

FY25 Interim Results Announcement

SUSTAINABLE GROWTH

--- Supercharged by GigaFast Solutions

William Yeung

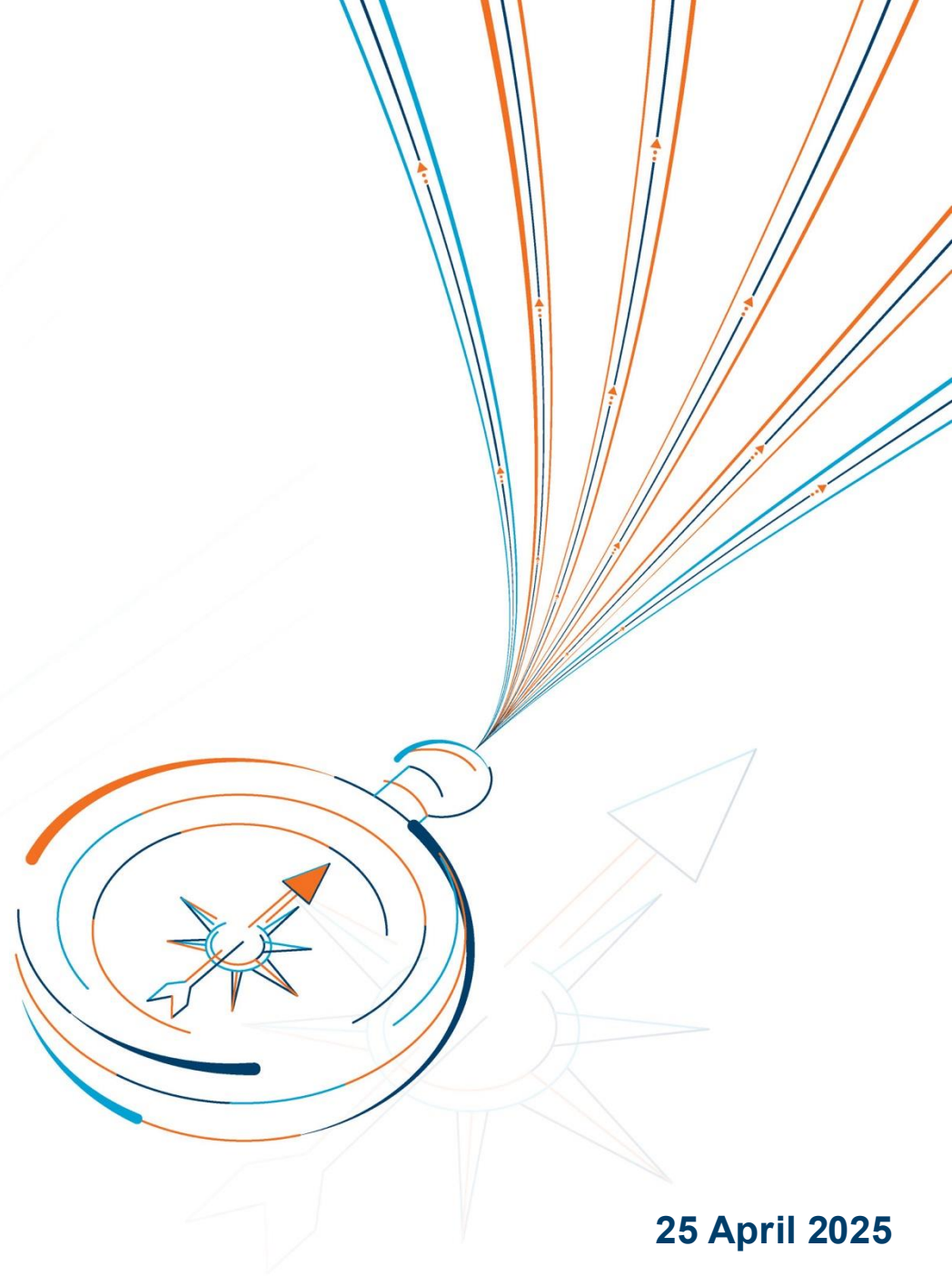
Executive Vice-chairman & Group CEO

Dr. Denis Yip

President & Group COO

Derek Yue

CFO



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Overview

William Yeung

Executive Vice-chairman & Group CEO



Sustainable Growth



Revenue

\$5.7B

w/o handsets ▲ YoY +4%*



EBITDA

\$1.2B

▲ YoY +5%



Net Profit

\$108M

▲ 1H 2024: \$1.5M



AFF

\$126M

▲ YoY +2%



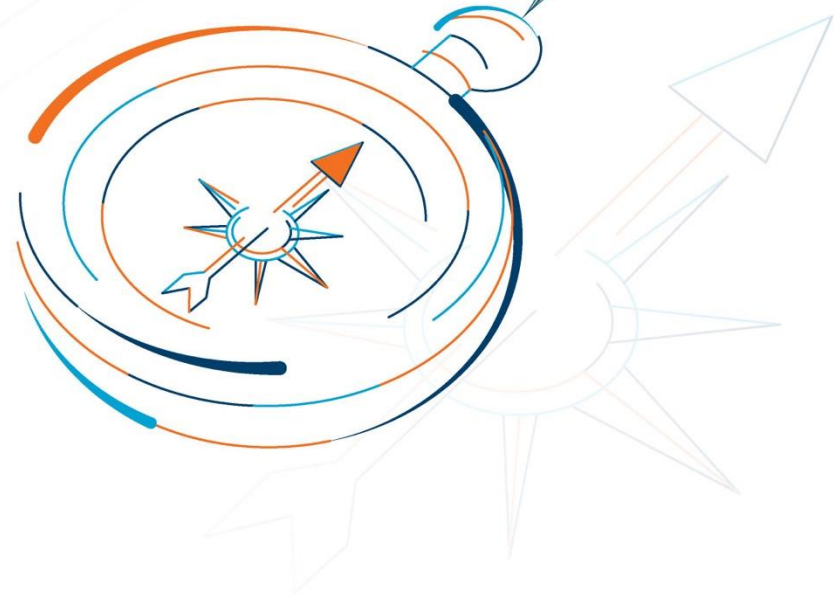
DPS: 15.5 HK Cents

* Revenue with handsets decreased by 1% YoY
Financials in HK\$mn, unless otherwise stated

