

## 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**

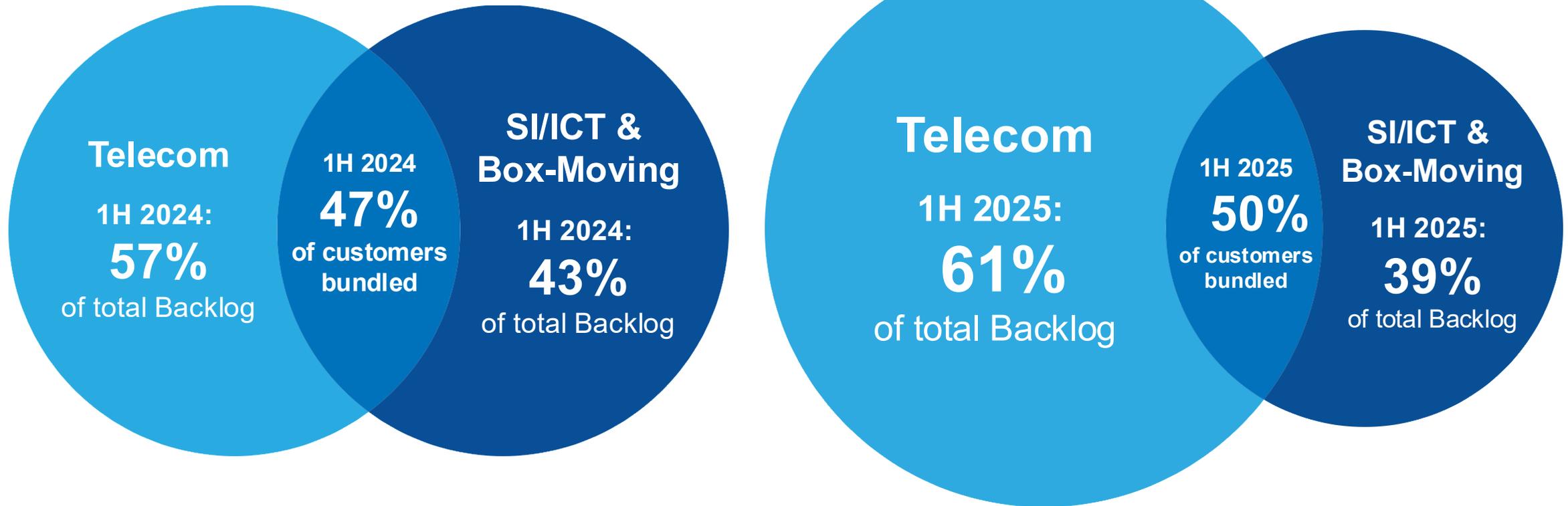
▲ YoY +10%

\* 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**

