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 215)

AUDITED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2023 HIGHLIGHTS

	2023 HK\$ million	2022 HK\$ million	Change
Total revenue	4,896	4,882	-
Service revenue	3,531	3,278	+8%
Total EBITDA ⁽¹⁾	1,457	1,420	+3%
Total LBIT ⁽²⁾	(69)	(81)	+15%
Loss attributable to shareholders	(52)	(158)	+67%
Loss per share (in HK cents)	(1.08)	(3.28)	+67%
Final dividend per share (in HK cents)	5.21	5.21	-

Note 1: EBITDA represents the EBITDA of the Company and subsidiary companies as well as the Group's share of the EBITDA of a joint venture. EBITDA is defined as earnings before net interest and other finance income/(costs), taxation, depreciation and amortisation. Information concerning EBITDA has been included in the Group's financial information and is used by many industries and investors as one measure of gross cash flow generation. The Group considers EBITDA to be an important performance measure which is used in the Group's internal financial and management reporting to monitor business performance. EBITDA is not a measure of cash liquidity or financial performance under IFRS Accounting Standards and the EBITDA measures used by the Group may not be comparable to other similarly titled measures of other companies. EBITDA should not necessarily be construed as an alternative to cash flows or results from operations as determined in accordance with IFRS Accounting Standards.

Note 2: (LBIT)/EBIT represents the (LBIT)/EBIT of the Company and subsidiary companies as well as the Group's share of the EBIT of a joint venture. (LBIT)/EBIT is defined as losses or earnings before net interest and other finance income/(costs) and taxation. Information concerning (LBIT)/EBIT has been included in the Group's financial information and is used by many industries and investors as one measure of results from operations. The Group considers (LBIT)/EBIT to be an important performance measure which is used in the Group's internal financial and management reporting to monitor business performance. (LBIT)/EBIT is not a measure of financial performance under IFRS Accounting Standards and the (LBIT)/EBIT measures used by the Group may not be comparable to other similarly titled measures of other companies. (LBIT)/EBIT should not necessarily be construed as an alternative to results from operations as determined in accordance with IFRS Accounting Standards.

CHAIRMAN'S STATEMENT

In 2023, Hong Kong moved on from the pandemic and experienced a full Hong Kong-Mainland China border reopening and the resumption of global travel, sparking a notable revival of the Hong Kong tourism industry. The post-pandemic recovery had driven an encouraging growth in the Group's roaming service revenue and a decent increase in service revenue, which enhanced the overall financial performance of the Group.

The Group's loss attributable to shareholders and loss per share considerably narrowed to HK\$52 million and 1.08 HK cents respectively, a 67% improvement compared to last year. The Group continued to witness a more positive financial performance in the second half of 2023, primarily driven by the encouraging financial results delivered by the Group's Hong Kong business in 2023.

Dividend

The Board recommends a final dividend of 5.21 HK cents per share for 2023 (2022 final dividend: 5.21 HK cents per share), payable on Monday, 27 May 2024, to shareholders whose names appear on the Register of Members of the Company at the close of business on Thursday, 16 May 2024, being the record date for determining shareholders' entitlement to the proposed final dividend. Combining with the interim dividend of 2.28 HK cents per share, the full year dividend is 7.49 HK cents per share (2022 full year dividend: 7.49 HK cents per share).

Business Highlights

The Group's service revenue was HK\$3,531 million, up 8% year-on-year, underpinned by a solid performance in roaming service segment. Roaming service revenue serving as the key revenue growth driver for 2023 gained further momentum on the back of tourism recovery and surged by HK\$229 million or 77% year-on-year to HK\$526 million. Local service revenue, on the other hand, marginally increased by 1% to HK\$3,005 million compared to last year. The Group's total revenue maintained at HK\$4,896 million, as the aforesaid increment was substantially offset by the decrease in low-margin hardware revenue due to weaker demand and prudent market sentiment. Total margin increased by HK\$211 million or 7% year-on-year to HK\$3,071 million, mainly driven by revenue mix with an increase in high-margin service revenue.

EBITDA was up by HK\$37 million or 3% to HK\$1,457 million, largely driven by the improvement in total margin, partially offset by higher network operating costs arising from the network expansion and enhancement projects invested by the Group.

LBIT improved considerably by HK\$12 million or 15% to HK\$69 million compared to last year. The improvement in EBITDA was partially offset by higher amortisation expenses associated with capitalised CACs and higher depreciation expenses incurred in network expansion. Against the backdrop of interest rate hikes, the Group's net interest income was HK\$101 million in 2023 compared to a net interest cost of HK\$22 million last year. The increase was mainly driven by higher bank interest income resulting from a surge in deposit interest rate.

The Group's total number of customers in Hong Kong and Macau further increased to approximately 4.0 million as of 31 December 2023, compared to last year which was approximately 3.3 million. This increment was mainly driven by a notable increase in prepaid customers. With growing customer subscription of 5G services, the Group's 5G penetration rate has sustained a positive growth, witnessing an increase of 16% points to 46% compared to last year. This growth was underpinned by the continued expansion of the Group's customer base in terms of 5G broadband and other 5G customers. With the Group's customer value management initiatives and retention programmes, the postpaid customer monthly churn rate increased slightly to 1.0% (2022: 0.8%), mainly arising from a post-pandemic reduction in work-from-home arrangements from the Group's corporate customers, which only had a minimal impact on the Group's profitability. Postpaid net ARPU increased by 4% to HK\$174, primarily driven by higher revenue from roaming services.

Outlook

Looking ahead, while Hong Kong economy is expected to witness a modest revival, the state of the macro environment still poses uncertainties over the pace of recovery. In light of the mixed outlook, the Group has undertaken a host of initiatives to uphold its commitment to service excellence and network enhancement in an effort to stay ahead of market competition.

The recovery of international travel in 2023 was fast-approaching pre-pandemic levels, prompting the Group to expand its roaming destinations and network coverage worldwide. The Group prides itself in providing over 200 5G roaming networks, and it is the only platform connecting to the three major network providers in the Mainland to offer seamless "Cross-network Roaming" services. Such initiatives have unveiled the Group's forward-looking strategy in capturing roaming service revenue.

