中信國際電訊集團有限公司
CITIC TELECOM INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)
(Stock Code: 01883)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2025

CHAIRMAN'S STATEMENT

DEAR SHAREHOLDERS,

I hereby announce the interim operating and financial results of CITIC Telecom International Holdings Limited (the "Company", together with its subsidiaries, the "Group") for the first half of 2025.

In the first half of 2025, the international economic landscape remained complex and intricate. The latest technological revolution and industrial transformation continued to take further strides, as frontier technologies such as new-generation information technology and artificial intelligence ("AI") were highlighted by constant evolution, while the accelerated iteration of technologies and products in the information and communication industry has made market competition increasingly fierce, resulting in increasingly intense market competition. Focused on "internationalisation" and guided by "technology-driven approach", the Group remained committed to its mission of "With the backing of Chinese mainland, establishing a foothold in Hong Kong and Macau, and connecting to the world", as it continued to advance and deepen the implementation of its strategic regime with solid efforts, actively coordinating its current operations and long-term development with a dual emphasis on growth in scale and improvement in value. Our operating efficiency has been sound and stable while new dynamics and advantages have been rapidly coming into shape. All in all, we have advanced in solid steps towards the goal of becoming a "leading digitalised and intelligentised comprehensive telecommunications enterprise in the Asia Pacific region".

I. FINANCIAL RESULTS

The Group reported HK$4,807 million in total revenue for the first half of 2025, representing a decrease by 1.7% compared to HK$4,889 million for the corresponding period of the previous year. Revenue from the principal business of telecoms services amounted to HK$4,072 million, a decrease by 2.1% compared to HK$4,160 million for the corresponding period of the previous year.

Profit attributable to equity shareholders of the Company for the first half of 2025 amounted to HK$461 million, increasing by 1.3% as compared to HK$455 million for the corresponding period of the previous year. Basic earnings per share was HK12.5

cents, representing a 1.6% increase as compared to HK12.3 cents for the corresponding period of the previous year.

The Board declared an interim dividend of HK6.0 cents per share for 2025, consistent with the corresponding period of the previous year.

II. REVIEW OF BUSINESS DEVELOPMENT

Solid foundation in Macau's mobile market as sizeable value operation continued to deepen

The market size and value of our mobile communication services in Macau has continued to be strengthened, as our competitive advantage through differentiation has been further cemented with the capacity expansion and upgrade of our mobile network. As at 30 June 2025, the Group has over 800,000 5G users registered in Macau, representing a mobile user penetration rate of close to 100% as it continued to stay firmly atop in the mobile market of Macau in terms of market share.

In-depth and detailed efforts were made to identify potential value in existing customers by enhancing our insight into customer needs and exploring new scenarios and demands in consumer spending on digitalisation, advancing innovation in 5G applications in an ongoing manner to enhance business value and customer perception. In the Macau market, the Group continued to enrich novel personal digital applications such as cloud-based games to add value for mobile users and increase user stickiness.

Leaping growth in competence for Macau's broadband market as we further explored the city's market for government and corporate customers

Adhere to driving the digital infrastructure with "10 Gigabit" digital infrastructure, continuously advance the enhancement of our broadband network capabilities, large-scale penetration, application cultivation and service upgrades to forge a reputation for premium quality and cement our leading position in Macau's broadband market. In the first half of 2025, the Group continued to lead the industry in the Macau market, taking the lead in launching F5.5G fiber broadband internet service in an ongoing improvement of user experience. We integrated 50G-PON, 5.5G (5G-A) and Wi-Fi 7 network technologies and implemented the first "10 Gigabit Neighbourhood" in Macau in a continuous effort to drive the construction of "Digital Macau" as a 10 Gigabit smart city. As at 30 June 2025, the Group stayed firmly atop in the Macau broadband market in terms of market share.

In adherence to the principle of achieving leadership in the smart-home segment through innovation, we consistently expanded our superb private network products and scenario-based services to maintain stable and sustained business growth by delivering premium value. In the Macau market, we provided customised 5.5G private network service to government and corporate customers.

Leveraging our advantage in cloud-network integration, customer resources and localised services in the Macau market, we sought to enhance our marketing, product and servicing capabilities with full effort in support of leaping growth in competence. We were able to maintain leadership in key sectors in terms of both capability and scale, driving rapid development in Macau's government and corporate sector. The Group further enhanced its "Dr. Easy Smart Healthcare Platform" tailored for application scenarios in the Macau's medical sector, introducing smart medical services including online AI advice to support medical institutions to improve operational efficiency.

Further upgrades in "cloud-based cybersecurity" for enterprises and multiple achievements in "AI+" applications

We have continued to innovate our cybersecurity technology and gained pace in our transition towards cloudification and intelligentised operations, driving further upgrades in our products and services for "Cloud, Network, Security" integration to meet corporate customers' demand for multi-scenario services. During the first half of 2025, the Group developed a proprietary security information and event management (SIEM) platform based on TrustCSI™ 3.0 to construct an integrated "Cloud, Network, Security" defense system. The product was met with enthusiastic response from the market and won wide recognition across various industries, underpinning significantly enhanced customer trust and industry influence by virtue of our technological edge.

As we continued to deepen our strategy of "AI+ Cloud, Network, Security", notable enhancement in product competence and customer experience has been achieved on the back of our product matrix empowered by AI large model technology. Our SmartCLOUD™ AI Assistant developed with the aid of large model provided data enquiry and statement inspection functions to users in the form of natural verbal response in a significantly optimised experience for customers. In connection with the emerging new requirements of corporate customers for network and security in AI application scenarios, prospective planning was devised to launch specific solutions enabling implementation of corporate AI applications. Two new products, "AI Databank" and "Workflow+", were introduced to provide assistance to customers in their endeavours to automate business processes and add value to data elements under the trend of digital transformation, so that they could seize the opportunities arising from digital transformation.

General upgrade of platform servicing capabilities and collaboration with the industry ecosphere facilitating new business development

We have continued to cement our position as an information communication hub by upgrading our platform servicing competence and exploring new scenarios for platform applications. Vigorous efforts were being made to drive the 4/5G upgrade of our "DataMall自由行" platform, while the VoLTE upgrade of our "SIMN" platform was completed. On the back of our proprietary network-as-a-service (NaaS) 1.0 platform, the trial commercial application of our innovative "Global Smart Mobile Authentication Service" and "Cross-border 5G SD-WAN Lease Line" products and services were officially launched in active development of our new digital and intelligent business to expedite the transition from old to new driving force.

In ongoing construction of a diversified ecological cooperation regime, the Group has actively advanced mutually beneficial cooperation with primary telecom carriers and industry partners in areas such as cross-border data, IPX interconnection and others, bringing into play the advantages of each party in brand name, technology and customer resources to facilitate broader coverage and deeper impact of the Group's products and services. During the first half of 2025, the Group entered into or renewed strategic cooperation agreements with its business partners, such as communication equipment manufacturers and telecom carriers, to further strengthen cooperation in international telecommunications and enterprise messaging services. We also entered into a cooperation agreement with Shenzhen Data Exchange to become a compliance data provider whilst developing compliant cross-border data flow and trade services.