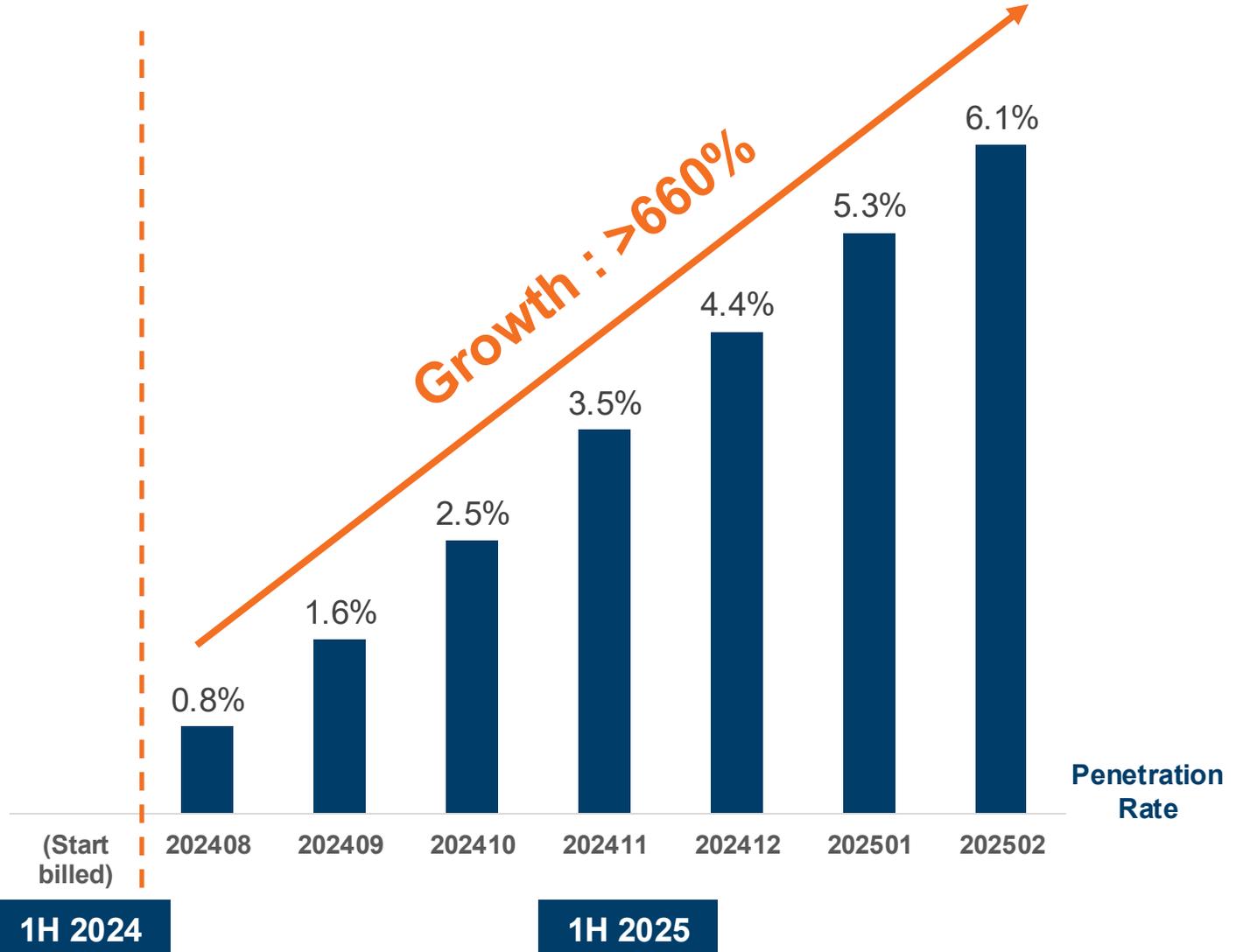
▲ YoY +8%

\* 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<sup>^</sup>

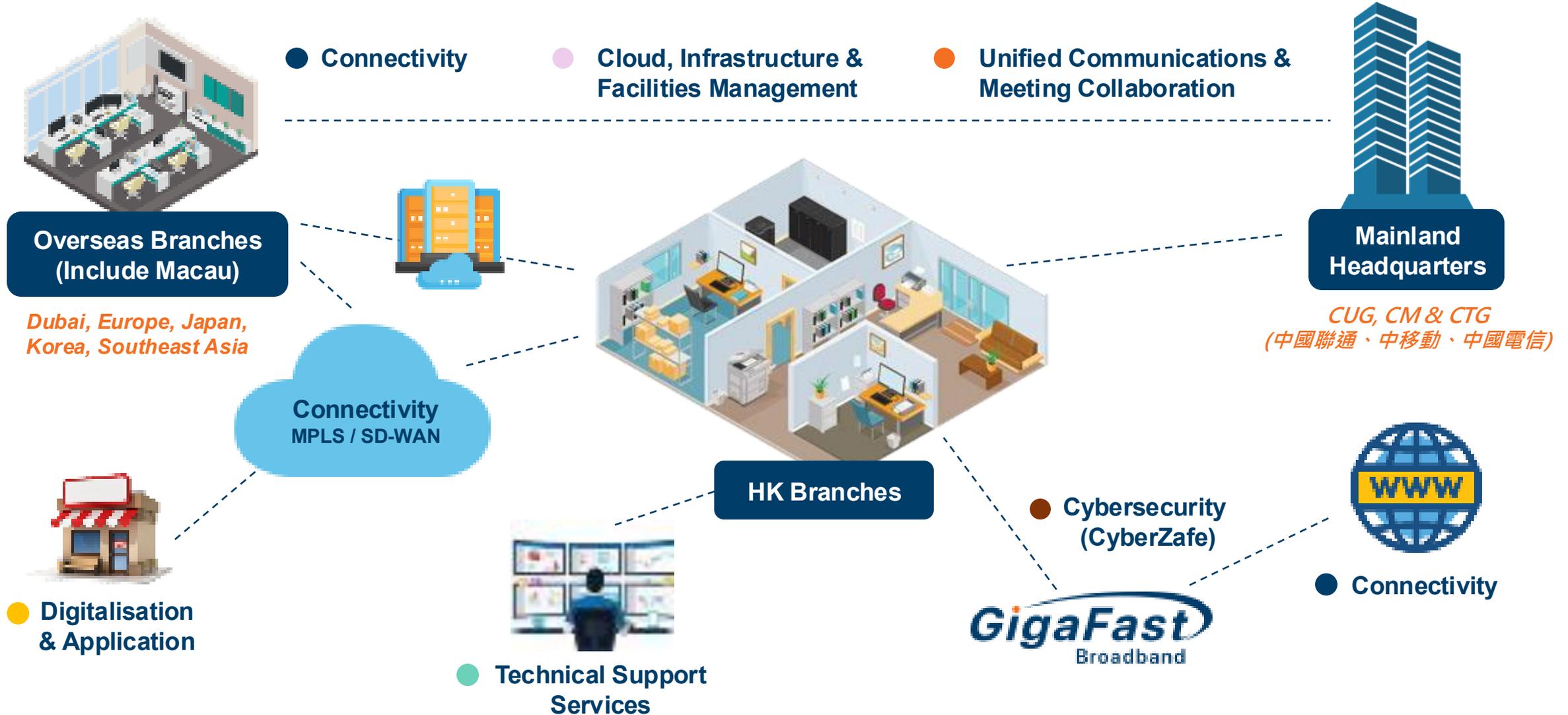
**539** Firms to set up  
operations in Hong Kong