The Board is pleased with the robust improvement in profitability for the Group's Hong Kong business in 2023 and is optimistic towards the Group's near-term outlook with stable business growth while staying vigilant amid ongoing economic uncertainties. The Group will keep exploring various long-term value-accretive opportunities for shareholders and is committed to strengthening its overall financial profile to further maximise shareholder value. The Group strives to achieve positive growth in recurring earnings while maintaining a solid financial position with disciplined and prudent financial, liquidity and cash flow management.

I would like to thank the Board, our management team and all staff members for their ongoing commitment and dedication, hard work, continued loyalty, professionalism as well as their valuable contributions to the Group.

FOK Kin Ning, Canning
Chairman

Hong Kong, 5 March 2024

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Performance Summary

	2023 HK\$ million	2022 HK\$ million	Change
Revenue	4,896	4,882	-
Net customer service revenue	3,531	3,278	+8%
• Local service revenue	3,005	2,981	+1%
• Roaming service revenue	526	297	+77%
Hardware and other product revenue	1,365	1,604	-15%
Net customer service margin	3,046	2,827	+8%
<i>Net customer service margin %</i>	86%	86%	-
Standalone hardware and other product sales margin	25	33	-24%
Total margin	3,071	2,860	+7%
- CACs	(482)	(518)	+7%
- Less: Bundled sales revenue	312	376	-17%
CACs (net of hardware and other product revenue)	(170)	(142)	-20%
Operating expenses	(1,506)	(1,356)	-11%
<i>Operating expenses as a % of net customer service margin</i>	49%	48%	-1% point
Share of EBITDA of a joint venture	62	58	+7%
EBITDA ⁽¹⁾	1,457	1,420	+3%
Service EBITDA ⁽¹⁾	1,432	1,387	+3%
<i>Service EBITDA ⁽¹⁾ margin %</i>	41%	42%	-1% point
CAPEX (excluding telecommunications licences)	(481)	(496)	+3%
EBITDA ⁽¹⁾ less CAPEX	976	924	+6%
Depreciation and amortisation ⁽³⁾	(1,526)	(1,501)	-2%
LBIT ⁽²⁾	(69)	(81)	+15%
Service LBIT ⁽²⁾	(94)	(114)	+18%
Net interest and other finance income/(costs) ⁽³⁾	101	(22)	+559%
Profit/(loss) before taxation	32	(103)	+131%
Taxation ⁽³⁾	(84)	(55)	-53%
Loss attributable to shareholders	(52)	(158)	+67%

Note 1: EBITDA represents the EBITDA of the Company and subsidiary companies as well as the Group's share of the EBITDA of a joint venture. EBITDA is defined as earnings before net interest and other finance income/(costs), taxation, depreciation and amortisation. Information concerning EBITDA has been included in the Group's financial information and is used by many industries and investors as one measure of gross cash flow generation. The Group considers EBITDA to be an important performance measure which is used in the Group's internal financial and management reporting to monitor business performance. EBITDA is not a measure of cash liquidity or financial performance under IFRS Accounting Standards and the EBITDA measures used by the Group may not be comparable to other similarly titled measures of other companies. EBITDA should not necessarily be construed as an alternative to cash flows or results from operations as determined in accordance with IFRS Accounting Standards.

Note 2: (LBIT)/EBIT represents the (LBIT)/EBIT of the Company and subsidiary companies as well as the Group's share of the EBIT of a joint venture. (LBIT)/EBIT is defined as losses or earnings before net interest and other finance income/(costs) and taxation. Information concerning (LBIT)/EBIT has been included in the Group's financial information and is used by many industries and investors as one measure of results from operations. The Group considers (LBIT)/EBIT to be an important performance measure which is used in the Group's internal financial and management reporting to monitor business performance. (LBIT)/EBIT is not a measure of financial performance under IFRS Accounting Standards and the (LBIT)/EBIT measures used by the Group may not be comparable to other similarly titled measures of other companies. (LBIT)/EBIT should not necessarily be construed as an alternative to results from operations as determined in accordance with IFRS Accounting Standards.

Note 3: Depreciation and amortisation, net interest and other finance income/(costs) and taxation include the Group's share of joint venture's respective items.

Review of Financial Results

The Group's service revenue was HK\$3,531 million, up 8% year-on-year (2022: HK\$3,278 million), underpinned by a solid performance in roaming service segment. Roaming service revenue serving as the key revenue growth driver for 2023 gained further momentum on the back of tourism recovery and surged by HK\$229 million or 77% year-on-year to HK\$526 million. Local service revenue, on the other hand, marginally increased by 1% to HK\$3,005 million compared to last year. The Group's total revenue maintained at HK\$4,896 million, as the aforesaid increment was substantially offset by the decrease in low-margin hardware revenue due to weaker demand and prudent market sentiment. Total margin increased by HK\$211 million or 7% year-on-year to HK\$3,071 million, mainly driven by revenue mix with an increase in high-margin service revenue.

Operating expenses increased by HK\$150 million or 11% to HK\$1,506 million (2022: HK\$1,356 million), mainly attributable to higher network operating costs arising from the network expansion and enhancement projects invested by the Group.

EBITDA was up by HK\$37 million or 3% to HK\$1,457 million, largely driven by the improvement in total margin, partially offset by higher operating expenses involved as aforesaid.

LBIT improved considerably by HK\$12 million or 15% to HK\$69 million compared to last year. The improvement in EBITDA was partially offset by higher amortisation expenses associated with capitalised CACs and higher depreciation expenses incurred in network expansion. Against the backdrop of interest rate hikes, the Group's net interest income was HK\$101 million in 2023 compared to a net interest cost of HK\$22 million last year due to a three-fold increase in bank interest income resulting from a surge in deposit interest rate.