The leading effect of technological innovation in play as we attained new level in building a technology-driven enterprise

The Group seized firmly the opportunities presented by the latest technological revolution and industrial transformation to step up with the building of itself into a technology-based enterprise. Focused on technological aspects such as cloud network, computing and AI, we continued to increase our effort in mastering critical core technologies and expedite the development of new quality productive forces. During the first half of 2025, the RJET project, a smart tourism project jointly developed by the Group and its partners won the third prize in the "Open Gateway Global Use Case Innovation Challenge" during MWC Barcelona 2025. The "Water Regime Forecast in the Minjiang River Basin Based on Artificial Intelligence" project was honoured with a third prize in the "2025 Digital China Innovation Contest" under the data element category. The "AI Databank", an innovative AI product, received a Silver Medal at the "50th International Exhibition of Inventions Geneva". In addition, the Group also undertook to build the "CITIC HK AI Tech Innovation Center" to lay a solid foundation for facilitating AI empowering for both internal operations and external capabilities. During the first half of 2025, the Group was granted 8 newly authorised patents and 1 software copyright. As at 30 June 2025, a total of 29 authorised patents and 64 software copyrights had been obtained.

Focused on serving enterprises "Going Global" and "Bringing In" with enhanced effort in overseas business expansion

The Group has continued to expand in key network hub regions around the globe, enhancing its capabilities in information infrastructure such as network, cloud computing and security and actively developing the overseas market with the provision of comprehensive "Cloud, Network, Security" services to assist enterprises who sought to "Going Global" and "Bringing In". During the first half of 2025, the Group added a new network PoP in Yibin, Sichuan and built new trusted and innovative hybrid cloud platforms in Beijing and Guangzhou, whilst completing backbone network bandwidth upgrades in Vietnam and Indonesia. As at 30 June 2025, the Group operated nearly 170 PoPs deployed worldwide covering 160 countries and regions on five continents with over 60 SD-WAN gateways.

Internationalised development of premium and sophisticated business and servicing capabilities has been advanced at a faster pace to serve the high-quality co-development of "Belt and Road", explore the Southeast Asian market in greater depth, and develop new markets in Europe and the Middle East. In Southeast Asia, the Group has assisted in the digitalised and intelligentised transformation of local government and corporate customers with its ServiceONE customer service platform. As at 30 June 2025, ServiceONE was offering support to over 90 institutions, serving more than 30,000 end-users. During the first half of 2025, the Group successfully entered into internet service agreements with local customers in the Philippines to achieve new business breakthrough after obtaining the country's internet licence. In Malaysia, we made further business development endeavours with existing customers and entered into network cooperation projects with a large well-known local chain store.

Active implementation of ESG principles with ongoing improvements in corporate governance standards

The Group has persistently upheld the principle of integrating technology with green development, as it has actively undertaken corporate social responsibility to empower low-carbon sustainable development of the economy and the society with AI. During the first half of 2025, the Group won the "Outstanding Award – Green Supply Chain Innovation and Technology" at the "Hong Kong Sustainable Development Innovation & Technology Awards 2025" for its "AI Analytics", a groundbreaking solution for sustainable supply-chain management. The Group is committed to sustainability to enhance investors' and shareholders' confidence. As at 30 June 2025, the Group received "A" rating in ESG assessments by rating agencies.

The Group has endeavoured to bring its expertise into play by assisting in the qualitative development of the society as a whole through digital and AI innovations, with the aim of providing what are needed for better living and empowering a better future driven by digital and AI advances. The CTM Youth Development Programme hosted by Companhia de Telecomunicações de Macau, S.A., the Group's subsidiary, was in its 12th anniversary of training local talents in information technology for Macau. Thanks to our effort to deepen service quality management on all fronts, we were top tier among peers in terms of customer service satisfaction. According to ongoing periodic customer satisfaction poll, we were highly rated for customer satisfaction and loyalty with rising scores in all customer groups in Macau for the first half of 2025.

In persistent adherence to the principle of strengthening the enterprise through the nurturing of talents, the Group has provided ample opportunities for staff growth as it considers talents the prime resources of the Company, in order to reinforce the talent base for the Company's qualitative development whilst sharing the achievements of its development with all sectors in the society.

In a persistent effort to maintain high standards in corporate governance, the Group has continued to improve its corporate compliance management regime, indicated by compliant and efficient operation of its general meetings and board of directors, ongoing optimisation of internal control processes as well as stable and compliant operation of the enterprise in genuine protection of the best long-term interests of shareholders.

III. FUTURE OUTLOOK

In the presence of a new market landscape with new opportunities, the Group will continue to grow in a steadfast manner towards a "leading digitalised and intelligentised comprehensive telecommunications enterprise in the Asia Pacific region" with the vision of "providing quality services for social development, corporate innovation and the better lives of people." We will continue to work with a customer-centric approach as we seek to deliver value in an ongoing manner and drive the qualitative development of the enterprise to provide sustainable reward to shareholders.

In future, the Group will conduct the following principal tasks:

I. Deepened reform on all fronts to expedite digitalised and intelligentised transformation

With a persistent market-oriented approach and a strong focus on customers' requirements and innovative application scenarios, the Group will vigorously establish its presence in strategic new businesses in ongoing enhancement of its competence in digital products and services. We will strengthen the building of customer-centric organisations, processes and mechanisms to foster consolidated strengths through systems integration combining professional capabilities, business expertise, competence in the market ecosphere as well as marketing and servicing capabilities. Digital and AI-powered operations will be introduced with deepened application of digital and intelligent tools such as big data and AI to drive end-to-end quality and efficiency enhancement across the board.

II. Building a technology-based enterprise with dedicated effort to advance deeper and more solid technological innovation

In persistent pursuit of technological innovation as the strategic guide to qualitative development of the enterprise, we will continue to increase our investment in technological innovation and consistently enhance our competence in technological innovation, making solid steps towards the building of a technology-based enterprise.

Collaboration in scientific research will be pursued with a special focus on novel technological sectors. Through "CITIC HK AI Tech Innovation Center", we will enhance cooperation with universities, manufacturers, the academia and research institutions in Hong Kong to develop new quality productive forces. Major efforts will be devoted to the nurturing of talents for the enterprise underpinned by continuous deepening of our talent development regime and mechanism, with a view to laying a solid foundation in terms of talents for the qualitative development of the enterprise. Taking into account the characteristics of strategic new industries, we will continue to optimise our resource allocation and appraisal and incentive mechanism, as well as the configuration of our innovative manufacturing elements, in order to fully motivate the innovative energy of our technological staff.

III. Creation of a high-standard and open ecosphere for cooperation to drive new business and new market expansion

By focusing on key businesses, core technologies and crucial application scenarios, we will strengthen our strategic deployment in key business frontiers, foster an ecosphere for the digital and intelligent industry, deepen integrated collaboration in specialised areas and further enhance our competitive edge in comprehensive intelligence information services.

The standard of our international operations will be consistently improved to fortify the foundation for our global development, whilst we will remain deeply committed to the Hong Kong and Macau markets. We will firmly seize opportunities for development presented by the "Belt and Road" initiative and explore broader overseas emerging markets in a vigorous yet prudent manner, as we strive to become the preferred partner in digitalisation and intelligentisation for enterprises seeking international business development.

IV. Enhancing our risk management competence to coordinate corporate development and security

Risk control will be strengthened and our ability to identify risks will be enhanced through heightened awareness of market risks, customer risks, financial risks, fiscal risks, risks associated with network quality and legal compliance risks. We will step up with our effort to safeguard information security, cyber security and data security to ensure that the Group will be able to achieve its goals in qualitative development while securing a line of defense for security amidst a complex environment.

Finally, I would like to express on behalf of the board of directors sincere appreciation to all shareholders, investors, customers, partners and the public for their support for the Group, as well as sincere gratitude to all employees for their unfailing hard work and dedication.