**273** Originating from  
Mainland China

**\$67.7B** Direct  
Investment

<sup>^</sup> 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

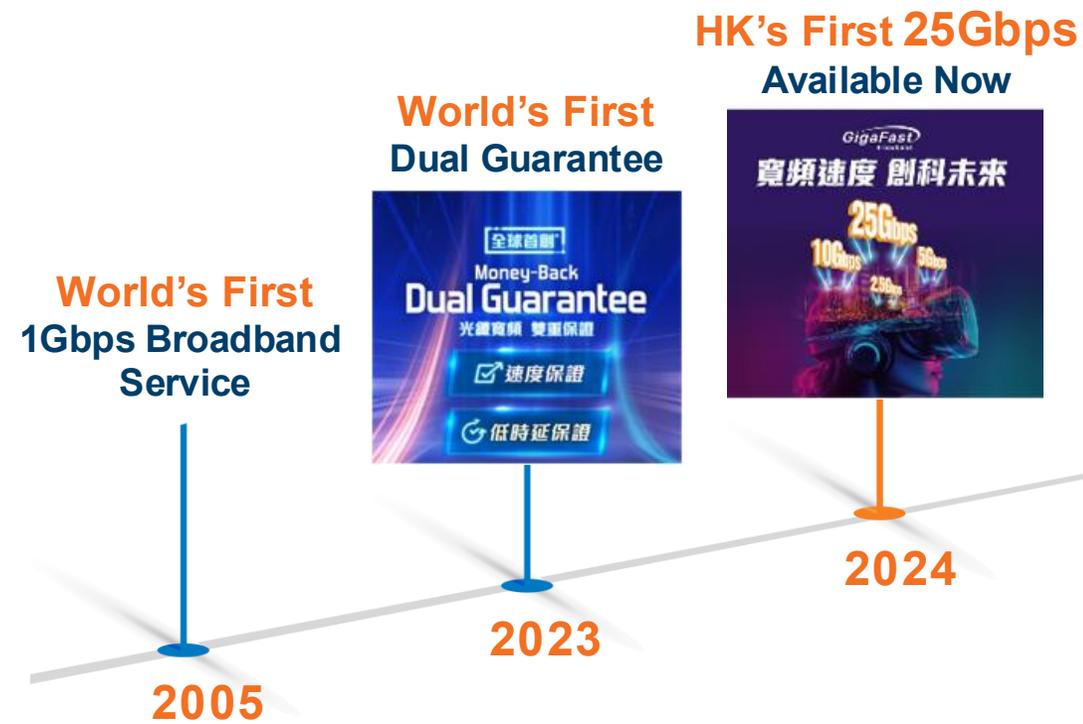
# Residential Solutions



# Significant Market Potential in Broadband Speed Upgrades

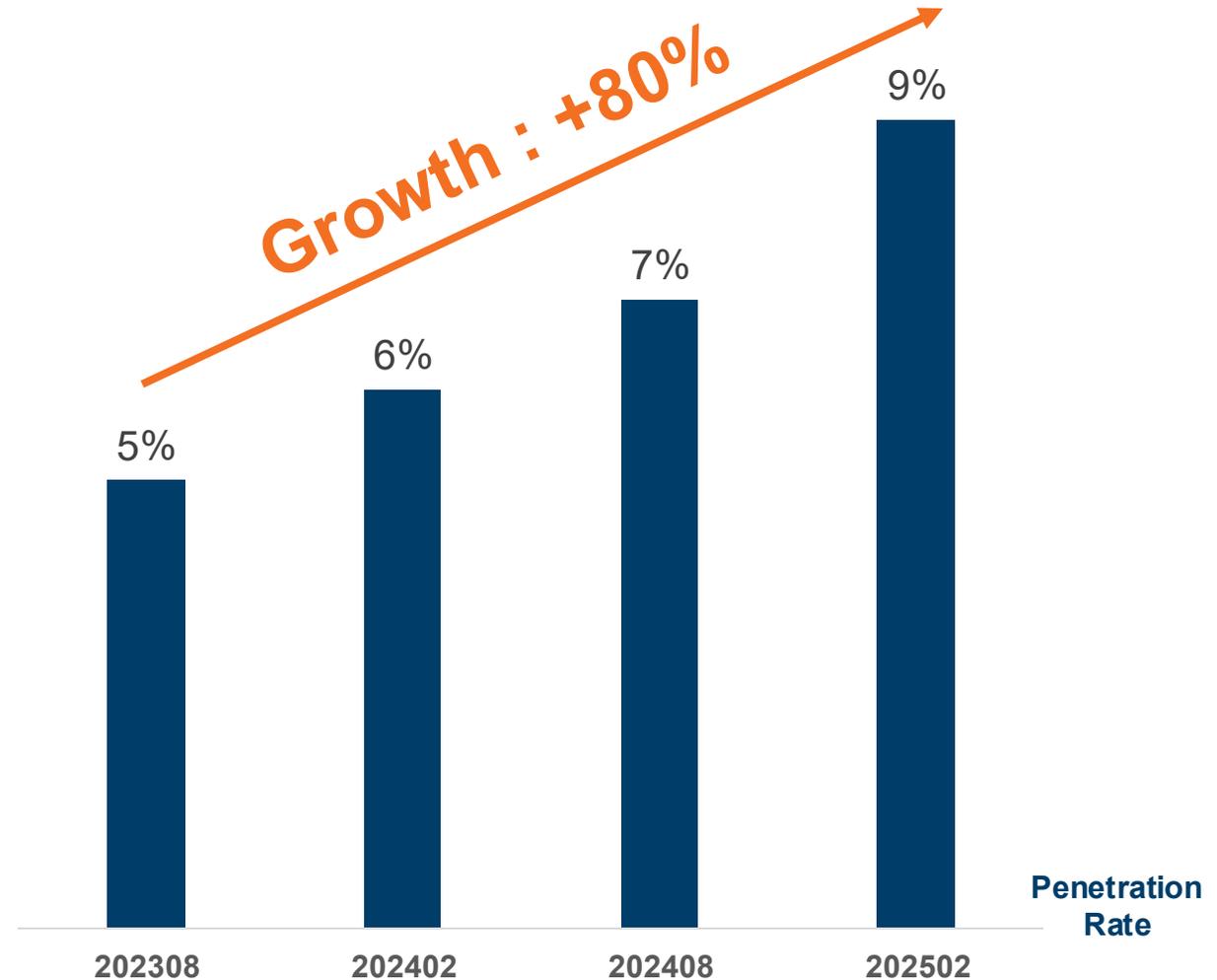
Estimated no. of registered leased access lines (Note 3)	Estimated no. of registered br			
	Residential			Residential Total
	Downstream Speed (Note 5)			
	Equal to or greater than 1Mbps and less than 100Mbps	Equal to or greater than 100Mbps and less than 1Gbps	Equal to or greater than 1Gbps	
19,643	182,844	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%**