Business Highlights

Dr. Denis Yip

President & Group COO



Solid Growth in Enterprise Business



Enterprise Solution
Revenue*

\$1,959M

▲ YoY +4%



Enterprise
Core Telecom Revenue

\$1,234M

▲ YoY +2%



Enterprise SI ICT Revenue

\$649M

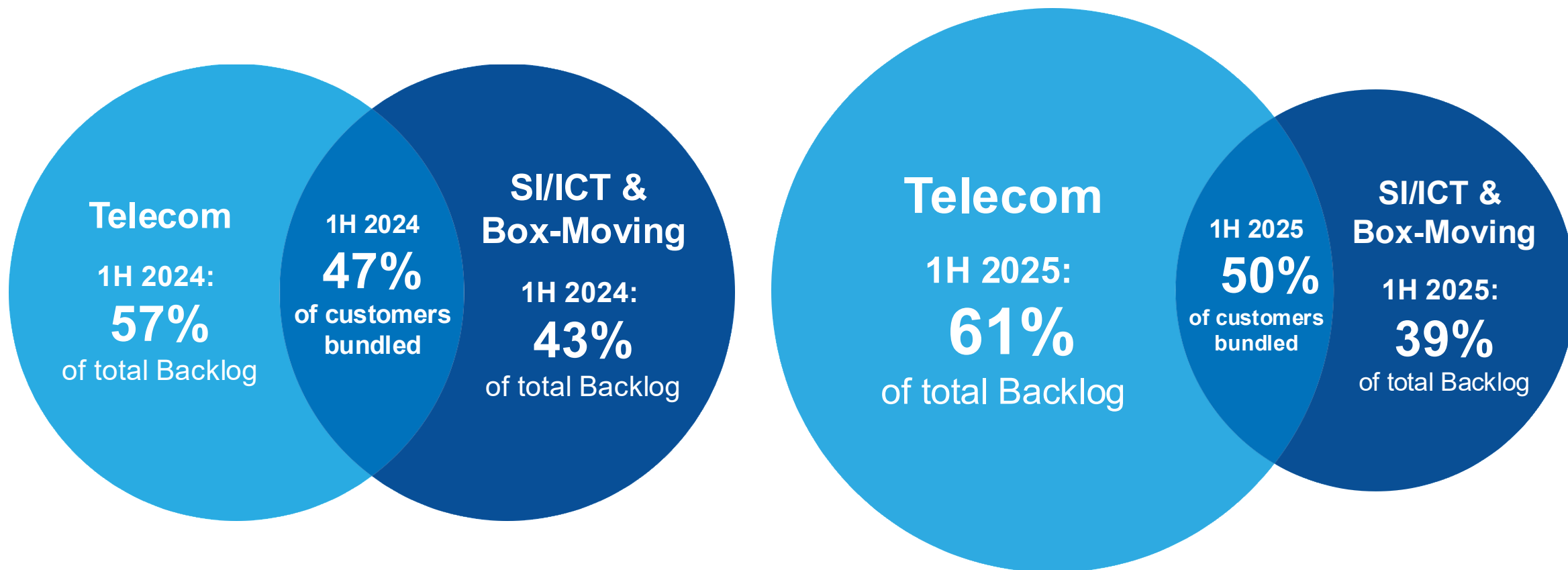
▲ YoY +10%

* Excluding international telecommunications services revenue

Backlog Growth and Solutions Bundling Fueled by Telecom Business

1H 2024

1H 2025



Profitable Growth in Residential Business



**Residential Core
Telecom Revenue***

\$1,007M

▲ YoY +1%



**Residential
ARPU**

\$186

▲ YoY +3%

**Residential
ARPH**

\$212

▲ YoY +5%



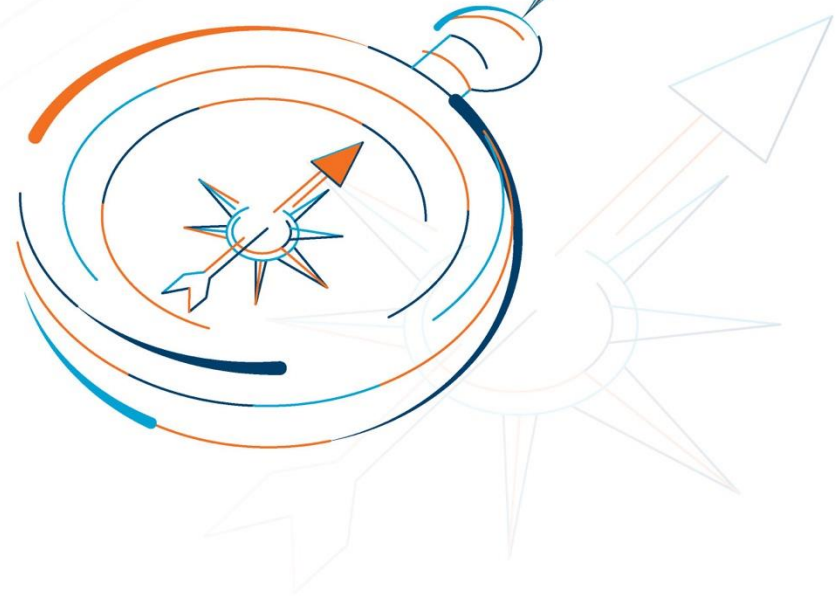
Total RS Backlog

\$3,465M

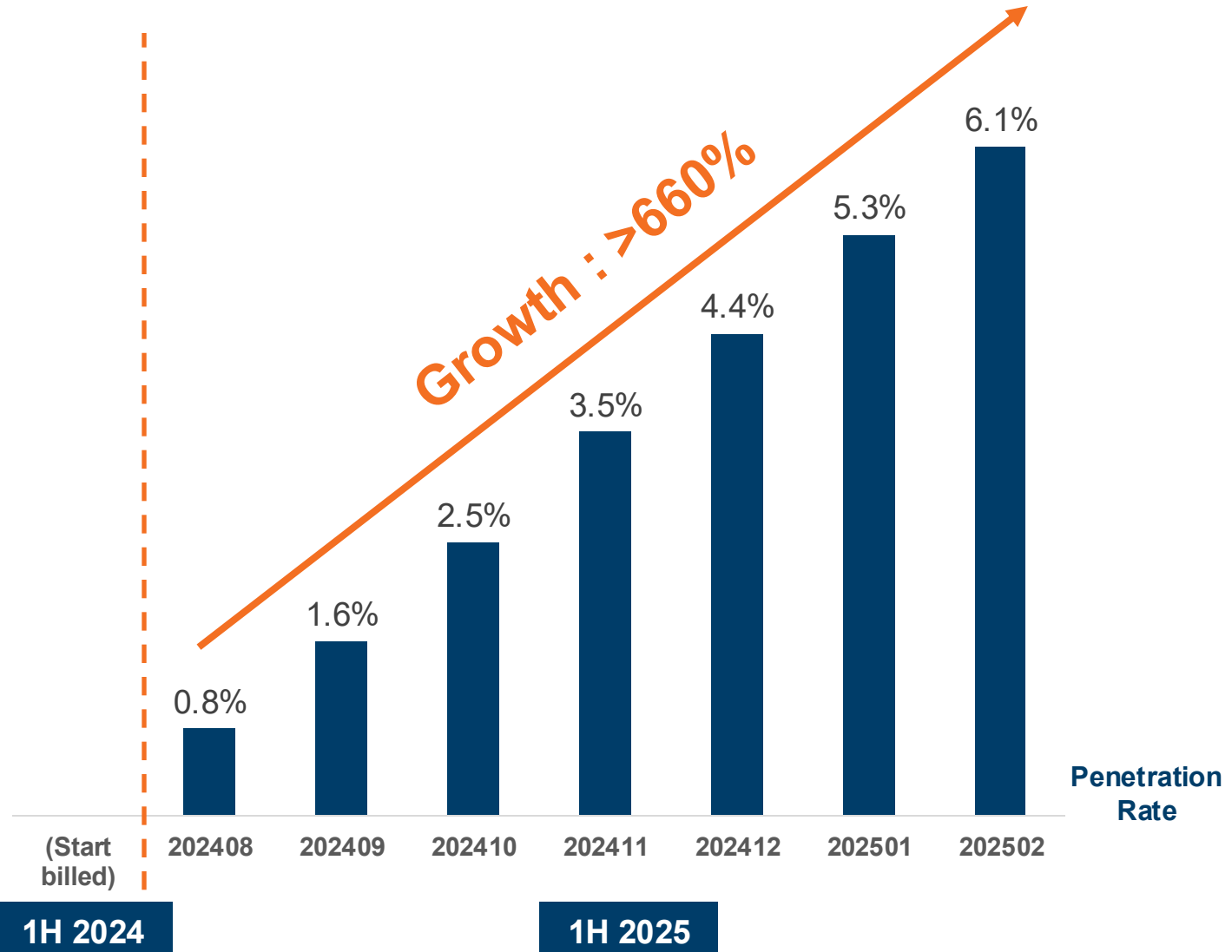
▲ YoY +8%

* Excluding international telecommunications services, MVNO and Products

Enterprise Solutions



2Gbps and Beyond: GigaFast Campaign in Enterprise Market



Extended Connectivity Solutions: Well-Received with Growing Revenue and Pipeline

Extended Connectivity Solutions:

Complex FTNS + ICT Integrated Solutions for Enterprise Customers

- **Secure Access Service Edge (SASE):**
Merges networking and security for secure access anywhere
- **Software-Defined Wide Area Network (SD-WAN):**
Optimises wide area network management
- **Multi-Cloud Connect:**
Provides direct and secure access to cloud services
- **E2E Managed Secured Connectivity:**
Enables provider-managed and secure network connections
- **Unified Communications & Collaboration (UC&C) Solution:**
Streamlines communication processes

1H 2025



40+ wins

Individual Contract Value



**Up to
\$20M**

Clients Across Sectors



**Technology,
Property, Finance,
Logistics, Utilities**

HKBN InnoTech Ecosystem Alliance: Unlocking New Partnerships and Business Opportunities