Luo Xicheng
Chairman
Hong Kong, 15 August 2025

CONSOLIDATED INCOME STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2025

(Expressed in Hong Kong dollars)

	Note	*Six months ended 30 June* *2025* (Unaudited) $ million	*2024* (Unaudited) $ million
Revenue	2(a)	4,807	4,889
Valuation loss on investment property		(9)	-
Other income	3	34	46
Cost of sales and services	4(a)	(3,028)	(3,078)
Depreciation and amortisation	4(b)	(331)	(378)
Staff costs	4(c)	(543)	(537)
Other operating expenses		(279)	(249)
		651	693
Finance costs	4(d)	(93)	(125)
Profit before taxation	4	558	568
Income tax	5(a)	(89)	(97)
Profit for the period		469	471
Attributable to:			
Equity shareholders of the Company		461	455
Non-controlling interests		8	16
Profit for the period		469	471
Earnings per share (HK cents)	7		
Basic and diluted earnings per share		12.5	12.3

Details of dividends payable to equity shareholders of the Company are set out in note 6.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 JUNE 2025

(Expressed in Hong Kong dollars)

	Six months ended 30 June	
	2025	*2024*
	(Unaudited)	(Unaudited)
	$ million	$ million
Profit for the period	469	471
Other comprehensive income for the period (after tax and reclassification adjustments):		
Items that are or may be reclassified subsequently to profit or loss:		
Foreign currency translation adjustments:		
– exchange differences on translation of financial statements of operations outside Hong Kong and its related borrowings	52	(10)
Net movement in the hedging reserve	(5)	-
Other comprehensive income for the period	47	(10)
Total comprehensive income for the period	516	461
Attributable to:		
Equity shareholders of the Company	507	445
Non-controlling interests	9	16
Total comprehensive income for the period	516	461

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

(Expressed in Hong Kong dollars)

	Note	*30 June 2025* (Unaudited) $ million	*31 December 2024* (Audited) $ million
Non-current assets			
Investment property		659	668
Property, plant and equipment		1,846	1,931
Right-of-use assets		434	461
Intangible assets		675	732
Goodwill		9,738	9,696
Interest in a joint venture		12	11
Contract costs		21	21
Non-current contract assets		36	33
Non-current finance lease receivables		1	2
Non-current other receivables	8	97	112
Non-current derivative financial instruments		-	2
Deferred tax assets		72	69
		13,591	13,738
Current assets			
Derivative financial instruments		-	2
Inventories		67	375
Finance lease receivables		2	2
Contract assets		205	235
Trade and other receivables	8	1,348	1,476
Current tax recoverable		8	16
Cash and deposits		1,714	1,611
		3,344	3,717
Current liabilities			
Trade and other payables	9	1,680	1,591
Contract liabilities		194	445
Bank and other borrowings		1,204	3,561
Lease liabilities		88	88
Current tax payable		255	179
		3,421	5,864
Net current liabilities		(77)	(2,147)
Total assets less current liabilities		13,514	11,591

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025 (CONTINUED)

(Expressed in Hong Kong dollars)

	Note	*30 June 2025* (Unaudited) $ million	*31 December 2024* (Audited) $ million
Non-current liabilities			
Non-current contract liabilities		1	1
Non-current bank and other borrowings		2,248	346
Non-current lease liabilities		213	236
Non-current derivative financial instruments		17	-
Non-current other payables	9	15	15
Defined benefit plan obligations		35	33
Deferred tax liabilities		126	133
		2,655	764
NET ASSETS		10,859	10,827
CAPITAL AND RESERVES			
Share capital		4,758	4,758
Reserves		5,992	5,959
Total equity attributable to equity shareholders of the Company		10,750	10,717
Non-controlling interests		109	110
TOTAL EQUITY		10,859	10,827

Notes

(Expressed in Hong Kong dollars unless otherwise indicated)

1 Basis of preparation

The interim results set out in this announcement do not constitute the condensed interim financial report for the six months ended 30 June 2025 of CITIC Telecom International Holdings Limited (the "Company") and its subsidiaries (collectively the "Group") but are extracted from those financial information.

The condensed interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard ("HKAS") 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). It was authorised for issue on 15 August 2025.

The condensed interim financial report has been prepared in accordance with the same accounting policies adopted in the 2024 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025 annual financial statements.

The HKICPA has issued a number of amendments to HKFRS Accounting Standards that are first effective for the current accounting period. None of these developments have had a material effect on these financial statements. The Group has not applied any new standard, amendment or interpretation that is not yet effective for the current accounting period.

The condensed interim financial report is unaudited, but has been reviewed by the Audit Committee of the Company; and the independent auditor, KPMG, in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the HKICPA, whose unmodified review report is included in the interim report to be sent to shareholders.

The financial information relating to the financial year ended 31 December 2024 that is included in this announcement of the interim results as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Further information relating to these statutory financial statements disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended 31 December 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.

The Company's auditor has reported on those financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under section 406(2), 407(2) or 407(3) of the Hong Kong Companies Ordinance.

1 Basis of preparation (continued)

Going concern assumptions

As at 30 June 2025, the current liabilities of the Group exceeded the current assets by $77,000,000. Management of the Group anticipates the net cash inflows from the operations, together with the ability to draw down from available committed bank and other loan facilities of $6,349,000,000, is sufficient to enable the Group to meet its liabilities as and when they fall due. Accordingly, the condensed interim financial report has been prepared on a going concern basis.

2 Revenue and segment reporting

The Group is principally engaged in the provision of telecommunications services, including mobile services, internet services, international telecommunications services, enterprise solutions and fixed line services, and sales of mobile handsets and equipment.

Revenue represents fees from the provision of telecommunications services and sales of mobile handsets and equipment.

(a) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major service lines or products and geographical location of the Group's revenue from external customers are as follows:

	Six months ended 30 June	
	2025	*2024*
	(Unaudited)	(Unaudited)
	$ million	$ million
Revenue from contracts with customers		
Disaggregated by major service lines or products:		
Mobile services	548	510
Internet services	754	737
International telecommunications services	1,343	1,237
Enterprise solutions	1,364	1,608
Fixed line services	63	68
Fees from the provision of telecommunications services	4,072	4,160
Sales of mobile handsets and equipment	735	729
	4,807	4,889

2 Revenue and segment reporting (continued)

(a) Disaggregation of revenue (continued)

	Six months ended 30 June	
	2025	*2024*
	(Unaudited)	(Unaudited)
	$ million	$ million
Disaggregated by geographical location of the Group's revenue from external customers:		
Hong Kong (place of domicile)	2,037	1,901
Chinese mainland	525	562
Macau	1,897	1,912
Singapore	176	370
Others	172	144
	2,770	2,988
	4,807	4,889

During the six months ended 30 June 2025 and 2024, fees from the provision of telecommunications services is substantially recognised over time and sales of mobile handsets and equipment is recognised at a point-in-time.

(b) Segment reporting

In a manner consistent with the way in which information is reported internally to the Group's senior executive management, which has been identified as being the chief operating decision maker, for the purposes of resource allocation and performance assessment, the Group has identified only one operating segment, i.e. telecommunications operations.

Reconciliation of reportable segment profit

	Six months ended 30 June	
	2025	*2024*
	(Unaudited)	(Unaudited)
	$ million	$ million
Reportable segment profit	991	1,059
Net loss on disposal of property, plant and equipment	(1)	-
Net foreign exchange gain	5	4
Depreciation and amortisation	(331)	(378)
Finance costs	(93)	(125)
Interest income	21	33
Rentals income from investment property less direct outgoings	13	12
Valuation loss on investment property	(9)	-
Unallocated head office and corporate expenses	(38)	(37)
Consolidated profit before taxation	558	568

2 Revenue and segment reporting (continued)

(c) Seasonality of operation

The Group's telecommunications services are not significantly impacted by seasonal factors and there were historically no significant seasonal or cyclical trends in the operating results.