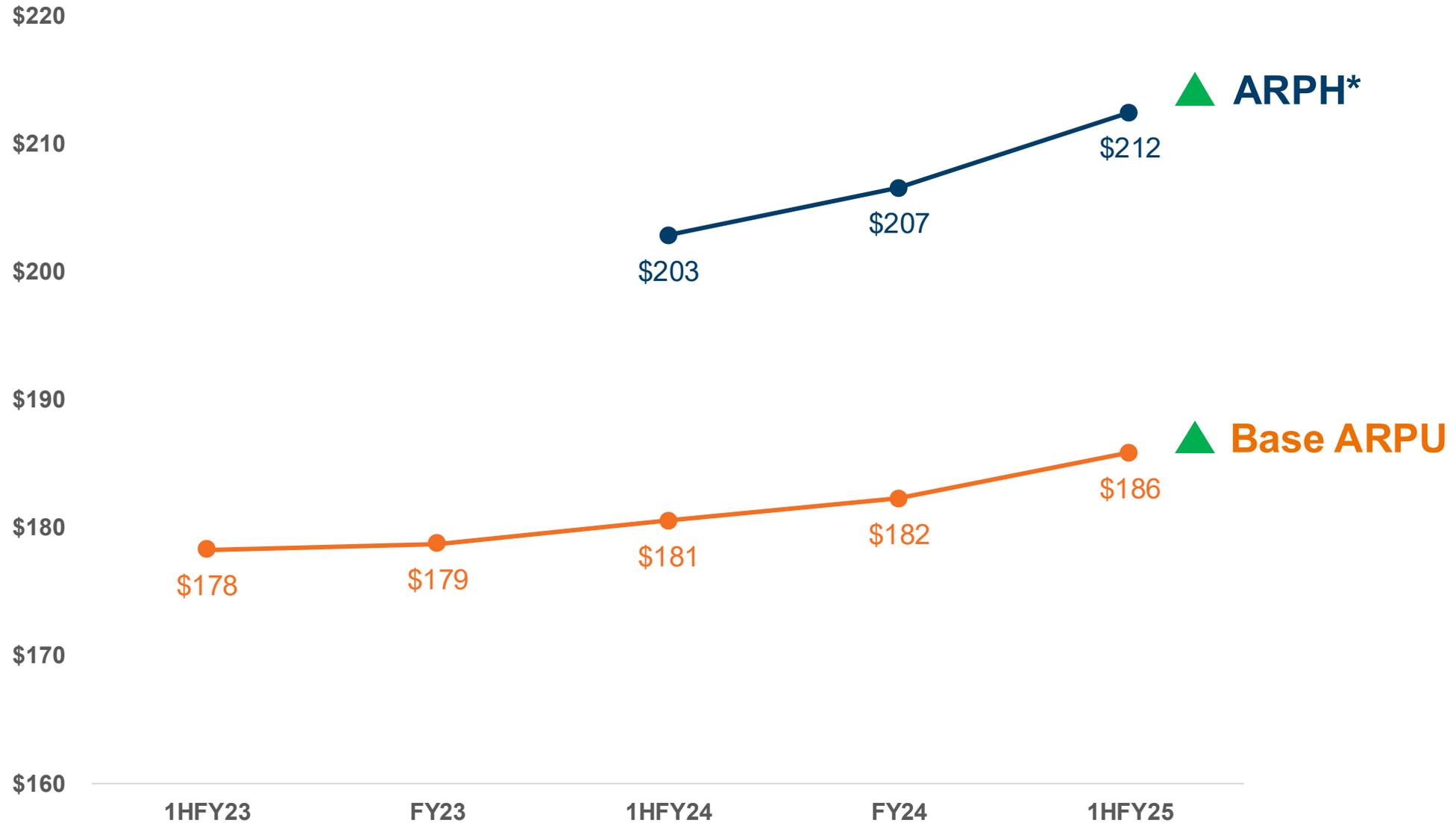


\* Source: [Table 1: Statistics on Access Lines of Internet Service Subscriptions in Hong Kong \(Notes 1 and 2\) \(ofca.gov.hk\)](#) (Office of Communications Authority, 2025)

# 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**

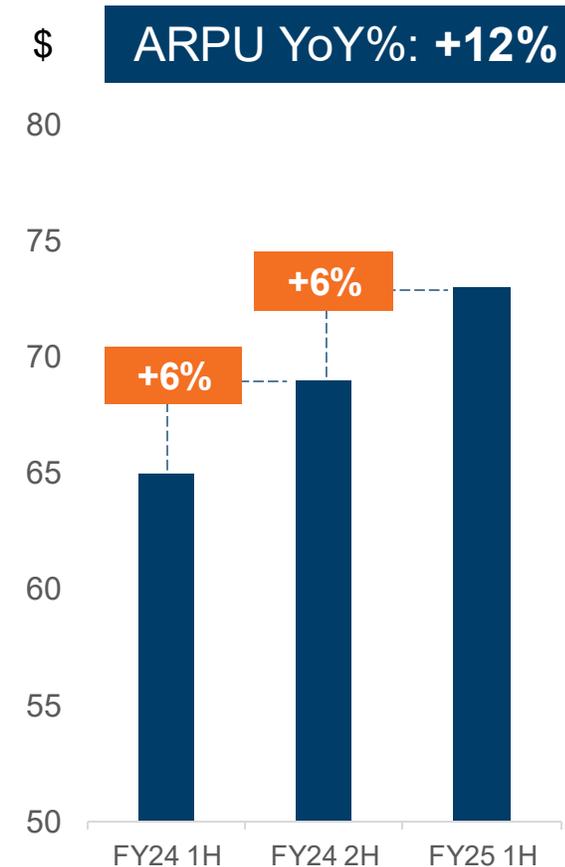


NETFLIX Disney+ myTV Gold

**Other OTT Services**



iQIYI max JOOX  
*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

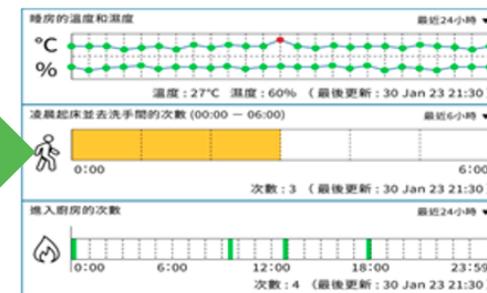
### Continuous aging trend in the population