Unite leading technology solution providers to help enterprise customers **overcome technology challenges** and **accelerate business growth**



**Leverage
HKBN's Strengths**
Professional Sales Team
Comprehensive Support
Services

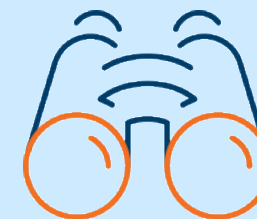


International Data AMF

▲ **40%**



**Assist Enterprises in
Responding to Digital
Transformation**



**Hong Kong as a Key Hub
for Expanding Overseas
Market Opportunities**

Powerful Synergies Among Alliance Partners: Strategic Integration of Innovative Technologies



Leading Cloud Computing
Provider with Data Centres
Powered by METAX GPU Stacks



Premier Mainland Disaster
Recovery Software



All-in-one Enterprise Operations
and Management Platform



Ranked 4th in Mainland
Cloud Computing Market



Top-tier Network and Data Security
Company in mainland China



World's Prominent
Cybersecurity Company



Leading Digital Transformation
Service Provider



World's Largest Data
Storage Service



World's Fastest Database
Software



Specialised in AI Speech
Recognition and NLP Technologies



Advanced IT Solutions
and Applications



Mainland's Key ERP
Solution Provider



Advanced China-made
Manufacturer Facilitating
Digital Transformation



AI Communication and
Cloud Platform



Next-generation AI
Solution Management



End-to-end Network
System Management



AI-powered Solutions
and IT Services

Dedicated Solutions Platform for Enterprise Customers: To Go Global (出海) and Attract Foreign Investments

Harness Hong Kong's Distinct Advantages



International Financial Centre
Open & Free Market



International Innovation Hub
Gathering Elite Talent



World-Class Infrastructure
Transport & Telecommunications Networks



Proficient in Mainland Culture
& Business Practices with Global Perspective

2024 Investment Snapshot from InvestHK[^]

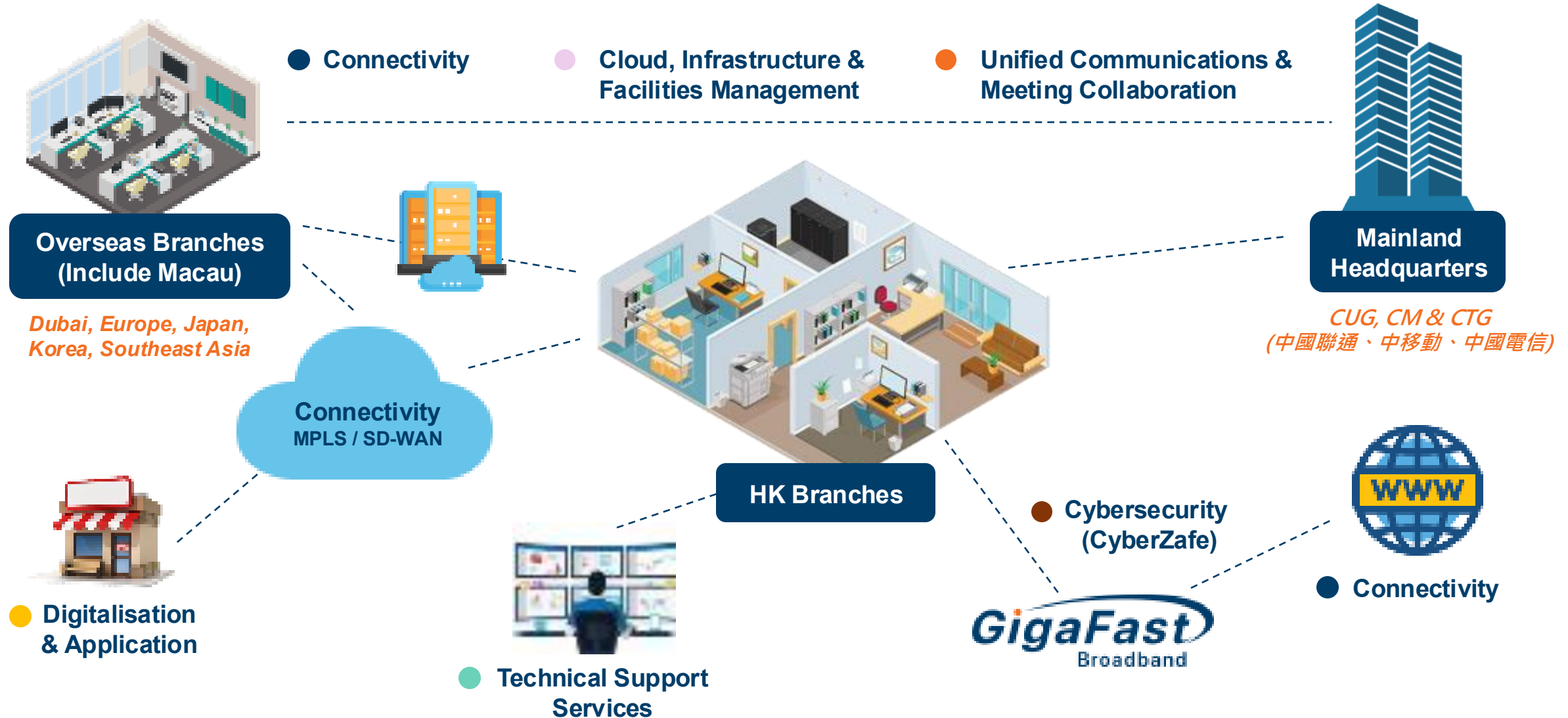
539 Firms to set up
operations in Hong Kong

