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 2026

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 2026.

In the first half of 2026, the global economic environment continues to undergo deep restructuring, with complexity and uncertainty intertwined. Meanwhile, a new wave of technological revolution is surging, with frontier innovations such as AI and next-generation information technology accelerating iteration, and the market competition in the information and communication industry is becoming increasingly fierce. In this regard, the Group adheres to "international development and technological leadership", systematically advances the implementation of its strategic framework, consolidates its business foundation, and strives to enhance the quality of development. Our operating results are robust and improving, and we are steadily advancing towards "becoming a leading digitalised and intelligentised comprehensive telecommunications enterprise in Asia Pacific".

I. FINANCIAL RESULTS

The Group reported HK$4,748 million in total revenue for the first half of 2026, representing a decrease by 1.2% compared to HK$4,807 million for the corresponding period of the previous year. Revenue from the principal business of telecommunications services amounted to HK$4,078 million, on par with HK$4,072 million for the corresponding period of the previous year.

Profit attributable to equity shareholders of the Company for the first half of 2026 amounted to HK$463 million, increasing by 0.4% as compared to HK$461 million for the corresponding period of the previous year. Basic earnings per share was HK12.5 cents, on par with HK12.5 cents for the corresponding period of the previous year.

The Board declared an interim dividend of HK5.0 cents per share for 2026.

II. REVIEW OF BUSINESS DEVELOPMENT

The Group continued to consolidate the foundation of core businesses and focused on enhancing service quality and operational efficiency. Centering on AI applications as the core driver, we have continuously optimised the business structure.

1. Consolidated regional strengths and deepened business development

Consolidate market advantages in Macau. In the first half of 2026, the Group acquired a 100% stake in Hutchison Telephone (Macau) Company Limited ("Hutchison Macau"), boosting its mobile business market share and strengthening its competitiveness in the Macau market. As of the first half of the year, the total user base (including Hutchison Macau's 4G users) reached approximately 914,000, with 5G penetration at approximately 93%. We have accelerated high-speed internet upgrades, fully constructed 5.5G and F5.5G "dual 10-Gigabit" networks, upgraded eSIM services, and deepened 5.5G private network industry applications to empower Macau's digital economy development.

Enhance cross-border connectivity and intelligent services. The Group continuously optimised its global backbone network, completed capacity expansions in hubs such as Hong Kong, Singapore, and Dubai to improve connectivity along the "Belt and Road" routes. Leveraging nearly 170 global points of presence (PoPs) and over 60 SD-WAN gateways, we consolidated our advantages in Chinese mainland and Hong Kong while expanding our Asia-Pacific business, accelerating the rollout of products including SmartCLOUD™ C-Compute, SD-WAN, and Secure Access Service Edge (SASE).

The Group continued to consolidate the position as a telecommunications service hub, driving the architectural evolution of "DataMall 自由行" platform and optimised 5G coverage. We introduced new roaming service initiatives in Malaysia and Vietnam, advanced SIMN platform service upgrade towards 5G SA, deepened IPX service cooperation with China's major telecommunications operators and operators across the Asia-Pacific region to expand business scale. We also optimised the IoT management platform and enhanced diversified services including eSIM, strengthened the differentiated competitiveness of the cross-border telecommunications services.

Deeply develop the Southeast Asian market. The Group implemented multiple digital intelligence and network security projects in Singapore, Malaysia, Indonesia and Thailand, covering public services, education and retail. In Singapore, we won a project to provide an integrated IT services for a renowned local public university. We have made progress in the Philippine market, continuously expanded the coverage of internet service provider (ISP) services and increased the regional market penetration. We continued to optimise the intelligent workflows of the ServiceONE customer service platform, enhanced proactive operation and maintenance capabilities, empowered the digital intelligent transformation of local government and enterprise customers.

2. Deepened AI integration and built growth potential

The Group accelerated the development of "AI Macau" and successfully deployed benchmark projects including AI-powered translation transparent screen and big data statistical analysis for government and enterprise customer, supporting Macau's smart city development and innovation in culture and tourism. We have implemented the integrated "AI+Cloud, Network, Security" strategy and enhanced AI-driven Security

Operations Center (AI SOC), centred on SIEM-MiiND services. We enhanced the standardisation and intelligence of the information security services, serving enterprises "Going Global" and "Bringing In". We have completed the infrastructure deployment of domesticated C-Compute cloud services and the localised C-vONE private cloud client in Hong Kong and Chinese mainland, and achieved a key breakthrough in service capabilities.