3 Other income

	Six months ended 30 June *2025* (Unaudited) $ million	*2024* (Unaudited) $ million
Interest income from deposits	20	28
Interest income from finance leases and other interest income	1	5
	21	33
Gross rentals income from investment property (note)	13	13
	34	46

Note: The rentals income from investment property less direct outgoings of less than $1,000,000 (six months ended 30 June 2024: $1,000,000) for the six months ended 30 June 2025 is $13,000,000 (six months ended 30 June 2024: $12,000,000).

4 Profit before taxation

Profit before taxation is arrived at after charging/(crediting):

	Six months ended 30 June *2025* (Unaudited) $ million	*2024* (Unaudited) $ million
(a) Cost of sales and services		
Cost of provision of telecommunications services	2,298	2,358
Cost of sales of mobile handsets and equipment	730	720
	3,028	3,078
(b) Depreciation and amortisation		
Depreciation charge		
- property, plant and equipment	216	250
- right-of-use assets	57	75
Amortisation	58	53
	331	378

4 Profit before taxation (continued)

	Six months ended 30 June	
	2025	*2024*
	(Unaudited)	(Unaudited)
	$ million	$ million
(c) Staff costs (including directors' emoluments)		
Contributions to defined contribution retirement plans	50	48
Expenses recognised in respect of defined benefit plans:		
- long service payments	1	2
- CTM Staff Provident Fund	3	3
Salaries, wages and other benefits	489	484
	543	537
(d) Finance costs		
Interest on bank and other borrowings	81	116
Interest on lease liabilities	8	7
Other finance charges	3	2
Other interest expense	1	-
	93	125
(e) Other items		
Impairment losses for trade debtors and contract assets	30	-
Net loss on disposal of property, plant and equipment	1	-
Net foreign exchange gain	(5)	(4)

5 Income tax

(a) Taxation in the consolidated income statement represents:

	Six months ended 30 June	
	2025	*2024*
	(Unaudited)	(Unaudited)
	$ million	$ million
Current tax		
- Hong Kong Profits Tax	18	17
- Macau Complementary Tax	71	70
- Jurisdictions outside Hong Kong and Macau	9	15
	98	102
Deferred tax	(9)	(5)
	89	97

The provision for Hong Kong Profits Tax is calculated by applying the estimated annual effective tax rate of 16.5% (2024: 16.5%) to the six months ended 30 June 2025.

The provision for Macau Complementary Tax for the six months ended 30 June 2025 is calculated at 12% (2024: 12%) of the estimated assessable profits for the period. Assessable profits of the first Macau Patacas ("MOP") 600,000 (equivalent to approximately $582,000) (2024: MOP600,000 (equivalent to approximately $582,000)) are exempted from Macau Complementary Tax.

Taxation for jurisdictions outside Hong Kong and Macau is similarly calculated using the estimated annual effective rates of taxation that are expected to be applicable in the relevant jurisdictions.

(b) ***Pillar Two income tax***

The Group is part of a multinational enterprise group which is subject to the Global Anti-Base Erosion Model Rules ("Pillar Two model rules") published by the Organisation for Economic Co-operation and Development.

From 1 January 2025, the Group is subject to Pillar Two income taxes under the Hong Kong Inland Revenue (Amendment) (Minimum Tax for Multinational Enterprise Groups) Ordinance 2025 for its earnings in the Hong Kong SAR and certain other jurisdictions where a domestic minimum top-up tax has not been implemented, including Chinese mainland and the Macau SAR.

The Group has applied the temporary mandatory exception from deferred tax accounting for the top-up tax and accounted for the tax as current tax when incurred.

6 Dividends

(a) Dividends payable to equity shareholders of the Company attributable to the interim period

	2025 (Unaudited) $ million	*2024* (Unaudited) $ million
Interim dividend declared/declared and paid after the interim period of HK6.0 cents (2024: HK6.0 cents) per share	222	222

The interim dividend declared after the end of the reporting period has not been recognised as a liability at the end of the reporting period.

(b) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the interim period

	Six months ended 30 June *2025* (Unaudited) $ million	*2024* (Unaudited) $ million
Final dividend in respect of the previous financial year, approved and paid during the following interim period, of HK12.8 cents (six months ended 30 June 2024: HK19.3 cents) per share	474	714

7 Earnings per share

(a) Basic earnings per share

	Six months ended 30 June	
	2025	*2024*
	(Unaudited)	(Unaudited)
	$ million	$ million
Profit attributable to equity shareholders of the Company	461	455

The weighted average number of ordinary shares in issue during the period, is calculated as follows:

	Number of shares	
	Six months ended 30 June	
	2025	*2024*
	(Unaudited)	(Unaudited)
	million	million
Issued ordinary shares as at 1 January	3,701	3,700
Effect of share options exercised	-	1
Weighted average number of ordinary shares as at 30 June	3,701	3,701
Basic earnings per share (HK cents)	12.5	12.3

(b) Diluted earnings per share

Diluted earnings per share for the periods ended 30 June 2025 and 2024 were the same as basic earnings per share, as there were no potential dilutive ordinary shares in existence, or any potential dilutive ordinary shares did not have a significant impact on the weighted average number of ordinary shares.

8 Trade and other receivables

	30 June 2025 (Unaudited) $ million	*31 December 2024* (Audited) $ million
Trade debtors	1,091	999
Less: loss allowance	(108)	(87)
	983	912
Prepayments	226	392
Deposits and other receivables	236	284
	1,445	1,588
Represented by:		
Non-current portion	97	112
Current portion	1,348	1,476
	1,445	1,588

At the end of the reporting period, the ageing analysis of trade debtors (which are included in trade and other receivables) based on the invoice date and net of loss allowance is as follows:

	30 June 2025 (Unaudited) $ million	*31 December 2024* (Audited) $ million
Within 1 year	966	895
Over 1 year	17	17
	983	912

Credit evaluations are performed on all customers requiring credit over a certain amount. Trade debtors are due within 7 to 180 days from the date of billing. Impairment losses on trade debtors are measured based on the expected credit loss model.

9 Trade and other payables

	30 June 2025 (Unaudited) $ million	*31 December 2024* (Audited) $ million
Trade creditors	965	843
Other payables and accruals	730	763
	1,695	1,606
Represented by:		
Non-current portion	15	15
Current portion	1,680	1,591
	1,695	1,606

At the end of the reporting period, the ageing analysis of trade creditors (which are included in trade and other payables) based on the invoice date is as follows:

	30 June 2025 (Unaudited) $ million	*31 December 2024* (Audited) $ million
Within 1 year	834	715
Over 1 year	131	128
	965	843

FINANCIAL REVIEW

OVERVIEW

The Group's profit for the six months ended 30 June 2025 amounted to HK$469 million which was similar to the first half of 2024, profit attributable to equity shareholders of the Company increased by 1.3% year-on-year to HK$461 million, and basic earnings per share was up by 1.6% to HK12.5 cents when compared to the first half of 2024.