273 Originating from
Mainland China

\$67.7B Direct
Investment

[^] Source: InvestHK Annual Report 2024

Comprehensive Solutions to Help Enterprises Go Global (出海)



Critical Infrastructures Bill: Growing Demand for Comprehensive Network Security Solutions

Protection of Critical Infrastructures (Computer Systems) Bill Passed by LegCo in March 2025

- Establish Cybersecurity Management Units
- Regularly Conduct Drills and Risk Assessments
- Report Serious Incidents in 12 Hours and Other Incidents in 48 Hours

CyberZafe

Prevention & Training

- Security Advisory Services
- Phishing & Awareness Training
- Managed Firewall
- Endpoint Security
- Email Security

Detection & Response

- Network Security Health Check
- Vulnerability Assessment & Penetration Test
- Managed Firewall
- Review & Report

30+ wins
since launch of CyberZafe

Residential Solutions

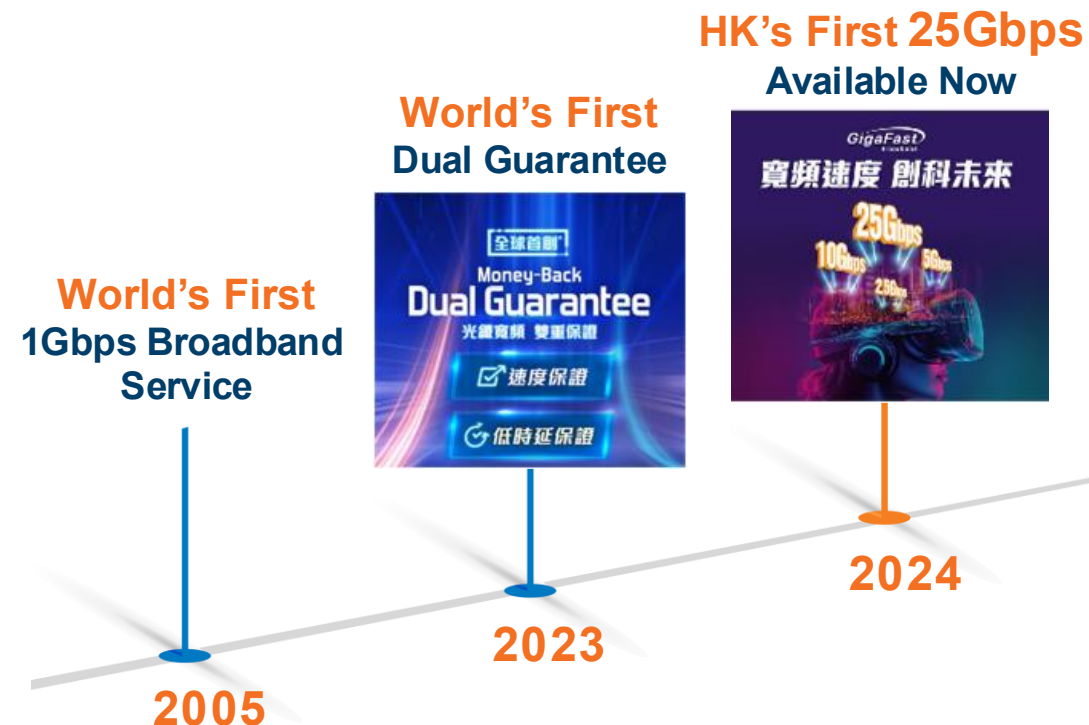


Significant Market Potential in Broadband Speed Upgrades

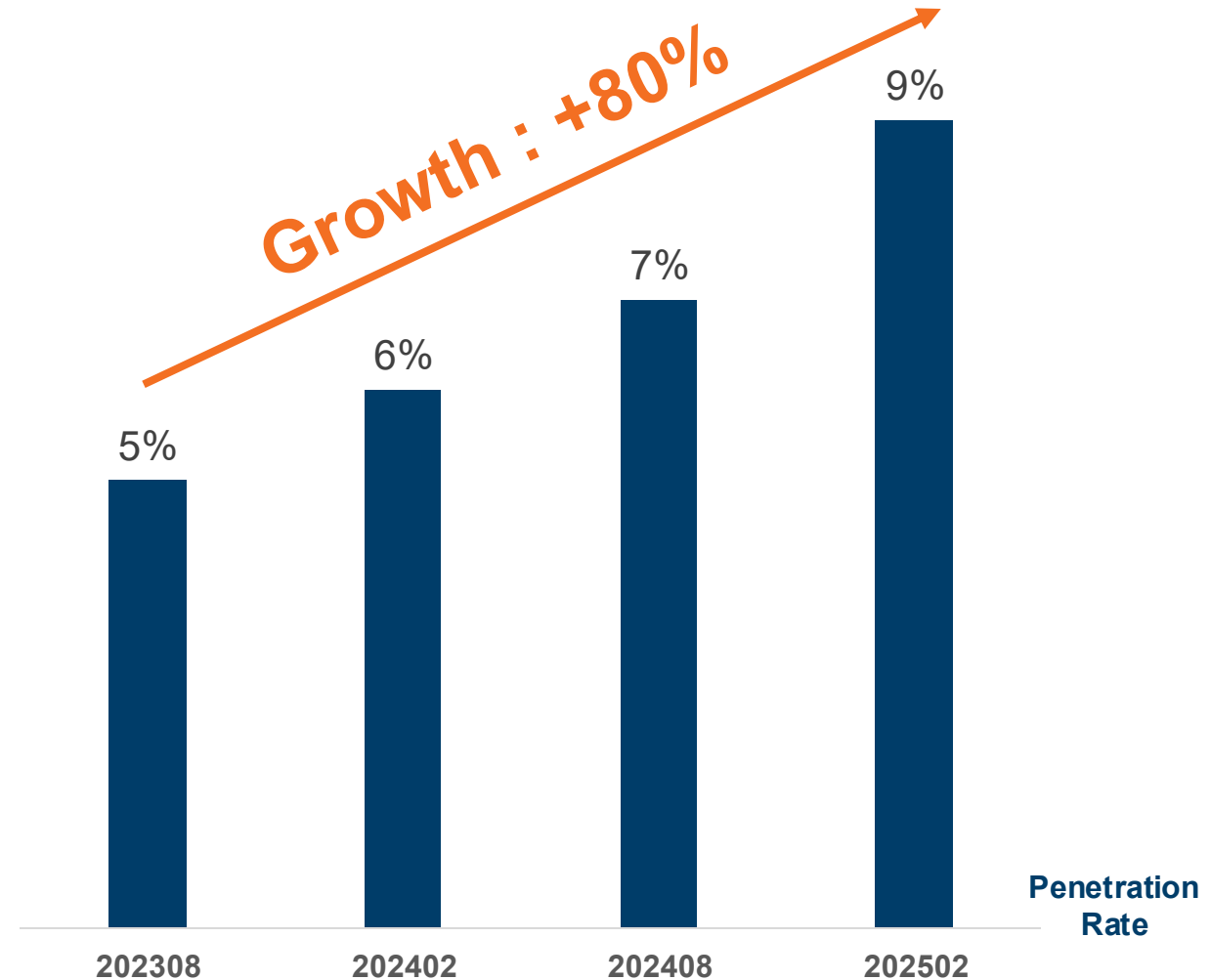
Estimated no. of registered leased access lines (Note 3)	Estimated no. of registered br			
	Residential			Residential Total
	Downstream Speed (Note 5)			
	Equal to or greater than 1Mbps and less than 100Mbps	Equal to or greater than 100Mbps and less than 1Gbps	Equal to or greater than 1Gbps	
19,643	182,844	587,999	1,920,588	2,691,431
19,656			1,912,396	2,691,683
19,626			1,902,823	2,689,352
19,612			1,886,439	2,682,894
19,831			1,867,506	2,673,691
19,973	197,897	617,663	1,840,762	2,656,322
19,923	203,879	624,625	1,827,250	2,655,754
19,909	207,266	631,265	1,819,763	2,658,294
19,879	209,363	637,521	1,810,560	2,657,444
19,833	213,295	643,863	1,806,090	2,663,248