The Group's loss attributable to shareholders and loss per share considerably narrowed to HK\$52 million (2022: HK\$158 million) and 1.08 HK cents (2022: 3.28 HK cents) respectively, a 67% improvement compared to last year. The Group continued to witness a more positive financial performance in the second half of 2023, primarily driven by the encouraging financial results delivered by the Group's Hong Kong business in 2023.

Key Performance Indicators

	2023	2022	Change
Number of postpaid customers ('000)	1,463	1,470	-
Number of prepaid customers ('000)	2,500	1,808	+38%
Total customers ('000)	3,963	3,278	+21%
Postpaid customers to total customer base (%)	37%	45%	-8% points
Postpaid customers' contribution to net customer service revenue (%)	86%	90%	-4% points
Monthly churn rate of postpaid customers (%)	1.0%	0.8%	-0.2% point
Postpaid gross ARPU (HK\$)	190	185	+3%
Postpaid net ARPU (HK\$)	174	168	+4%
Postpaid net AMPU (HK\$)	152	145	+5%

The Group's total number of customers in Hong Kong and Macau further increased to approximately 4.0 million as of 31 December 2023, compared to last year which was approximately 3.3 million. This increment was mainly driven by a notable increase in prepaid customers. With growing customer subscription of 5G services, the Group's 5G penetration rate has sustained a positive growth, witnessing an increase of 16% points to 46% compared to last year. This growth was underpinned by the continued expansion of the Group's customer base in terms of 5G broadband and other 5G customers. With the Group's customer value management initiatives and retention programmes, the postpaid customer monthly churn rate increased slightly to 1.0% (2022: 0.8%), mainly arising from a post-pandemic reduction in work-from-home arrangements from the Group's corporate customers, which only had a minimal impact on the Group's profitability. Postpaid net ARPU increased by 4% to HK\$174, primarily driven by higher revenue from roaming services.

Net Interest and Other Finance Income

Net interest and other finance income (with share of a joint venture) was HK\$101 million in 2023 (2022: net costs of HK\$22 million). The improvement was primarily due to a three-fold increase in bank interest income resulting from a surge in deposit interest rate from an average of 1.43% in 2022 to an average of 4.85% in 2023.

The Group continues to maintain a healthy financial position with cash and bank balances of HK\$3,684 million as of 31 December 2023 (31 December 2022: HK\$3,700 million).

Capital Expenditure

Capital expenditure on property, plant and equipment, which accounted for 14% (2022: 15%) of the service revenue of the Group, reduced by 3% to HK\$481 million. The Group continues to examine its projects with care and discretion to ensure that resources are adequately utilised to comply with operational and technological demands.

Summary of Spectrum Investment as of 31 December 2023

	Spectrum band	Bandwidth	Year of expiry
Hong Kong	700 MHz	20 MHz	2037
	900 MHz	10 MHz	2026
	900 MHz	10 MHz	2036
	1800 MHz	30 MHz	2036
	2100 MHz	29.6 MHz	2031
	2300 MHz	30 MHz	2027
	2600 MHz	30 MHz ^{(1) (2)}	2024 ⁽²⁾
	2600 MHz	10 MHz ⁽¹⁾	2028
	3300 MHz	30 MHz	2034
	3500 MHz	40 MHz	2035
Macau	900 MHz	10 MHz	2025
	1800 MHz	20 MHz	2028
	2100 MHz	10 MHz	2025

Note 1: The spectrum band was shared under a 50/50 joint venture - Genius Brand Limited.

Note 2: Following a successful bid of 10 MHz spectrum at the 2600 MHz spectrum band by a subsidiary of the Group in 2021 for a 15-year period to 2039, the spectrum will be transferred to the joint venture and commence immediately upon the expiry of the existing licence held by the joint venture in March 2024. Such joint venture will also obtain two other 10 MHz spectrums at the 2600 MHz spectrum band from another joint venture partner, with the assignment periods from March 2024 to March 2028 and from March 2028 to March 2039 respectively. Together, the joint venture will hold 20 MHz spectrums at the 2600 MHz spectrum band from 2024 to 2039.

HUTCHISON TELECOMMUNICATIONS HONG KONG HOLDINGS LIMITED

CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 HK\$ million	2022 HK\$ million
Revenue	4	4,896	4,882
Cost of inventories sold		(1,340)	(1,571)
Staff costs		(368)	(336)
Expensed customer acquisition and retention costs		(58)	(42)
Depreciation and amortisation		(1,481)	(1,456)
Other operating expenses	6	(1,735)	(1,571)
		<u>(86)</u>	<u>(94)</u>
Interest and other finance income	7	196	66
Interest and other finance costs	7	(80)	(77)
Share of result of a joint venture		(4)	(4)
		<u>26</u>	<u>(109)</u>
Profit/(loss) before taxation			
Taxation	8	(78)	(49)
		<u>(52)</u>	<u>(158)</u>
		<u><u>(52)</u></u>	<u><u>(158)</u></u>
Loss per share attributable to shareholders of the Company (expressed in HK cents per share):			
- basic and diluted	9	<u>(1.08)</u>	<u>(3.28)</u>

Details of interim dividend paid and proposed final dividend payable to shareholders of the Company are set out in Note 10.

HUTCHISON TELECOMMUNICATIONS HONG KONG HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

	2023 HK\$ million	2022 HK\$ million
Loss for the year	(52)	(158)
Other comprehensive income/(loss)		
Item that will not be reclassified subsequently to income statement in subsequent periods:		
- Remeasurements of defined benefit plans	3	(27)
Item that may be reclassified subsequently to income statement in subsequent periods:		
- Cumulative translation adjustments released upon de-registration of a subsidiary	(1)	-
	<u> </u>	<u> </u>
Total comprehensive loss for the year attributable to shareholders of the Company, net of tax	<u> </u> <u> </u>	<u> </u> <u> </u>