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



7x24 hotline

<sup>^</sup> Source: 2021 Population Census OlderPersons 021口普查 長者

<sup>\*</sup> 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



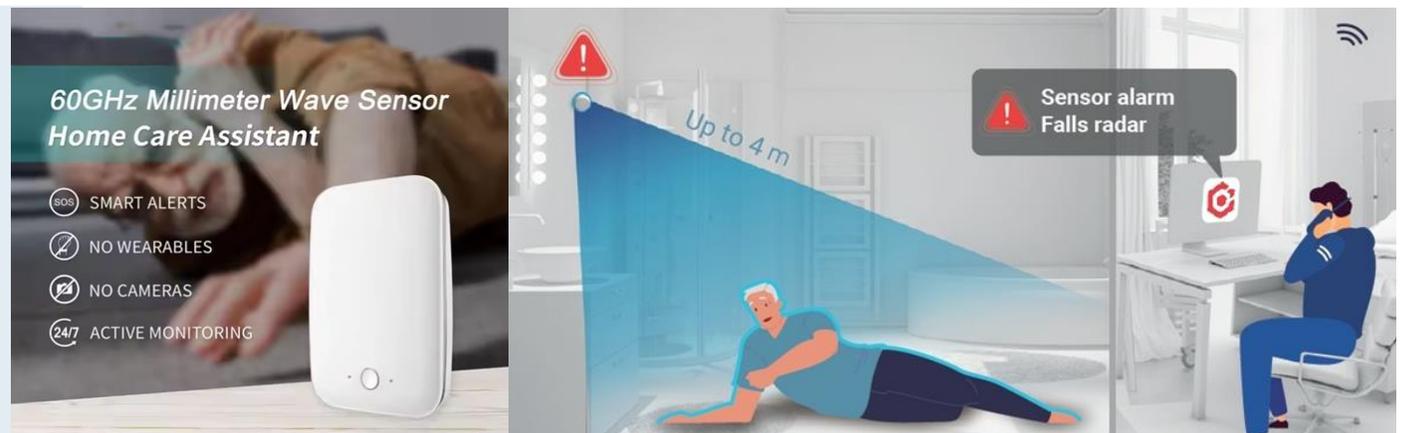
**Oversleep  
Alert**



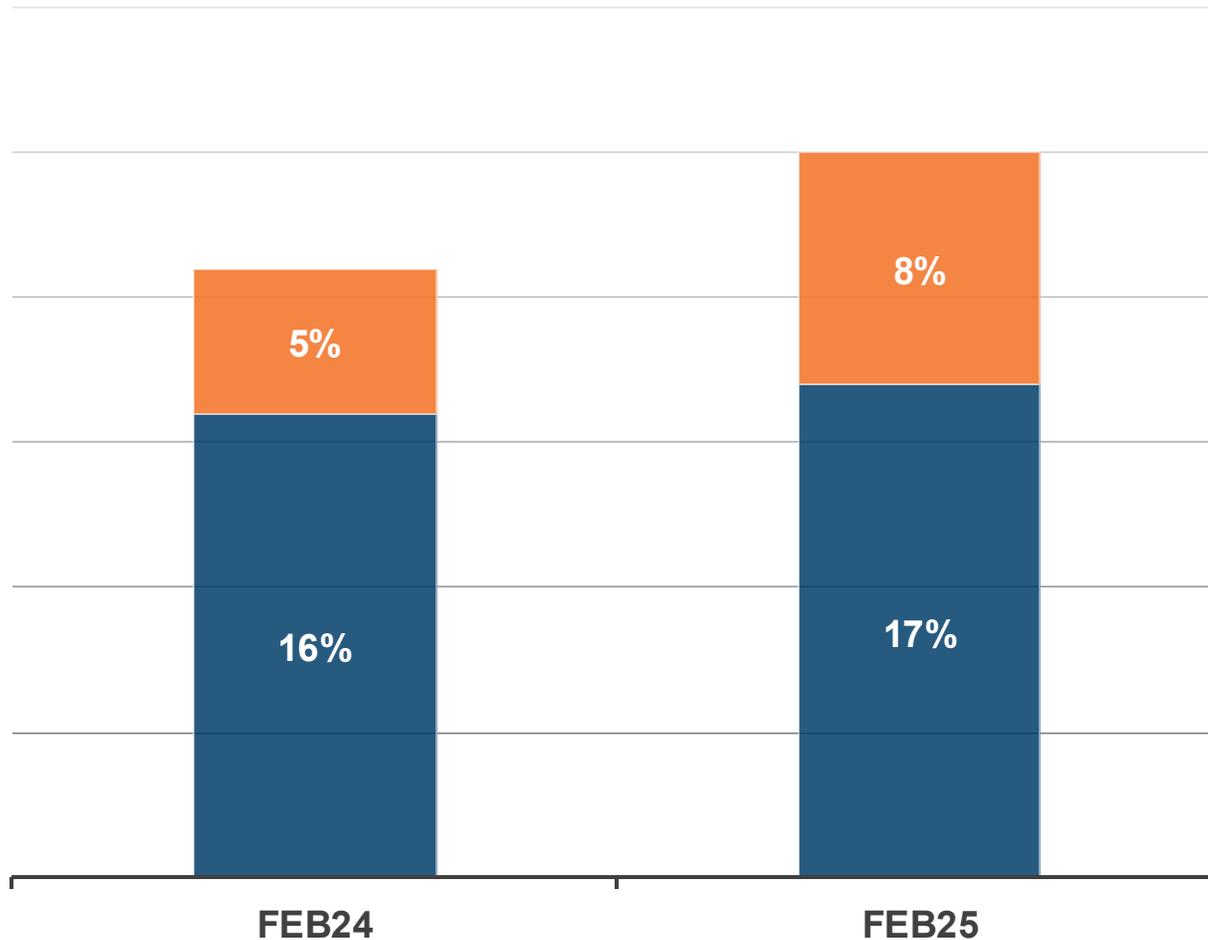
**Sedentary  
Alert**



**Night Wandering  
Alert**



# 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 share<sup>1</sup>



**= 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



<sup>1</sup> 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
<b>Revenue</b>	<b>5,809</b>	<b>5,734</b>	<b>-1%</b>
- Enterprise Solutions	2,310	2,550	<b>+10%</b>