>1Gbps penetration
71.4%

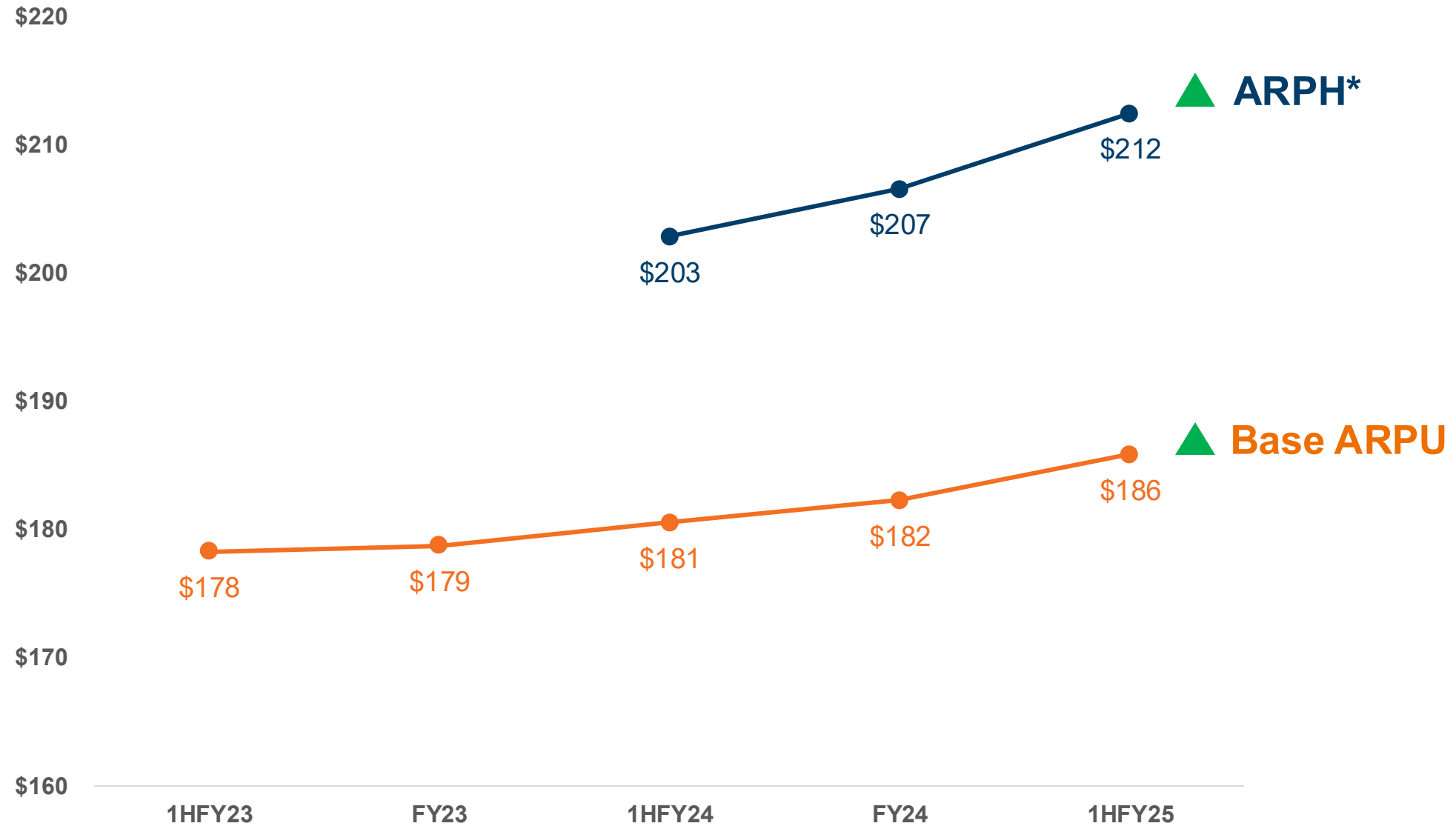
>1Gbps penetration
71.4%



2Gbps and Beyond: GigaFast Campaign in Residential Market



Boosting Profitability: Strategy to Enhance ARPU



* Average revenue per household

Boosting ARPH* with Stronger Infinite-Play Solutions



* Average revenue per household

Steady Growth in OTT Paid Standalone Subscriptions*

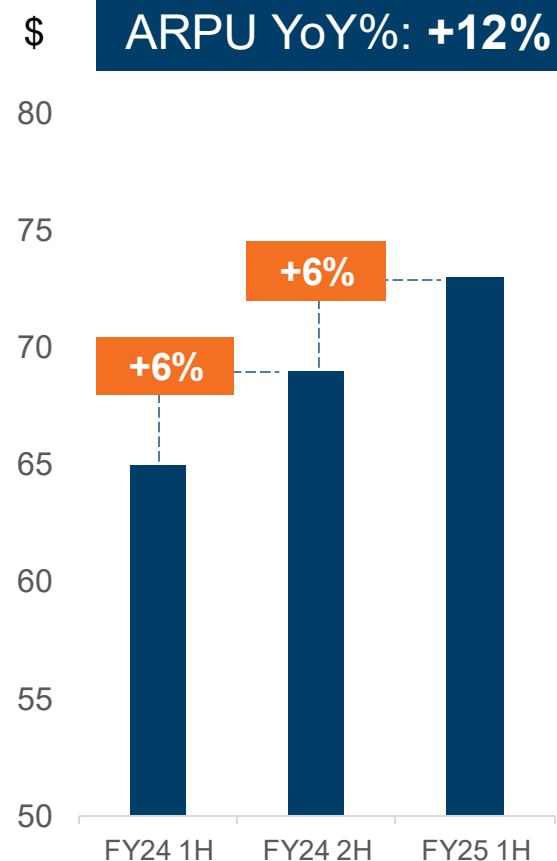
No.1 Telco Partner



Other OTT Services



Newly launched in FY25



* Based on AMF Paid Standalone Subscriptions, excluding myTV Super Alpha Pack

Safeguarding Elderly with Smart Solutions



Aging-in-Place Solution

Empowering Seniors with Technology

Continuous aging trend in the population



In 2024, **approx. 1.7M** seniors (65+) in Hong Kong, over 20% of the population



By 2043, **approx. 2.7M** seniors in Hong Kong, 35% of the population

Safety



Emergency Safety Bell



Fall Detection Sensor



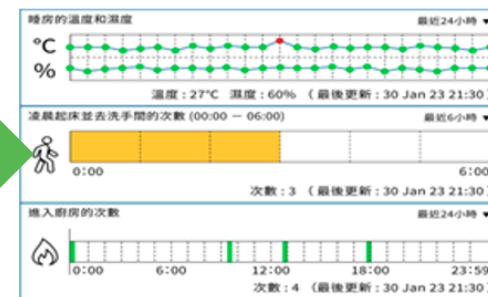
Environmental Sensor



Vital Sign Device



SOS
EVENT ALARM



7x24 hotline

[^] Source: 2021 Population Census OlderPersons 021口普查 長者

^{*} Source: Hong Kong Population Projections for 2022 to 2046 2022年至2046年香港人口推算

AI Safety Net for Senior Care

AI-Powered Fall Detection System

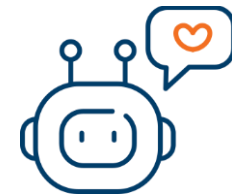