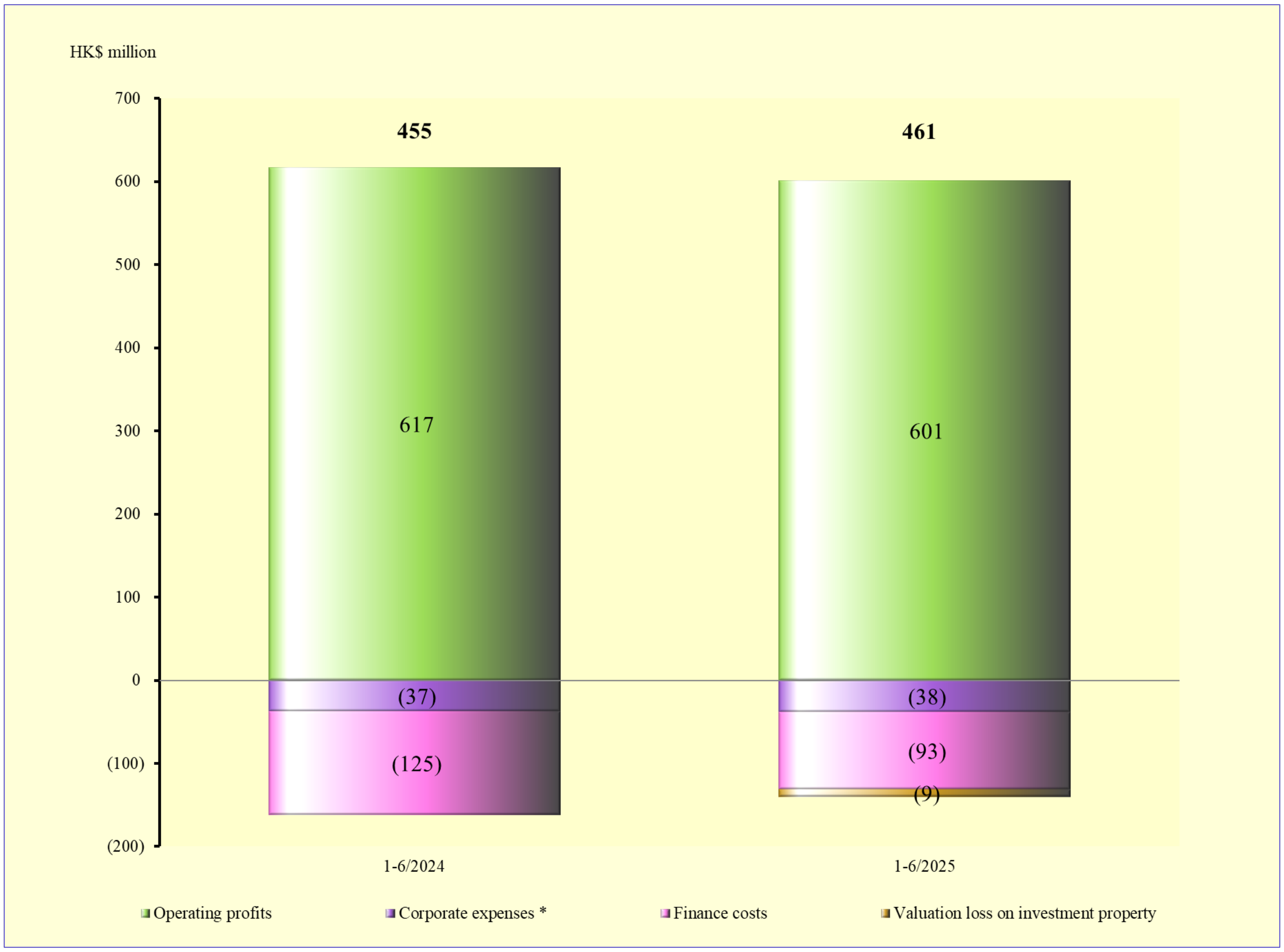
The Group's total revenue decreased by 1.7% year-on-year to HK$4,807 million while revenue from telecommunications services decreased by 2.1% to HK$4,072 million when compared to the first half of 2024.

Summary of Financial Results

	Half year ended 30 June		**Increase / (Decrease)**	
In HK$ million	**2025**	2024		
Revenue from telecommunications services	**4,072**	4,160	(88)	(2.1%)
Sales of mobile handsets and equipment	**735**	729	6	0.8%
Revenue	**4,807**	4,889	(82)	(1.7%)
Valuation loss on investment property	**(9)**	-	(9)	N/A
Other income	**34**	46	(12)	(26.1%)
Cost of sales and services	**(3,028)**	(3,078)	(50)	(1.6%)
Depreciation and amortisation	**(331)**	(378)	(47)	(12.4%)
Staff costs	**(543)**	(537)	6	1.1%
Other operating expenses	**(279)**	(249)	30	12.0%
Profit from consolidated activities	**651**	693	(42)	(6.1%)
Finance costs	**(93)**	(125)	(32)	(25.6%)
Income tax	**(89)**	(97)	(8)	(8.2%)
Profit for the period	**469**	471	(2)	(0.4%)
Less: Non-controlling interests	**(8)**	(16)	(8)	(50.0%)
Profit attributable to equity shareholders of the Company	**461**	455	6	1.3%
EBITDA*	**961**	1,038	(77)	(7.4%)
Basic earnings per share (HK cents)	**12.5**	12.3	0.2	1.6%
Dividend per share (HK cents)	**6.0**	6.0	-	-

* *EBITDA represents earnings before interest, taxes, depreciation and amortisation.*

Profit attributable to equity shareholders of the Company



* *Corporate expenses included staff costs for corporate functions, listing fee, unallocated staff bonus and others.*

Profit attributable to equity shareholders of the Company for the six months ended 30 June 2025 increased by 1.3% or HK$6 million to HK$461 million when compared to the corresponding period of 2024. Excluding the valuation loss on investment property for the six months ended 30 June 2025 of HK$9 million, profit attributable to equity shareholders of the Company for the first half of 2025 would increase by 3.3% year-on-year or HK$15 million to HK$470 million.

Revenue

The Group is engaged in the provision of telecommunications services and the sales of mobile handsets and equipment.

The Group provides telecommunications services for carriers, corporate clients and individual customers under five major business categories: mobile services, internet services, international telecommunications services, enterprise solutions and fixed line services.

The Group's total revenue including revenue from telecommunications services and the sales of mobile handsets and equipment decreased by 1.7% year-on-year to HK$4,807 million.

Revenue from telecommunications services for the six months ended 30 June 2025 amounted to HK$4,072 million, which represented a decrease of 2.1% or HK$88 million when compared to the corresponding period of 2024. The decrease was due to the drop in revenue from enterprise solutions and fixed line services, but was partially offset by the increase in revenue from mobile services, internet services and international telecommunications services.

The Group's sales of mobile handsets and equipment for the six months ended 30 June 2025 amounted to HK$735 million, which was similar to the corresponding period of 2024.

Mobile sales & services

Mobile sales & services revenue includes the revenue from sales of mobile handsets and equipment and mobile services revenue. Sales of mobile handsets and equipment mainly consists of the sales of mobile handsets in Macau. Mobile services revenue broadly includes the revenue from mobile local and roaming services, other mobile value-added services and others.

Mobile services revenue was up 7.5% to HK$548 million when compared to the first half of 2024 mainly as a result of higher postpaid revenue contributed by increase in the number of mobile subscribers, mobile market share as well as the 5G penetration rate. Meanwhile, roaming revenue and prepaid revenue had also increased due to the stable development of the tourism industry in Macau.

Sales of mobile handsets and equipment increased marginally to HK$735 million when compared to the corresponding period of 2024.

The Group's overall number of mobile subscribers as at 30 June 2025 was approximately 803,000 (30 June 2024: over 710,000) subscribers, representing an increase of around 13.1% year-on-year resulting from the increase in postpaid subscribers of around 8.2% year-on-year to over 583,000 (30 June 2024: approximately 539,000) subscribers and the increase in prepaid subscribers of around 28.7% year-on-year to approximately 220,000 (30 June 2024: over 171,000) subscribers.