- Residential Solutions <sup>Note</sup>	1,182	1,166	-1%
- Product Revenue	2,317	2,019	-13%
<b>Profit for the period</b>	<b>2</b>	<b>108</b>	<b>&gt;100%</b>
<b>EBITDA</b>	<b>1,151</b>	<b>1,206</b>	<b>+5%</b>
% EBITDA of rev	20%	21%	<b>+1%</b>
<b>Adjusted Free Cash Flow</b>	<b>124</b>	<b>126</b>	<b>+2%</b>

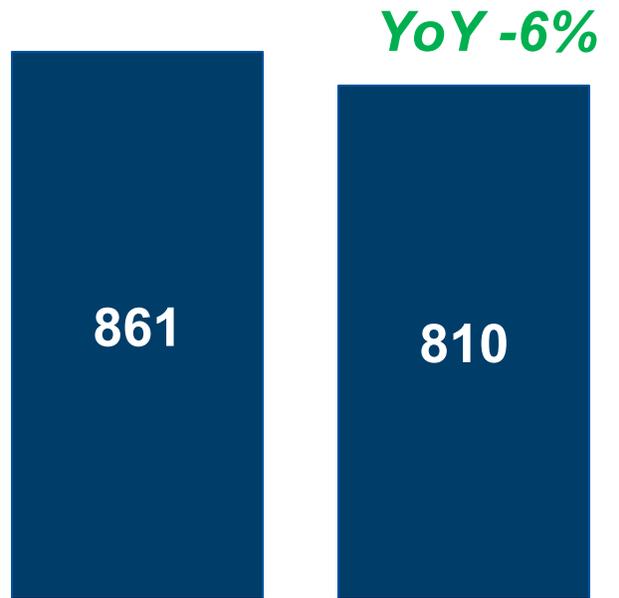
1H FY25
<ul style="list-style-type: none"> <li>• <b>Core business</b> performance sustained in Enterprise Telecom, SI/ICT and Residential direct business</li> <li>• <b>EBITDA</b> continued with good growth momentum at 5% YoY</li> <li>• <b>Net Profit</b> increased to \$108M</li> <li>• <b>AFF</b> sustained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