Use of **mmWave RADAR technology** and **AI algorithms** to improve resident safety by promptly detecting falls and alerting care teams within seconds, enabling quicker responses to prevent serious incidents.



Instant fall detection & alerts
for rapid response



AI-driven monitoring
to track behavioral patterns



Proactive care
through data-driven insights

Advanced Human Activity Monitoring



**Oversleep
Alert**



**Sedentary
Alert**



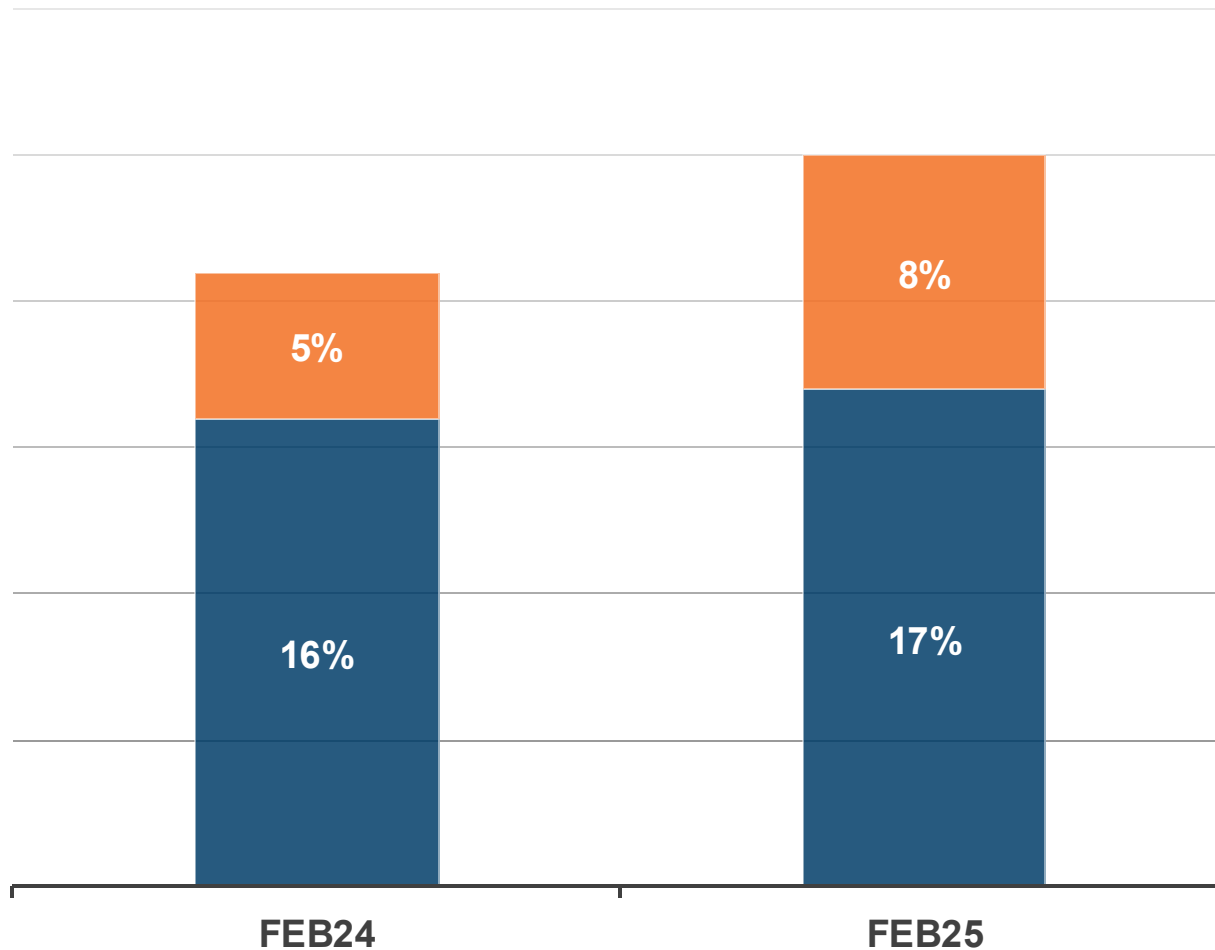
**Night Wandering
Alert**

60GHz Millimeter Wave Sensor
Home Care Assistant

- SMART ALERTS
- NO WEARABLES
- NO CAMERAS
- ACTIVE MONITORING



Growing Momentum: Increasing Subscriptions for Our Infinite-Play Solutions



The upward trend indicates **a growing adoption** of our solutions among customers, proving the **success** of our Infinite-Play strategy.

Customers value our comprehensive solutions – broadband, mobile, OTT, Wi-Fi solutions, home network security, insurance and more – **driving higher subscription rates** and **enriching user experience**.

Infinite-Play (5+ services)

Quadruple-Play

Remarks: Broadband (BN, 2x1000M, 5GBN), Voice (HT, Global Talk+), Mobile, Global Sim, Router solution, OTT (Disney+, Netflix, TVB, JOOX, MAX, iQiyi), Cyber Security (VPN, HKBN Safe, HKBN ID Projection), Insurance (AXA Home Insurance, AXA Travel Insurance, TravelEase), Medical (Bowtie, INDICAID) services taken into consideration.