HUTCHISON TELECOMMUNICATIONS HONG KONG HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2023

	Note	2023 HK\$ million	2022 HK\$ million
Non-current assets			
Property, plant and equipment		2,983	3,007
Goodwill		2,155	2,155
Telecommunications licences		3,284	3,663
Right-of-use assets		512	491
Customer acquisition and retention costs		168	189
Contract assets		149	152
Other non-current assets		354	361
Deferred tax assets		1	4
Investment in a joint venture		109	157
Total non-current assets		<u>9,715</u>	<u>10,179</u>
Current assets			
Cash and cash equivalents	11	1,910	3,087
Short-term bank deposits with original maturity beyond 3 months	11	1,774	613
Trade receivables and other current assets	12	889	784
Contract assets		169	193
Inventories		103	100
Total current assets		<u>4,845</u>	<u>4,777</u>
Current liabilities			
Trade and other payables	13	1,637	1,649
Contract liabilities		212	162
Lease liabilities		312	305
Current income tax liabilities		2	1
Total current liabilities		<u>2,163</u>	<u>2,117</u>
Non-current liabilities			
Lease liabilities		170	151
Deferred tax liabilities		120	48
Other non-current liabilities		2,249	2,371
Total non-current liabilities		<u>2,539</u>	<u>2,570</u>
Net assets		<u>9,858</u>	<u>10,269</u>
Capital and reserves			
Share capital		1,205	1,205
Reserves		8,653	9,064
Total equity		<u>9,858</u>	<u>10,269</u>

HUTCHISON TELECOMMUNICATIONS HONG KONG HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023

	Share capital HK\$ million	Share premium HK\$ million	Accumulated losses HK\$ million	Exchange reserve HK\$ million	Pension reserve HK\$ million	Other reserves ⁽ⁱ⁾ HK\$ million	Total HK\$ million
At 1 January 2023	1,205	11,185	(2,071)	1	238	(289)	10,269
Loss for the year	-	-	(52)	-	-	-	(52)
Other comprehensive income/(loss):							
Remeasurements of defined benefit plans	-	-	-	-	3	-	3
Cumulative translation adjustments released upon de-registration of a subsidiary	-	-	-	(1)	-	-	(1)
Total comprehensive (loss)/income, net of tax	-	-	(52)	(1)	3	-	(50)
Dividend paid	-	-	(361)	-	-	-	(361)
Transfer between reserves	-	-	1	-	-	(1)	-
At 31 December 2023	1,205	11,185	(2,483)	-	241	(290)	9,858

HUTCHISON TELECOMMUNICATIONS HONG KONG HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

	Share capital HK\$ million	Share premium HK\$ million	Accumulated losses HK\$ million	Exchange reserve HK\$ million	Pension reserve HK\$ million	Other reserves ⁽ⁱ⁾ HK\$ million	Total HK\$ million
At 1 January 2022	1,205	11,185	(1,552)	1	265	(289)	10,815
	-----	-----	-----	-----	-----	-----	-----
Loss for the year	-	-	(158)	-	-	-	(158)
Other comprehensive loss: Remeasurements of defined benefit plans	-	-	-	-	(27)	-	(27)
	-----	-----	-----	-----	-----	-----	-----
Total comprehensive loss, net of tax	-	-	(158)	-	(27)	-	(185)
	-----	-----	-----	-----	-----	-----	-----
Dividend paid	-	-	(361)	-	-	-	(361)
	-----	-----	-----	-----	-----	-----	-----
At 31 December 2022	1,205	11,185	(2,071)	1	238	(289)	10,269
	=====	=====	=====	=====	=====	=====	=====

- (i) In prior years, the Group acquired the interests in certain subsidiaries held by the non-controlling shareholders. The other reserves mainly represent the difference between the consideration paid for the additional interests acquired by the Group and the proportionate share of the carrying amount of net assets of these subsidiaries.

HUTCHISON TELECOMMUNICATIONS HONG KONG HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023

	2023 HK\$ million	2022 HK\$ million
Cash flows from operating activities		
Cash generated from operations	1,152	1,148
Interest and other finance costs paid	(23)	(19)
Tax paid	(2)	-
	<u>1,127</u>	<u>1,129</u>
Net cash from operating activities	----- 1,127	----- 1,129
Cash flows from investing activities		
Purchases of property, plant and equipment	(481)	(496)
Additions to telecommunications licences	-	(138)
Payments for short-term bank deposits with original maturity beyond 3 months	(2,976)	(1,456)
Proceeds from maturity of short-term bank deposits with original maturity beyond 3 months	1,815	3,404
Interest received	162	39
Loan to a joint venture	(63)	(46)
	<u>(1,543)</u>	<u>1,307</u>
Net cash (used in)/from investing activities	----- (1,543)	----- 1,307
Cash flows from financing activities		
Principal elements of lease payments	(400)	(402)
Dividends paid	(361)	(361)
	<u>(761)</u>	<u>(763)</u>
Net cash used in financing activities	----- (761)	----- (763)
(Decrease)/increase in cash and cash equivalents	(1,177)	1,673
Cash and cash equivalents at 1 January	<u>3,087</u>	<u>1,414</u>
Cash and cash equivalents at 31 December	<u><u>1,910</u></u>	<u><u>3,087</u></u>

NOTES

1 General Information

Hutchison Telecommunications Hong Kong Holdings Limited was incorporated in the Cayman Islands on 3 August 2007 as a company with limited liability. Its registered office address is P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands.

The Group is engaged in mobile telecommunications business in Hong Kong and Macau. The shares of the Company are listed on the Main Board of the Stock Exchange.

The consolidated financial statements of the Group are presented in Hong Kong dollars, unless otherwise stated. These financial statements were approved for issuance by the Board on 5 March 2024.

2 Material Accounting Policies

The material accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with all applicable IFRS Accounting Standards as issued by the IASB. These financial statements also comply with the applicable disclosure requirements of the Hong Kong Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

The consolidated financial statements have been prepared under the historical cost convention, except that defined benefit plans plan assets are measured at fair values, and on a going concern basis. The preparation of the consolidated financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 3.