The series of standards entitled "Technical and Application Requirements for Intelligent Assistant Agents (Claw)", in whose formulation the Group participated, was officially released in the second quarter of 2026, enhanced the Group's industry influence in the fields of AI application security and enterprise intelligence. Leveraging the building and operating of the CITIC HK AI Innovation Center, we have capitalised on the research strengths of Hong Kong universities to drive collaborative R&D in industrial intelligence and digital-smart communications, promoted the implementation of multiple industry-university-research innovation projects.

3. Expanded digital services and consolidated first-mover advantages

With Guangxi-Macau cooperation as a strategic pivot, the Group has accelerated the deployment of cross-border digital services. We have signed a memorandum of understanding on AI cooperation with Guangxi Data Group and China-ASEAN Information Harbor Co.,Ltd., focusing on collaboration in computing power operations and cross-border data flows, and actively promoting the establishment of the "Macau Data and AI International Cooperation Service Center" in Macau.

Leveraging the self-developed Network-as-a-Service (NaaS) platform and GSMA Open Gateway standards, the Group actively expanded new digital-intelligent businesses, providing enterprise customers with one-stop integrated authentication solutions. We have accumulated 8 GSMA API certificates and established a first-mover advantage in Hong Kong and Macau.

4. Advanced the development of the talent system to empower high-quality development

The Group has implemented the ideology of "strengthening the enterprise through talents", and has actively recruited young professionals and research talents. We have completed the selection of management trainees and leverage a project-based rotation system to enhance their practical skills. Regarding talent development and training, we focus on themes such as leadership, AI applications, compliance, and data protection. By delivering tiered and categorised training, we improved our employees' professional capabilities and risk awareness.

5. Fulfilling ESG responsibilities and enhancing corporate governance

The Group's self-developed "Cross-Border Encrypted Communication Service Solution" was honored as one of the "2026 Top Ten Lighthouse Projects" at the Kunlun Ecosystem Alliance Roundtable Conference during the 9th Digital China Summit, reflecting our outstanding achievements in safeguarding data security and promoting sustainable development and responsible corporate governance. Meanwhile, we continued to strengthen our governance structure by integrating international standards such as ISO 27001 for information security, ISO 20000 for IT service management, and

ISO 14001 for environmental management. We have enhanced our risk prevention and control capabilities as well as our overall corporate governance standards.

The Group actively fulfilled its social responsibility. Partnering with the Hong Kong Yuen Long District Junior Police Call and the Communications Association of Hong Kong, we invited teachers and students to visit our network and security center to showcase cutting-edge technologies in anti-fraud, AI-AR, and AI computing power, inspiring innovative thinking among youths. Companhia de Telecomunicações de Macau, S.A. ("CTM") visited campuses to share AI knowledge and has consecutively organised the Youth Development Program for 13 years. To support the Macau SAR Government in fostering a better business environment and enhancing citizens' sense of fulfilment, CTM introduced a communication service waiver scheme, providing communication service price discounts to eligible corporate and individual customers.

III. FUTURE OUTLOOK

We are committed to our strategic positioning to "with the backing of Chinese mainland, establishing a foothold in Hong Kong and Macau, and connecting to the world", driving intelligent transformation and value renewal. On this new journey of high-quality development, we will compose a new chapter driven by technology and characterised by steady, long-term progress.

1. Multi-dimensional drivers for business transformation and regional expansion, empowering a digital-intelligent future

CTM will seize the opportunities of "AI Macau" to advance 5.5G and F5.5G infrastructure. Relying on CTM's "City Digital Economy (Macau) Innovation Center" to support smart city development, we will promote AI solutions such as smart tourism, transportation, healthcare, and exhibitions to enterprises and government departments.

We will leverage data traffic growth to drive "the DataMall 自由行" platform toward new dimensions in roaming services. Strengthen IPX services to fully support 5G SA, and promote the development of new IoT eSIM and Internet of Vehicles (IoV) data solutions. We will expand our "AI+Cloud, Network, Security" business, drive transformation, upgrading, and breakthroughs in key technologies while coordinating internationalised and digital-intelligent development.