*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

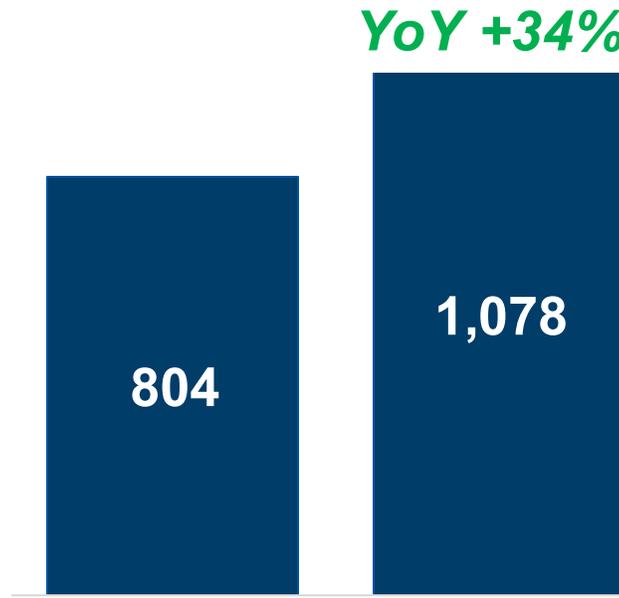
## Operating Expenses Note 1



Opex/  
Revenue: **14.8%** Note2

1H FY25  
**14.1%**

## Cash & Equivalents



Cash/  
Share# **61.3c**

1H FY25  
**82.2c**

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

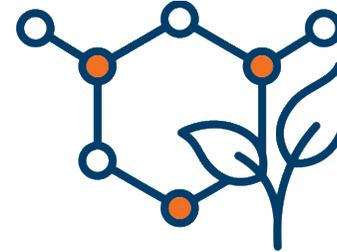


# Reaffirming Sustainability Commitment

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



Deleveraging



Interest rate adjustment  
mechanism\* tied to  
sustainability performance targets



\* 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!



## FY25 Interim Results Announcement

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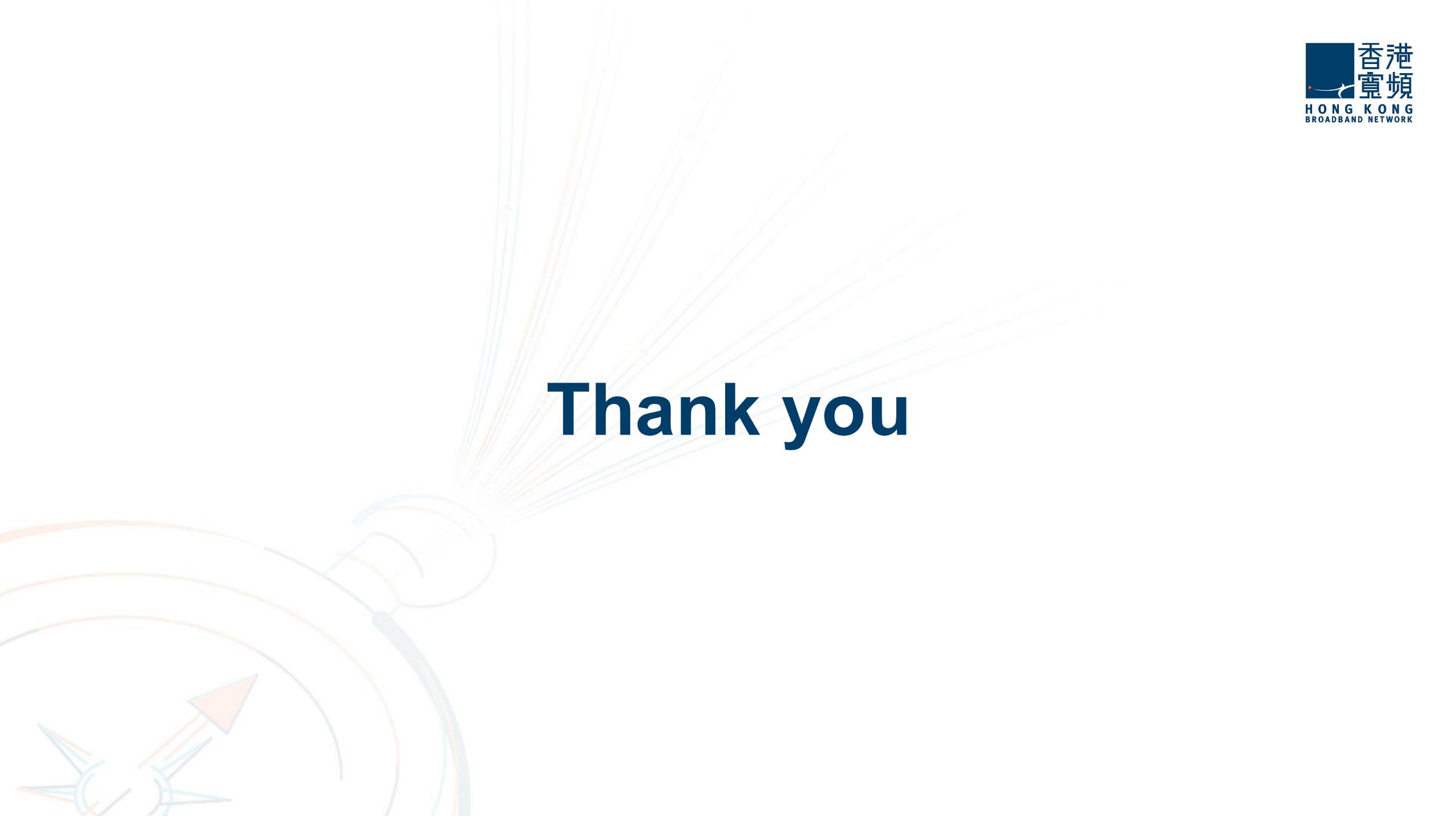
President & Group COO

**Derek Yue**

CFO



# Q&A



**Thank you**