2 Material Accounting Policies (Continued)

(b) Amendments to existing standards adopted by the Group

During the year, the Group has adopted the following amendments to existing standards which are relevant to the Group's operations and are mandatory for accounting periods beginning on 1 January 2023:

IAS 1 and IFRS Practice Statement 2 (Amendments)	Disclosure of Accounting Policies
IAS 8 (Amendments)	Definition of Accounting Estimates
IAS 12 (Amendments)	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
IAS 12 (Amendments)	International Tax Reform – Pillar Two Model Rules

The adoption of these amendments to existing standards does not have a material impact to the Group's results of operations or financial position.

(c) Amendments to existing standards that are not yet effective and have not been early adopted by the Group

The following amendments to existing standards have been issued but are not yet effective for the year ended 31 December 2023:

IAS 1 (Amendments) ⁽ⁱ⁾	Classification of Liabilities as Current or Non-Current
IAS 1 (Amendments) ⁽ⁱ⁾	Non-current Liabilities with Covenants
IAS 7 and IFRS 7 (Amendments) ⁽ⁱ⁾	Supplier Finance Arrangements
IAS 21 (Amendments) ⁽ⁱⁱ⁾	Lack of Exchangeability
IFRS 10 and IAS 28 (Amendments) ⁽ⁱⁱⁱ⁾	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
IFRS 16 (Amendments) ⁽ⁱ⁾	Lease Liability in a Sale and Leaseback

(i) Effective for annual periods beginning on or after 1 January 2024

(ii) Effective for annual periods beginning on or after 1 January 2025

(iii) The original effective date of 1 January 2016 has been postponed until future announcement by the IASB

The Group is in the process of making an assessment of the impact of these amendments to existing standards upon initial application.

3 Critical Accounting Estimates and Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant estimates and assumptions concerning the future may be required in selecting and applying accounting methods and policies in these financial statements. The Group bases its estimates and assumptions on historical experience and various other assumptions that it believes are reasonable under the circumstances. Actual results may differ from these estimates or assumptions.

The following is a review of the more significant estimates and assumptions used in the preparation of these financial statements.

(a) Estimated useful life for telecommunications infrastructure and network equipment

The Group has substantial investments in mobile telecommunications infrastructure and network equipment. As at 31 December 2023, the carrying amount of the mobile telecommunications infrastructure and network equipment was HK\$2,220 million (2022: HK\$2,277 million). Changes in technology or changes in the intended use of these assets may cause the estimated period of use or value of these assets to change.

(b) Estimated useful life for telecommunications licences

Telecommunications licences with a finite useful life are carried at cost less accumulated amortisation and are tested for impairment when there is any indication that they may be impaired. Judgement is required to estimate the useful lives of the telecommunications licences. The actual economic lives of these assets may differ from the current contracted or expected usage periods, which could impact the amount of amortisation expense charged to the consolidated income statement.

(c) Impairment of goodwill and other non-financial assets

Goodwill is tested for impairment annually and when there is indication that it may be impaired. Assets that are subject to depreciation and amortisation are reviewed for impairment to determine whether there is any indication that the carrying value of these assets may not be recoverable and have suffered an impairment loss. If any such indication exists, non-financial assets are grouped and tested for impairment at the respective CGUs or group of CGUs and the recoverable amount of the CGUs or group of CGUs is estimated in order to determine the extent of the impairment loss, if any.

3 Critical Accounting Estimates and Judgements (Continued)

(c) Impairment of goodwill and other non-financial assets (Continued)

In assessing whether these assets have suffered any impairment, the carrying value of the CGUs or group of CGUs is compared with its recoverable amount, which is the higher of the fair value less costs of disposal and value in use. The recoverable amounts of the CGUs or group of CGUs have been determined based on a discounted cash flow model. The cash flows are based on the latest approved financial budgets for the next five years. The Group prepared the financial budgets reflecting current and prior year performances, market development expectations, including the expected market share and growth momentum, and where available and relevant, observable market data. There are a number of assumptions and estimates involved for the preparation of the budget, the cash flow projections for the period covered by the approved budget and the estimated terminal value at the end of the budget period. The calculation of the recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Estimating the recoverable amount of the CGUs or group of CGUs requires the use of significant judgements that are based on a number of factors including actual operating results, internal forecasts, determination of an appropriate discount rate, growth rate and the estimated terminal value assumptions. It is reasonably possible that the judgements and estimates described above could change in future periods.

(d) Taxation

The Group is subject to income taxes in different jurisdictions. Significant judgement and estimate are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were previously recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements. Deferred tax assets are recognised to the extent it is probable that future taxable profits will be available against which the deductible temporary differences and the carry forward of unused tax losses can be utilised, based on all available evidence. Recognition primarily involves judgement regarding the future financial performance of the particular legal entity or tax group. A variety of other factors are also evaluated in considering whether there is convincing evidence that it is probable that some portion or all of the deferred tax assets will ultimately be realised, such as the existence of taxable temporary differences, tax planning strategies and the periods in which estimated tax losses can be utilised.

4 Revenue

Revenue comprises revenues from the provisions of mobile telecommunications and other related services and the sales of telecommunications hardware and other products. An analysis of revenue is as follows:

	2023 HK\$ million	2022 HK\$ million
Mobile telecommunications and other related services	3,531	3,278
Telecommunications hardware and other products	1,365	1,604
	<u>4,896</u>	<u>4,882</u>

(a) Disaggregation of revenue

The Group's revenue from the provisions of services and delivery of goods by timing of satisfaction of performance obligations is as follows:

	2023 HK\$ million	2022 HK\$ million
Timing of revenue recognition:		
Over time	3,531	3,278
At a point in time	1,365	1,604
	<u>4,896</u>	<u>4,882</u>

(b) Unsatisfied mobile telecommunications service contracts

The aggregate amount of the transaction price allocated to the performance obligations arisen from fixed-price mobile telecommunications service contracts that are partially or fully unsatisfied as at 31 December 2023 was HK\$2,899 million (2022: HK\$2,924 million). Management expects that the transaction price allocated to these unsatisfied contracts will be recognised as revenue in the following future years:

	2023 HK\$ million	2022 HK\$ million
Not later than 1 year	1,781	1,805
After 1 year but within 5 years	1,108	1,111
After 5 years	10	8
	<u>2,899</u>	<u>2,924</u>

The performance obligations arisen from other mobile telecommunications service contracts are for period of one year or less or are billed based on usage incurred. As permitted under IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

5 Segment Information

In a manner consistent with the way in which information is reported internally to the Group's chief operating decision maker for the purpose of resource allocation and performance assessment, the Group has identified only one reporting segment, which is mobile telecommunications business.