As at 30 June 2025, total number of 5G mobile subscribers was approximately 803,000 (30 June 2024: over 624,000) subscribers, representing nearly 100% (30 June 2024: 87.9%) of the Group's total number of mobile subscribers.

The Group sustained its leading position in Macau with approximately 54.1% (30 June 2024: 50.0%) market share of Macau's mobile market.

Internet services

Internet services revenue increased by 2.3% year-on-year or HK$17 million to HK$754 million. The increase was mainly driven by the increase in demand for internet services in Chinese mainland and the increase in revenue from fibre broadband service. The number of broadband users rose around 1.5% year-on-year to approximately 209,000 (30 June 2024: over 206,000) subscribers.

As at 30 June 2025, the Group's internet market share in Macau was around 96.5% (30 June 2024: 97.0%).

International telecommunications services

International telecommunications services revenue including revenue from messaging services (including SMS), voice services and "DataMall自由行" services increased by 8.6% or HK$106 million year-on-year to HK$1,343 million.

The Group's successful efforts in increasing its voice services revenue by 11.1% or HK$100 million year-on-year to HK$999 million was the main contributing factor for the increase in international telecommunications services revenue. The revenue from messaging services amounted to HK$269 million which was similar to the corresponding period of 2024.

Revenue from "DataMall自由行" services continued its growth momentum and achieved an increase of 11.9% or HK$8 million to HK$75 million when compared to the corresponding period of 2024.

Enterprise solutions

For the six months ended 30 June 2025, enterprise solutions revenue decreased by 15.2% or HK$244 million year-on-year to HK$1,364 million. The decrease was mainly due to lower project revenue from government and enterprises in Macau, Chinese mainland and Southeast Asian countries, as well as the decrease in leased line revenues.

Fixed line services

As a result of the decrease in fixed residential and business lines, fixed line services revenue was down by 7.4% year-on-year to HK$63 million for the six months ended 30 June 2025.

Results for the period

Profit attributable to equity shareholders of the Company increased by 1.3% year-on-year or HK$6 million to HK$461 million mainly due to the combined effect of the following factors:

Revenue
The Group's revenue from telecommunications services decreased by 2.1% year-on-year or HK$88 million to HK$4,072 million. Total revenue including mobile handsets and equipment sales amounted to HK$4,807 million for the period, representing a year-on-year decrease of 1.7%.

Valuation loss on investment property
Certain floors of the property held by the Group were leased out to third parties and an affiliate of the Group. These floors were revalued as at 30 June 2025 by the Group's independent surveyors with a valuation loss of HK$9 million for the six months ended 30 June 2025 (six months ended 30 June 2024: no material gain or loss).

Cost of sales and services
Cost of sales and services includes cost of provision of telecommunications services and cost of sales of mobile handsets and equipment. In-line with the drop in revenue, cost of sales and services decreased by 1.6% or HK$50 million to HK$3,028 million when compared to the corresponding period of 2024.

Depreciation and amortisation
Depreciation and amortisation expenses totaled HK$331 million for the six months ended 30 June 2025, representing a year-on-year decrease of 12.4%. The decrease was mainly due to certain aged networks and equipment being fully depreciated in 2024.

Staff costs
Staff costs totaled HK$543 million for the six months ended 30 June 2025, representing a year-on-year increase of 1.1%.

Other operating expenses
Other operating expenses for the six months ended 30 June 2025 increased by 12.0% or HK$30 million to HK$279 million when compared to the corresponding period of 2024. This was mainly due to the loss allowance on trade and other receivables.

Finance costs
During the period, the Group refinanced the US$450 million 6.1% guaranteed bonds with several banks, and repaid HK$394 million using its surplus fund. As a result, finance costs decreased by 25.6% year-on-year to HK$93 million (six months ended 30 June 2024: HK$125 million).

Income tax
Income tax for the period amounted to HK$89 million, a decrease of HK$8 million when compared to the first half of 2024. Excluding finance costs, over or under-provision of taxes and any origination and reversal of temporary differences in relation to prior years, the effective tax rates for the six months ended 30 June 2025 and 2024 were 13.7% and 14.0% respectively.

Earnings and Dividends per share

Both basic and diluted earnings per share were up by HK0.2 cents or 1.6% year-on-year to approximately HK12.5 cents for the six months ended 30 June 2025.

The Company's Board of Directors has declared an interim dividend of HK6.0 cents per share for the year ending 31 December 2025.

Cash flows

	Half year ended 30 June		Increase / (Decrease)	
In HK$ million	**2025**	2024		
Source of cash:				
Cash inflows from business operations	**1,313**	891	422	47.4%
Decrease in other deposits	**29**	130	(101)	(77.7%)
Other cash inflows	**22**	36	(14)	(38.9%)
Sub-total	**1,364**	1,057	307	29.0%
Use of cash:				
Capital expenditure*	**(161)**	(170)	(9)	(5.3%)
Dividends paid to equity shareholders of the Company and non-controlling interests	**(484)**	(723)	(239)	(33.1%)
Capital and interest elements of lease rentals paid	**(61)**	(78)	(17)	(21.8%)
Payment of borrowing costs	**(151)**	(116)	35	30.2%
Net cash outflows from borrowings	**(390)**	-	390	N/A
Sub-total	**(1,247)**	(1,087)	160	14.7%
Net increase / (decrease) in cash and cash equivalents	**117**	(30)	147	N/A

* *Included in the amounts are payments for purchase of property, plant and equipment in respect of current period additions and prior years unsettled purchases.*

The Group generated HK$1,313 million cash inflow from its operations, with the use of cash mainly comprised of capital expenditure, net repayment of bank and other borrowings, lease payments and dividends distributions. In total, the Group recorded a net cash inflow of HK$117 million for the six months ended 30 June 2025.

Capital expenditure

The Group's total capital expenditure for the six months ended 30 June 2025 amounted to HK$127 million. During the period, HK$19 million was invested in 5G, HK$3 million was incurred for the Group's data centre development and the remainder of the capital expenditure were mainly for network systems upgrade and expansion.

Capital commitments

As at 30 June 2025, the Group had outstanding capital commitments of HK$187 million, mainly for 5G development, data centre development, system upgrades, construction costs of networks, and other telecommunications equipment which had yet to be delivered to the Group. Of these commitments, HK$88 million was outstanding contractual capital commitments and HK$99 million was capital commitments authorised but for which contracts had yet to be entered into.

TREASURY POLICY AND FINANCIAL RISK MANAGEMENT

General

Managing financial risks to which the Group exposed is one of the primary responsibilities of the Group's treasury function. To balance the high degree of financial control and cash management efficiency, each business unit within the Group is responsible for its own cash management which is closely monitored by the headquarters. In addition, the decision of financing activities is centralised at head office level.

1. Debt and leverage

As at 30 June 2025, the Group's total debt was HK$3,452 million, a decrease of 11.6% when compared to HK$3,907 million as at 31 December 2024. The Group's net debt decreased to HK$1,738 million, the net gearing ratio decreased from 18% as at 31 December 2024 to 14% as at 30 June 2025.