Enterprise and Residential Business Highlights at a Glance

High-Speed Broadband Surge: GigaFast 25Gbps First-mover

Enterprise Business



Backlog Growth

Fuelled by telecom business and bundled solutions



Strong Demand for Tailored Solutions

Strong pipeline surge since the launch of HKBN InnoTech Ecosystem Alliance

Residential Business



85%

fibre coverage

~34%

market share¹



= 40 out of 100 households

Strong Market Position

900K

Residential broadband subscribers

X \$200

Monthly fee

X 30

Months contract

= \$5B+

Committed billing revenue



Revenue Generating Infinite-play Strategy

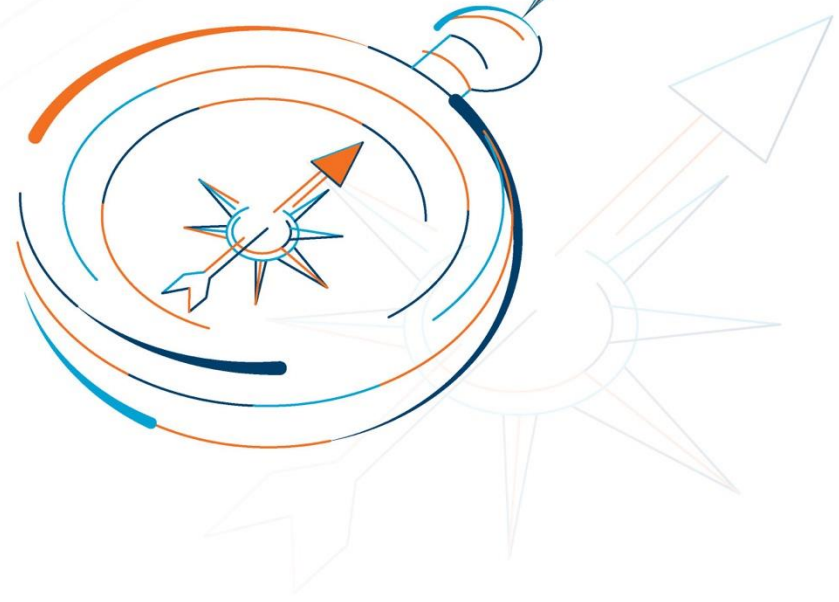


¹ Market total in Dec 24: 2,694K. Market share is calculated based on latest subscriber figures from OFCA, i.e. Feb 2025 figures are used for HKBN

Financials

Derek Yue

Chief Financial Officer



Delivered Strong Financial Performance in 1H FY25

HK\$m	1H FY24	1H FY25	YoY
Revenue	5,809	5,734	-1%
- Enterprise Solutions	2,310	2,550	+10%
- Residential Solutions <small>Note</small>	1,182	1,166	-1%
- Product Revenue	2,317	2,019	-13%
Profit for the period	2	108	>100%
EBITDA	1,151	1,206	+5%
% EBITDA of rev	20%	21%	+1%
Adjusted Free Cash Flow	124	126	+2%

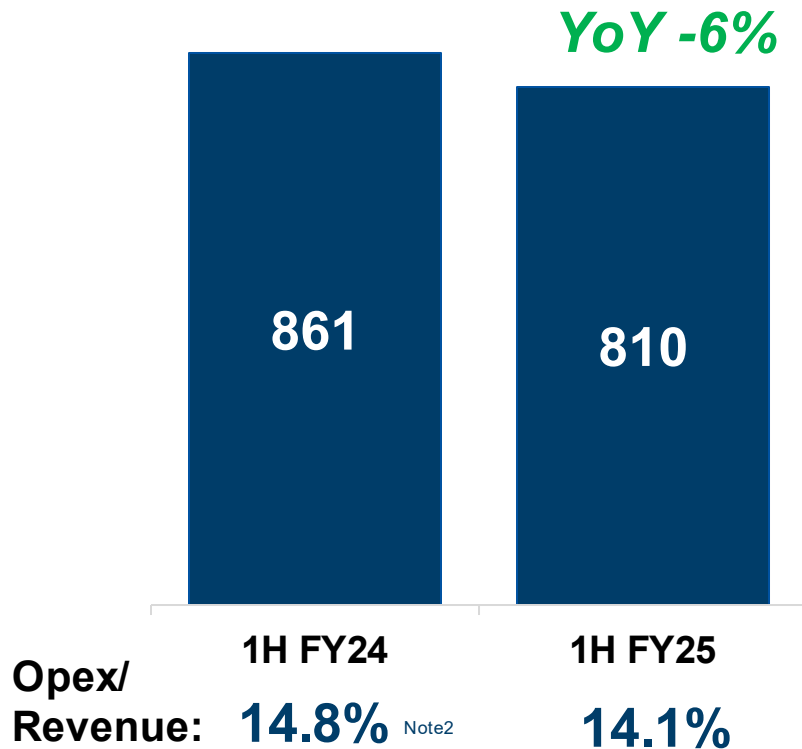
1H FY25
<ul style="list-style-type: none"> • Core business performance sustained in Enterprise Telecom, SI/ICT and Residential direct business • EBITDA continued with good growth momentum at 5% YoY • Net Profit increased to \$108M • AFF sustained stable performance despite a high-interest rate environment

Note: If excluding international telecommunications services, MVNO and Products, YoY is +1%

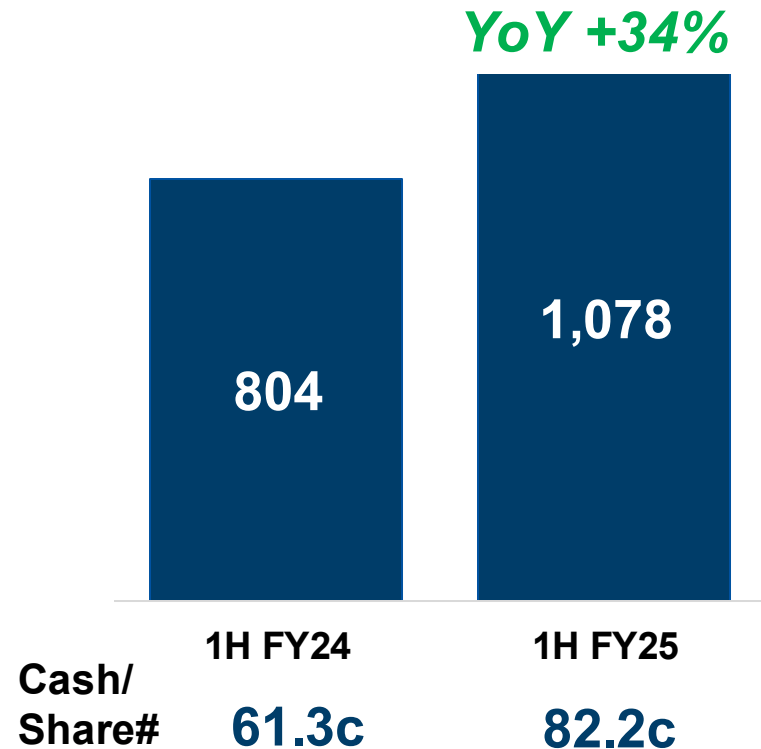
Accelerated Ops Efficiency, Cash Creation and Deleveraging