6 Other Operating Expenses

	2023 HK\$ million	2022 HK\$ million
Cost of services provided ⁽ⁱ⁾	1,571	1,454
General administrative and distribution costs	109	138
Expenses for short-term leases	32	30
Loss on disposals of property, plant and equipment	1	-
Auditors' remuneration	8	7
Loss allowance provision	24	40
Employment and other subsidies ⁽ⁱⁱ⁾	(10)	(18)
Compensation income ⁽ⁱⁱⁱ⁾	-	(80)
	<u> </u>	<u> </u>
Total	<u>1,735</u>	<u>1,571</u>

(i) Include interconnection charges, roaming costs and other network operating costs.

(ii) Benefits received from governments and other companies under employment and other support schemes.

(iii) Compensation income from third party in relation to early termination of contract.

7 Interest and Other Finance Income/(Costs), Net

	2023 HK\$ million	2022 HK\$ million
Interest and other finance income:		
Bank interest income	181	55
Interest income from a joint venture	15	11
	<u>196</u>	<u>66</u>
Interest and other finance costs:		
Notional interest accretion ⁽ⁱ⁾	(71)	(68)
Guarantee and other finance fees	(9)	(9)
	<u>(80)</u>	<u>(77)</u>
Interest and other finance income/(costs), net	<u>116</u>	<u>(11)</u>

- (i) Notional interest accretion represents the notional adjustments to accrete the carrying amount of certain obligations recognised in the consolidated statement of financial position such as lease liabilities, licence fees liabilities and assets retirement obligations to the present value of the estimated future cash flows expected to be required for their settlement in the future.

8 Taxation

	2023			2022		
	Current taxation HK\$ million	Deferred taxation HK\$ million	Total HK\$ million	Current taxation HK\$ million	Deferred taxation HK\$ million	Total HK\$ million
Hong Kong	3	75	78	1	48	49
	<u>3</u>	<u>75</u>	<u>78</u>	<u>1</u>	<u>48</u>	<u>49</u>

Hong Kong profits tax has been provided at the rate of 16.5% (2022: 16.5%) on the estimated assessable profits less available tax losses. Taxation outside Hong Kong has been provided at the applicable current rates of taxation ruling in the relevant countries on the estimated assessable profits less available tax losses.

9 Loss per Share

The calculation of basic loss per share is based on loss attributable to shareholders of the Company of HK\$52 million (2022: HK\$158 million) and on the weighted average number of 4,819,096,208 (2022: Same) ordinary shares in issue during the year.

The diluted loss per share for the year ended 31 December 2023 is the same as basic loss per share as there were no potential dilutive shares during the year (2022: Same).

10 Dividends

	2023 HK\$ million	2022 HK\$ million
Interim dividend, paid of 2.28 HK cents per share (2022: 2.28 HK cents per share)	110	110
Final dividend, proposed of 5.21 HK cents per share (2022: 5.21 HK cents per share)	251	251
	<u>361</u>	<u>361</u>

The final dividend proposed after the end of the reporting period has not been recognised as a liability at 31 December 2023.

11 Cash and Bank Balances

	2023 HK\$ million	2022 HK\$ million
Cash at banks and in hand	87	165
Short-term bank deposits with original maturity within 3 months	1,823	2,922
Cash and cash equivalents	1,910	3,087
Short-term bank deposits with original maturity beyond 3 months	1,774	613
	<u>3,684</u>	<u>3,700</u>

As at 31 December 2023, the weighted average interest rate on short-term bank deposits was 5.39% (2022: 4.80%) per annum.

The carrying values of cash and bank balances approximate their fair values.

12 Trade Receivables and Other Current Assets

	2023 HK\$ million	2022 HK\$ million
Trade receivables ^(a)	433	375
Less: Loss allowance provision	(56)	(57)
	<u>377</u>	<u>318</u>
Trade receivables, net of provision	377	318
Other receivables	104	75
Prepayments and deposits	408	391
	<u>889</u>	<u>784</u>
	<u><u>889</u></u>	<u><u>784</u></u>

The carrying values of trade receivables, other receivables and deposits approximate their fair values. The Group has established credit policies for customers. The credit periods granted for trade receivables range from 14 to 45 days, or a longer period for corporate or carrier customers based on individual commercial terms. There is no concentration of credit risk with respect to trade receivables as the Group has a large number of customers.

(a) Trade receivables

	2023 HK\$ million	2022 HK\$ million
The ageing analysis of trade receivables presented based on the invoice date is as follows:		
0 - 30 days	213	162
31 - 60 days	68	62
61 - 180 days	65	61
Over 180 days	87	90
	<u>433</u>	<u>375</u>
	<u><u>433</u></u>	<u><u>375</u></u>

13 Trade and Other Payables

	2023 HK\$ million	2022 HK\$ million
Trade payables ^(a)	174	197
Other payables and accruals ^(b)	1,114	1,149
Receipts in advance	165	159
Current portion of licence fees liabilities	184	144
	<u>1,637</u>	<u>1,649</u>

The carrying values of trade and other payables approximate their fair values.

(a) Trade payables

	2023 HK\$ million	2022 HK\$ million
The ageing analysis of trade payables is as follows:		
0 - 30 days	94	67
31 - 60 days	13	25
61 - 90 days	3	7
Over 90 days	64	98
	<u>174</u>	<u>197</u>

(b) Other payables and accruals

Other payables and accruals mainly represent payables and accruals for capital expenditures and network-related cost payables.