As at 30 June 2025, total debt and net debt of the Group were as follows:

	Denomination							
In HK$ million equivalents	**HKD**	**USD**	**SGD**	**MOP**	**RMB**	**EUR**	**Others**	**Total**
Total debt	3,101	-	-	-	351*	-	-	**3,452**
Less: Cash and deposits	(563)	(479)	(60)	(397)	(83)	(56)	(76)	**(1,714)**
Net debt/ (cash)	**2,538**	**(479)**	**(60)**	**(397)**	**268**	**(56)**	**(76)**	**1,738**

* The Group entered into a certain amount of RMB to SGD fixed-to-fixed cross currency swap in 2024 to eliminate foreign exchange risk associated with the retranslation of part of the net investment in Singapore subsidiaries.

As at 30 June 2025 and 31 December 2024, the Group's net gearing ratio was as follows:

In HK$ million	**30 June 2025**	31 December 2024
Total debt	**3,452**	3,907
Less: Cash and deposits	**(1,714)**	(1,611)
Net debt	**1,738**	2,296
Total equity attributable to equity shareholders of the Company	**10,750**	10,717
Total capital	**12,488**	13,013
Net gearing ratio	**14%**	18%

The Group's total debt decreased from HK$3,907 million as at 31 December 2024 to HK$3,452 million as at 30 June 2025. The Group has fully redeemed the US$450 million 6.1% guaranteed bonds by using its surplus funds of HK$394 million and the bank and other loans of HK$3,096 million.

The maturity profile of the Group's total debt which includes interest payable as at 30 June 2025 was as follows:

In HK$ million	**Within 1 year**	**After 1 year but within 2 years**	**After 2 years but within 3 years**	**Total**
Bank and other loans	1,200	-	2,248	3,448
Interest payable	4	-	-	4
	1,204	-	2,248	3,452

Available sources of financing

The Group aims to maintain the cash balance and undrawn bank and other loan facilities at a reasonable level to meet the debt repayments and capital expenditure requirement in the coming twelve months.

The Group's cash balance of HK$1,714 million and undrawn committed bank and other loan facilities of HK$6,349 million as at 30 June 2025 were more than sufficient to cover the repayments of outstanding amount of total debt (excluding interest payable) of HK$1,200 million in the coming twelve months and contractual capital commitments of HK$88 million as at 30 June 2025.

As at 30 June 2025, the Group had available trading facilities of HK$236 million. The amount of HK$62 million was utilised as guarantees for performance to customers / the Macau Government and costs payable to telecoms operators and others.

The utilised facilities of approximately HK$1 million were required to be secured by pledged deposits as at 30 June 2025.

As at 30 June 2025, the type of facilities of the Group was summarised as follows:

In HK$ million	**Total available facilities**	**Amount utilised**	**Amount unutilised**
Bank and other loans			
- Committed facilities:			
Bank loans	5,890	2,551	3,339
Other loans	3,510	500	3,010
	9,400	3,051	6,349
- Uncommitted facilities:			
Bank loans	1,665	400	1,265
	11,065	3,451	7,614
Trading facilities - Uncommitted facilities	236	62	174
Total	11,301	3,513	7,788

2. Liquidity risk management

Each business unit within the Group is responsible for its own cash management, including predetermined short term investment of its cash surpluses. The raising of loans to cover its expected cash demands must be approved by the finance committee (with certain predetermined levels of authority) or the Board of Directors of the Company. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed bank and other loan facilities to meet its liquidity requirements in the short and longer term.

Cash flow is well-planned and reviewed regularly by the management of the Group, so that the Group can meet its funding needs. The cash flows from the Group's operating activities together with the undrawn bank and other loan facilities enable the Group to meet its liquidity requirements in the short and longer term.

3. Loan covenants

Committed banking facilities contain certain covenants, undertaking, financial covenants, change in control clause and/or events of default provisions, which are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants or in any case of an event of default, the drawn down facilities would become payable on demand. The Group regularly monitors its compliance with these covenants. As at 30 June 2025 and 31 December 2024, the Group was in compliance with the relevant requirements.

4. Contingent liabilities

As at 30 June 2025 and 31 December 2024, the Group had no significant contingent liabilities.

5. Performance bonds, guarantees and pledged assets

As at 30 June 2025 and 31 December 2024, performance bonds and other guarantees of the Group were as follows:

In HK$ million	**30 June 2025**	31 December 2024
Performance bonds provided to the Macau Government and other customers	**57**	78
Other guarantees	**5**	5
Total	**62**	83

As at 30 June 2025, bank deposits of HK$2 million (31 December 2024: HK$2 million) were pledged to secure part of the facilities of the Group.

As at 30 June 2025, the Company issued guarantees of HK$188 million (31 December 2024: HK$175 million) for its subsidiaries in respect of the various forms of facility lines from financial institutions.

Certain property, plant and equipment of Company's subsidiary, Companhia de Telecomunicações de Macau, S.A. ("CTM") are designated for the provision of basic infrastructure of public telecommunications services. Since 1981, the concession agreement signed between CTM and the Macau Government has specified that upon the expiry of the concession period, the concession assets and investments outlined in the agreement ("Concession Assets") would be transferred to the Macau SAR. As disclosed in the announcement of the Company dated 30 September 2024, the concession period was extended for 12 months, from 1 October 2024 to 30 September 2025, and CTM and the Macau Government continue to negotiate on the operation and provision of basic infrastructure of public telecommunications network and service, and the status of the Concession Assets upon expiry of the concession period.

6. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate risk arises primarily from long-term borrowings. Borrowings issued at variable rates and fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively. The Group manages its interest rate risk exposures in accordance with defined policies and regular review to achieve a balance between minimising the Group's overall cost of fund and managing significant interest rate movements, as well as having regard to the floating/fixed rate mix appropriate to its current business portfolio.

Interest rate risk is managed by fixed rate borrowings or through use of the interest rate swap, if necessary. As at 30 June 2025, approximately 10.5% (31 December 2024: 100.0%) of the Group's borrowings, excluding interest payable and after taking the effect of cross currency swap arrangement, were linked to fixed interest rates. During the period, the Group did not enter into any interest rate swap arrangement for the purpose of interest rate risk management.

Effective interest rates

As at 30 June 2025 and 31 December 2024, the effective interest rates, after the inclusion of amortisation of transaction costs, were as follows:

	30 June 2025	31 December 2024
Effective interest rate for fixed rate borrowings	**3.3%**	5.8%
Effective interest rate for variable rate borrowings	**1.8%**	N/A
Effective interest rate for total borrowings	**1.9%**	5.8%

7. Currency risk

The Group is exposed to currency risk primarily through sales and purchases which give rise to receivables, payables and cash and deposits that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transactions relate. The major places of operating companies within the Group are located in Hong Kong and Macau, whose functional currency is either Hong Kong dollars or Macau Patacas.

A substantial portion of the Group's revenue and cost of sales and services are denominated in United States dollars, Macau Patacas, Hong Kong dollars, Renminbi and Singapore dollars. The majority of the Group's current assets, current liabilities and transactions are denominated in United States dollars, Macau Patacas, Hong Kong dollars, Renminbi and Singapore dollars. As the Hong Kong dollars is linked to the United States dollars and the Macau Patacas is pegged to the Hong Kong dollars, it will not pose significant currency risk between Hong Kong dollars, United States dollars and Macau Patacas to the Group. The Group measures its currency risk mainly by performing currency gap analysis. The Group seeks to reduce its currency risk by matching its foreign currency denominated assets with the corresponding liabilities of the same currency or by using forward contracts, cross currency swaps and other derivative instruments where appropriate, provided that hedging is only considered when there is a highly probable forecasted transaction.

The Group has entered into cross currency swap to reduce part of the Group's currency risk exposure. During the period, the Group did not enter into any new derivative arrangement for the purpose of currency risk management.