Financials in HK\$M, unless otherwise stated

Operating Expenses Note 1



Cash & Equivalents



**Net Leverage
Ratio
4.79x**

**(FY24: 4.93x
1H FY24: 5.33x)**

Note 1: Operating Expenses excluded Depreciation, Amortisation of intangible assets and Amortisation of customer acquisition and retention costs

Note 2: Certain comparative figures in OPEX have been reclassified retroactively in FY24, to conform to the current year's presentation, in compliance with statutory audit requirement

Solid Financial Performance



Cashflow

Cash Conversion 84% of EBITDA
Cash equiv YoY +34%



Deleveraging

Refinancing
>2X subscription



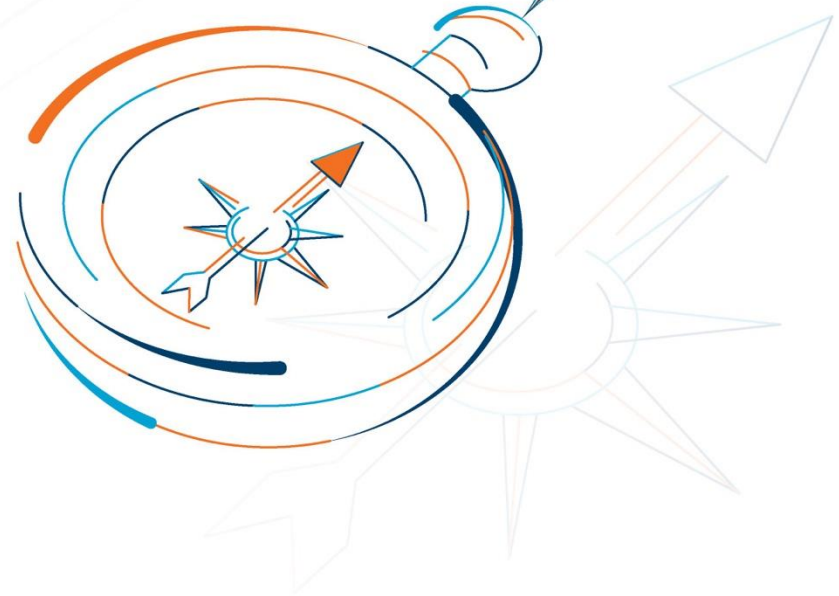
EBITDA

YoY +5%

Business Outlook

William Yeung

Executive Vice-chairman & Group CEO



Reaffirming Sustainability Commitment

HKBN's inaugural HK\$6.75 billion* syndicated Sustainability-Linked Loan



Deleveraging



Interest rate adjustment
mechanism* tied to
sustainability performance targets



MSCI
ESG RATINGS



CCC B BB BBB A AA AAA



Hang Seng Corporate
Sustainability Index
Series Member 2024-2025

AA+

* HK\$5.25B refinanced with HK\$1.5B raised through greenshoe option executed in light of oversubscription

* Interest rate adjustment mechanism is linked to predetermined sustainability performance targets, which include reductions in Scopes 1, 2 and 3 emissions, and the average failure rate of phishing assessments

SUSTAINABLE GROWTH

Delivered!



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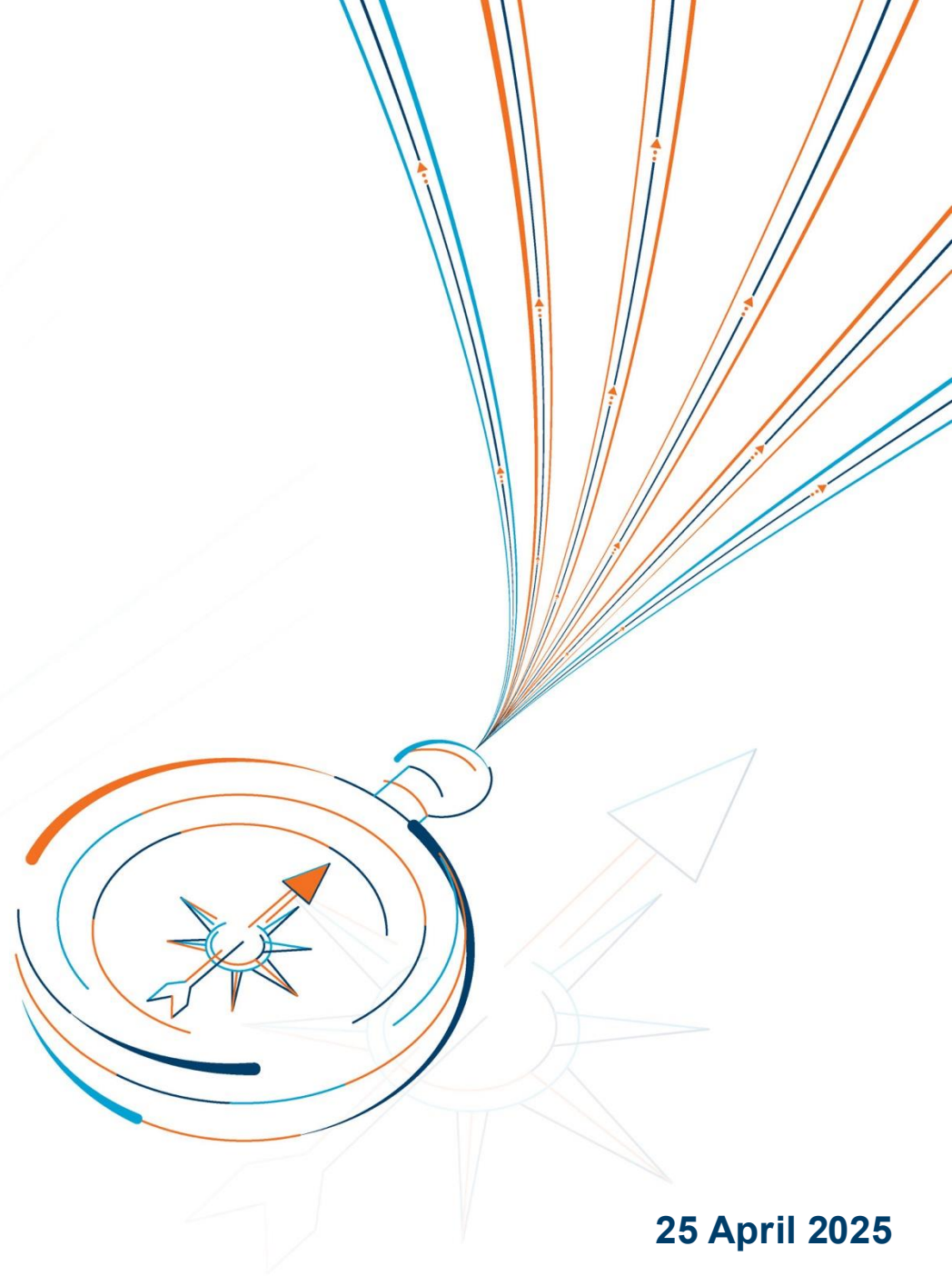
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Q&A



Thank you