GROUP CAPITAL RESOURCES AND LIQUIDITY

Treasury Management

The Group's treasury function sets financial risk management policies in accordance with policies and procedures that are approved by the Executive Director, and which are also subject to periodic review by the Group's internal audit function. Its treasury policies are designed to mitigate the impact of fluctuations in interest rates and exchange rates on the Group's overall financial position and to minimise the Group's financial risks. The Group's treasury function operates as a centralised service for managing financial risks, including interest rate and foreign exchange risks, and for providing cost-efficient funding to the Group and its companies. It manages the majority of the Group's funding needs, interest rate, foreign currency and credit risk exposures. The Group uses interest rate and foreign currency swaps and forward contracts as appropriate for risk management purposes only, for hedging transactions and for managing its assets and liabilities' exposure to interest rate and foreign exchange rate fluctuations. It is the Group's policy not to enter into derivative transactions for speculative purposes. It is also the Group's policy not to invest liquidity in financial products, including hedge funds or similar vehicles.

Cash management and funding

The Group operates a central cash management system for all of its subsidiaries. Its financing is generally derived from operating income of its subsidiaries, which is mainly used to meet funding requirements. The Group regularly and closely monitors its overall cash position and determines when external source of finance is needed.

Foreign currency exposure

The Group operates mobile telecommunications business principally in Hong Kong, with transactions denominated in Hong Kong dollars. It is exposed to other currency movements, primarily in terms of certain trade and other receivables, trade and other payables, and bank deposits denominated in United States dollars, Macau Patacas, Euros and British pounds. The Group does not currently undertake any foreign currency hedging.

Credit exposure

The Group's holdings of surplus funds with financial institutions expose the Group to credit risk of counterparties. It controls its credit risk to non-performance by its counterparties through monitoring their share price movements and credit ratings as well as setting approved counterparty credit limits that are regularly reviewed.

Capital and Net Cash

As at 31 December 2023, the Group recorded share capital of HK\$1,205 million and total equity of HK\$9,858 million.

As at 31 December 2023, the net cash of the Group was HK\$3,684 million (2022: HK\$3,700 million), 93% of which was denominated in Hong Kong dollars with remaining in various other currencies.

Charges on Group Assets

As at 31 December 2023, same as prior year, except for all of the shares of a joint venture owned by the Group which were pledged as security in favour of the joint venture partner under a cross share pledge arrangement, no material asset of the Group was under any charge.

Borrowing Facilities Available

The Group has no committed borrowing facilities as at 31 December 2023 (2022: Nil).

Contingent Liabilities

As at 31 December 2023, the Group provided performance, financial and other guarantees of HK\$1,227 million (2022: HK\$1,139 million), including the related performance bonds on new and renewed spectrums.

Capital Commitments

As at 31 December 2023, the Group had total capital commitments on property, plant and equipment of HK\$121 million (2022: HK\$119 million) and had no capital commitments on telecommunications licences (2022: HK\$114 million). The decrease in capital commitments on telecommunications licences was due to the fact that the Communications Authority of Hong Kong approved the transfer a block of spectrum at the 2600 MHz spectrum band from a subsidiary to a joint venture in November 2023 for a 15-year period commencing from March 2024.

Corporate Strategy

The principal objective of the Group is to enhance long-term total return for all its stakeholders. To achieve this objective, the Group focuses on achieving recurring and sustainable earnings, cash flow and dividend growth without compromising the financial strength and stability of the Group. The Group executes disciplined management of revenue growth, margin and costs, capital and investments to return ratio targets, earnings and cash flow accretive merger and acquisition activities, as well as organic growth in sectors or geographies where the Group has management experience and resources. The Chairman's Statement, Management Discussion and Analysis, and the Operations Review to be contained in the 2023 annual report of the Company, which will be posted on the Company's website, include discussions and analyses of the Group's performance, the basis on which the Group generates or preserves value in the longer term and delivers the objectives of the Group. The Group also focuses on sustainability and delivering business solutions that support social and environmental challenges, such as enabling the transition to a net-zero economy. Further information about the sustainability initiatives of the Group and its key relationships with stakeholders can be found in the sustainability report to be contained in the 2023 annual report of the Company.

Past Performance and Forward-looking Statements

The performance and the results of operations of the Group contained in this announcement are historical in nature, and past performance does not guarantee future results of the Group. Any forward-looking statements and opinions contained in this announcement are based on current plans, estimates and projections, and therefore involve risks and uncertainties. Actual results may differ materially from expectations discussed in such forward-looking statements and opinions. The Group, the Directors, employees and agents of the Group assume (a) no obligation to correct or update the forward-looking statements or opinions contained in this announcement; and (b) no liability in the event that any of the forward-looking statements or opinions do not materialise or turn out to be incorrect.

Human Resources

As at 31 December 2023, the Group employed 1,240 (2022: 1,155) staff members (full-time and part-time) and on average 1,170 (2022: 1,093) staff members during the year ended 31 December 2023. Staff costs during the year ended 31 December 2023, including directors' emoluments, totalled HK\$368 million (2022: HK\$336 million).

The Group fully recognises the importance of high-quality human resources in sustaining market leadership. Salary and benefits are kept at competitive levels, while individual performance is rewarded within the general framework of the salary, bonus and incentive system of the Group, which is reviewed annually. Employees are provided with a wide range of benefits that include medical coverage, provident funds and retirement plans, and long-service awards. The Group stresses the importance of staff development and provides training programmes on an ongoing basis. Employees are also encouraged to play an active role in community care activities.

Sustainability

The key sustainability mission of the Group is to create long-term value for all stakeholders by aligning its sustainability objectives to the strategic development of its businesses. The collaborative approach of the Group combined with its supreme network and advanced technology enables the delivery of secure, seamless and innovative solutions. This accordingly supports the United Nations Sustainable Development Goals in building sustainable, inclusive and digitally-enabled societies while engaging in responsible and ethical business actions with all its stakeholders.

The Group's sustainability governance structure has laid a sturdy foundation for fulfilling its sustainability commitment. This structure is deeply integrated throughout the Group, including the Board, the Sustainability Committee, the Audit Committee, the Security Committee, working groups and business units. It provides the Group with comprehensive guidance on executing sustainability strategies, establishing goals, setting targets and implementing reporting processes. Moreover, it fosters robust stakeholder relationships and ensures accountability across all business operations.