8. Credit risk

The Group's credit risk is primarily attributable to trade debtors and contract assets. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

Individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade debtors are due within 7 to 180 days from the date of billing. Loss allowances for trade debtors and contract assets are measured based on the expected credit loss model.

The Group has certain concentration risk in respect of trade debtors and contract assets due from the Group's five largest debtors who accounted for approximately 19.0% (31 December 2024: approximately 20.3%) of the Group's total trade debtors and contract assets as at 30 June 2025. The credit risk exposure to the balances of trade debtors and contract assets has been and will continue to be monitored by the Group on an ongoing basis.

9. Counterparty risk

The Group's exposure to credit risk arising from cash and deposits is limited because the Group mainly deals with financial institutions which have good credit ratings with prestigious credit ratings companies (such as Moody's Investors Service, Standard & Poor's and Fitch Group), or the note-issuing banks in Hong Kong and Macau, or its group companies. As at 30 June 2025, the Group has maintained cash and deposits of HK$1,714 million (31 December 2024: HK$1,611 million), among which HK$1,709 million (31 December 2024: HK$1,608 million) was placed in the above-mentioned entities, representing approximately 99.7% (31 December 2024: approximately 99.8%) of the total cash and deposits of the Group. To achieve a balance between maintaining the flexibility of the Group's operations and minimising the exposure to credit risk arising from cash and deposits, the Group has a pre-defined policy and regular review on the rest of the cash portfolio. It is considered that the Group is exposed to a low credit risk in this respect.

HUMAN RESOURCES

The Group has established a sustainable development management system covering all levels. It advances sustainable development efforts steadily through systematic management. This creates diverse value for its business on an ongoing basis. Corporate social responsibility is closely tied to the Group's core business strategies and mission. The Group upholds a sustainable development philosophy centered on "people and society". It is committed to integrating this philosophy into the daily operations of the Group, promoting the continuous growth of the Group under the principle of sustainable development.

As at 30 June 2025, the total number of employees of its headquarters in Hong Kong and its subsidiaries was 2,475. Number of employees in Hong Kong was 497. Employees in Chinese mainland and Macau was 1,671. Employees in other overseas countries totalled 307.

The Group has always been committed to improving corporate governance policies to strengthen its governance capabilities and reduce operational risks. The anti-corruption policy and whistle-blowing policy of the Group are available on the company website. This shows the Group's emphasis on business ethics and employee conduct. It encourages supervision from employees and third parties (including customers, suppliers and the public). It demonstrates a zero-tolerance stance against corruption and bribery.

The Group continues to strive to improve operational efficiency, while maintaining harmonious employee relations, advocating an open communication corporate culture, and investing resources in talent development to support business growth.

To ensure that the overall remuneration and benefits of employees are competitive, based on the principle that the remuneration package is similar to the level of the industry externally, and can effectively meet the needs of business development, the Group regularly reviews the remuneration and benefits of employees. Moreover, we set up variable remuneration that are linked to the Group's performance and individual employee performance, including sales commissions, year-end bonuses, etc. We aim at attracting and retaining talents through our strategic remuneration measures. No major amendment was made to the human resources management policy or procedures in the past six months.

The Group believes work-life balance is key to employee well-being and productivity. We have implemented employee activities and caring initiatives to enhance employees' sense of belonging.

The Group actively promotes a culture of open communication. Management gathers employee feedback through various channels like interactive team meetings and employee suggestion boxes.

Developing employees to enable them to grow personally and professionally has always been an ongoing priority of the Group. The Group offers internal training and subsidies for after-work studies. This helps employees grow and improve performance, laying a solid foundation for the future development of the Group.

Adhering to the belief of "giving back to society and serving the community", the Group actively participates in community and charitable activities. It also continues to leverage its IT resources to contribute to social development.

The Group attaches great importance to environmental protection. We have established and regularly reviews policies related to environmental protection and energy conservation and emission reduction. The green policy of the Group has been uploaded to our company website. The Group is committed to conducting business in a responsible manner, paying close attention to the opportunities and risks brought by climate change to the company's operations, and promoting the in-depth implementation of the sustainable development strategy.

CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance. The board of directors of the Company believes that good corporate governance practices are important to promote investor confidence and protect the interest of our shareholders. Looking ahead, we will keep our corporate governance practices under continual review to ensure their consistent application and will continue to improve our practices having regard to the latest developments. Details of our corporate governance practices can be found on page 49 of the 2024 annual report and the Company's website www.citictel.com.

The Company has fully complied with the applicable code provisions in the Corporate Governance Code (the "Code") set out in Part 2 of Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the six months ended 30 June 2025. During the period from 31 March 2023 (Mr. Cai Dawei resigned as executive director and Chief Executive Officer) to 25 July 2025 (Mr. Wu Jun was appointed as executive director and Chief Executive Officer), the management team, including the executive directors, of the Company had overseen the day-to-day management of the business and operations of the Company and its subsidiaries.

The Audit Committee has reviewed the interim report with management and the external auditors and recommended its adoption by the board. The Committee consists of three independent non-executive directors and a non-executive director.

The condensed interim financial report, which is prepared in accordance with Hong Kong Accounting Standard 34, *Interim financial reporting*, has been reviewed by the Company's independent auditor, KPMG, in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the Hong Kong Institute of Certified Public Accountants.

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix C3 of the Listing Rules. Having made specific enquiry, all directors of the Company have complied with the required standard set out in the Model Code throughout the six months ended 30 June 2025.

DIVIDEND AND CLOSURE OF REGISTER

The board of directors of the Company has declared an interim dividend of HK6.0 cents (2024: HK6.0 cents) per share for the year ending 31 December 2025 payable on Friday, 26 September 2025 to shareholders whose names appear on the Register of Members of the Company on Friday, 12 September 2025. The Register of Members of the Company will be closed from Tuesday, 9 September 2025 to Friday, 12 September 2025, both days inclusive, during which period no share transfer will be effected. In order to qualify for the interim dividend, all transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Monday, 8 September 2025.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

The US$450,000,000 6.1% Guaranteed Bonds issued by a wholly-owned subsidiary of the Company, CITIC Telecom International Finance Limited, guaranteed by the Company, by way of an issue of debt securities to professional investors, was fully redeemed on the maturity date of 5 March 2025.

Saved as disclosed above, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of its listed securities during the six months ended 30 June 2025.

FORWARD LOOKING STATEMENTS

This announcement contains certain forward looking statements with respect to the financial condition, results of operations and business of the Group. These forward looking statements represent the Company's current expectations, beliefs, assumptions or projections concerning future events and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements.

Forward looking statements involve inherent risks and uncertainties. Readers should be cautioned that a number of factors could cause actual results to differ, in some instances materially, from those expressed, implied or anticipated in any forward looking statement or assessment of risk.

INTERIM REPORT AND FURTHER INFORMATION

A copy of the announcement will be posted on the Company's website (www.citictel.com) and the website of the Stock Exchange (www.hkexnews.hk). The full interim report will be made available on the websites of the Company and the Stock Exchange around 9 September 2025.

By Order of the Board
CITIC Telecom International Holdings Limited
Luo Xicheng
Chairman

Hong Kong, 15 August 2025

As at the date of this announcement, the following persons are directors of the Company:

Executive Directors:	*Non-Executive Directors:*	*Independent Non-Executive Directors:*
Luo Xicheng (Chairman)	Zhao Lei	Zuo Xunsheng
Wu Jun	Wang Hua	Lam Yiu Kin
Luan Zhenjun	Yang Feng (Liu Kaiyuan as his alternate)	Wen Ku