In 2023, the Group identified eight Group-wide sustainability goals, being arranged into four sustainability pillars – Governance, Sustainable Business Model & Innovation, Environmental and Social, and mapped to the United Nations Sustainable Development Goals, with three priority focus areas.

In February 2024, the Group and Huawei International Company Limited signed a memorandum of understanding (“MOU”) on a 5.5G green strategy collaboration. Under the MOU, the Group will adopt an industry-leading artificial intelligence (“AI”) energy-saving solution to significantly enhance the efficient use of energy and energy-saving capabilities of 5G base stations in Hong Kong, aiming to achieve a “zero bit, zero watt” energy-saving goal. The duo will also collaborate to drive sustainable development of the telecoms industry by promoting green mobile network development and exploring innovative 5.5G applications in Hong Kong. The Group will deploy the AI energy-saving solution at base stations across different areas by phases starting the first quarter of 2024. The innovative solution will automatically switch the network to a smart energy-saving mode during low traffic periods. Approximately 400,000 kg of carbon dioxide emissions can be reduced every year after full deployment of the solution.

Review of Financial Statements

The consolidated financial statements of the Group for the year ended 31 December 2023 have been reviewed by the Audit Committee of the Company and audited by the independent auditor of the Company, PricewaterhouseCoopers. The unqualified independent auditor's report will be included in the annual report to shareholders.

Closure of Register of Members

The Register of Members of the Company will be closed from Monday, 6 May 2024 to Thursday, 9 May 2024, both days inclusive, during which period no transfer of shares will be effected, to determine shareholders' entitlement to attend and vote at the 2024 Annual General Meeting (or at any adjournment or postponement thereof). All transfers accompanied by the relevant share certificates must be lodged with the Hong Kong Share Registrar of the Company (Computershare Hong Kong Investor Services Limited at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong) for registration no later than 4:30 pm on Friday, 3 May 2024.

Record Date for Proposed Final Dividend

The record date for determining the entitlement of shareholders to the proposed final dividend is Thursday, 16 May 2024. In order to qualify for the proposed final dividend payable on Monday, 27 May 2024, all transfers, accompanied by the relevant share certificates, must be lodged with the Hong Kong Share Registrar of the Company (Computershare Hong Kong Investor Services Limited at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong) for registration no later than 4:30 pm on Thursday, 16 May 2024.

Purchase, Sale or Redemption of Listed Securities

During the year ended 31 December 2023, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company.

Compliance with the Corporate Governance Code

The Company strives to attain and maintain high standards of corporate governance best suited the needs and interests of the Group as it believes that an effective corporate governance framework is fundamental to promoting and safeguarding interests of shareholders and other stakeholders and enhancing shareholder value.

The Company has complied throughout the year ended 31 December 2023 with all applicable code provisions of the Corporate Governance Code contained in Appendix C1 (formerly Appendix 14) of the Listing Rules.

Compliance with the Model Code for Securities Transactions by Directors

The Board has adopted its own HTHKH Securities Code regulating Directors' dealings in securities (Group and otherwise) on terms no less exacting than the required standard of the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 (formerly Appendix 10) of the Listing Rules. In response to specific enquiries made, all Directors have confirmed that they have complied with the HTHKH Securities Code in their securities transactions throughout their tenure during the year ended 31 December 2023.

Annual General Meeting

The Annual General Meeting of the Company will be held on Thursday, 9 May 2024. Notice of the Annual General Meeting will be published and issued to shareholders in due course.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“Board”	the Board of Directors
“CACs”	expensed customer acquisition and retention costs plus the related staff costs, rental and other expenses
“CGU”	cash-generating unit
“Company” or “HTHKH”	Hutchison Telecommunications Hong Kong Holdings Limited, a company incorporated in the Cayman Islands with limited liability, whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 215)
“Director(s)”	director(s) of the Company
“EBIT / LBIT”	earnings or losses before net interest and other finance income/(costs), taxation, adjusted to include the Group’s proportionate share of joint venture’s EBIT
“EBITDA”	earnings before net interest and other finance income/(costs), taxation, depreciation and amortisation, adjusted to include the Group’s proportionate share of joint venture’s EBITDA
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HK” or “Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HTHKH Securities Code”	Model Code for Securities Transactions by Directors
“IASB”	International Accounting Standards Board
“IAS”	International Accounting Standards

DEFINITIONS (continued)

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“net customer service margin”	net customer service revenue less direct variable costs (including interconnection charges and roaming costs)
“Postpaid gross ARPU”	monthly average spending per postpaid user including a customer’s contribution to mobile devices and other products in a bundled plan
“Postpaid net AMPU”	average net margin per postpaid user; postpaid net AMPU equals postpaid net ARPU less direct variable costs (including interconnection charges and roaming costs)
“Postpaid net ARPU”	monthly average spending per postpaid user excluding revenue related to hardware and other product under the non-subsidised hardware and other product business model
“service EBITDA / EBIT / LBIT”	EBITDA / EBIT / LBIT excluding standalone hardware and other product sales margin
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

As at the date of this announcement, the Directors are:

Chairman and Non-executive Director:

Mr FOK Kin Ning, Canning

Co-Deputy Chairmen and Non-executive Directors:

Mr LUI Dennis Pok Man

Mr WOO Chiu Man, Cliff

Executive Director:

Mr KOO Sing Fai

Non-executive Directors:

Mr LAI Kai Ming, Dominic

(also Alternate to Mr FOK Kin Ning, Canning and Ms Edith SHIH)

Ms Edith SHIH

Mr MA Lai Chee, Gerald

(Alternate to Mr LAI Kai Ming, Dominic)

Independent Non-executive Directors:

Ms CHOW Ching Yee, Cynthia

Mr IP Yuk Keung

Dr LAN Hong Tsung, David

Dr WONG Yick Ming, Rosanna