In Southeast Asia markets, we will deepen our presence in Singapore, Malaysia, and Thailand, while continuing to explore the markets in Indonesia and the Philippines. We aim to sell internet access and IT operations and maintenance (O&M) solutions, drive the implementation of large-scale projects.

2. Focusing on AI, advancing deeply into the highlands of industrial innovation

The Group will comprehensively drive business transformation and upgrade, evolving into an "Integrated AI Service Provider" and promote the commercialisation of AI technologies and intelligent application solutions. Focusing on critical areas such as enterprise portals, model performance, and intelligent routing optimisation, we will push forward performance enhancements and functional iterations for commercial versions. Efforts are being made to elevate the system's security defence and stable operation levels across multi-dimensional application scenarios, while advancing supporting service assurance processes around core user needs.

The Group will promote the diversified exploration of the token service ecosystem, providing multi-lingual, multi-regional, and compliance-adapted model and token services to the Chinese mainland market and outbound enterprises, complemented by value-added services such as data compliance. We are progressively building a three-tier product architecture of "Model+Application+Ecosystem" and placing equal emphasis on creating internal benchmarks and expanding external markets.

3. Accelerating regional connectivity, consolidating a unified and trusted foundation

The Group will advance the development of its multimodal interconnection security system, conducting research on edge computing security, and exploring the deep extension of security capabilities into platform businesses, establishing a secured technical foundation for efficient, multi-party collaboration. Focusing on AI empowerment, we will drive the cross-border circulation layout for token export services, and construct a computing power node network and multi-cloud convergence architecture that connects Hong Kong, Macau, and Guangxi, building a new ecosystem for omni-channel operations.

Leveraging CITIC HK AI Innovation Center, the Group will accelerate the transformation and industrialisation of research achievements, crystallising standardised solutions for industries such as industrials and finance, while expanding and deepening joint R&D mechanisms with Hong Kong local universities and research institutions. We will continue to advance the construction of our innovation system, establishing a solid, unified, and trusted strategic foundation for our cross-border AI security, compliance, computing power, and data coordination.

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, 13 August 2026

CONSOLIDATED INCOME STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2026

(Expressed in Hong Kong dollars)

	Note	*Six months ended 30 June* *2026* (Unaudited) $ million	*2025* (Unaudited) $ million
Revenue	2(a)	4,748	4,807
Valuation losses on investment properties		(3)	(9)
Other income	3	37	34
Cost of sales and services	4(a)	(2,921)	(3,028)
Depreciation and amortisation	4(b)	(338)	(331)
Staff costs	4(c)	(553)	(543)
Other operating expenses		(353)	(279)
		617	651
Finance costs	4(d)	(52)	(93)
Share of profit of a joint venture		1	-
Profit before taxation	4	566	558
Income tax	5(a)	(97)	(89)
Profit for the period		469	469
Attributable to:			
Equity shareholders of the Company		463	461
Non-controlling interests		6	8
Profit for the period		469	469
Earnings per share (HK cents)	7		
Basic and diluted earnings per share		12.5	12.5

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 2026

(Expressed in Hong Kong dollars)

	Six months ended 30 June	
	2026	*2025*
	(Unaudited)	(Unaudited)
	$ million	$ million
Profit for the period	469	469
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	8	52
Net movement in the hedging reserve	(3)	(5)
Other comprehensive income for the period	5	47
Total comprehensive income for the period	474	516
Attributable to:		
Equity shareholders of the Company	465	507
Non-controlling interests	9	9
Total comprehensive income for the period	474	516

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026

(Expressed in Hong Kong dollars)

	Note	*30 June 2026* (Unaudited) $ million	*31 December 2025* (Audited) $ million
Non-current assets			
Investment properties		606	609
Property, plant and equipment		1,886	1,794
Right-of-use assets		442	467
Intangible assets		633	683
Goodwill		9,736	9,738
Interest in a joint venture		12	12
Contract costs		18	20
Non-current contract assets		33	58
Non-current trade and other receivables	8	83	81
Non-current derivative financial instruments		9	-
Defined benefit plan assets		12	13
Deferred tax assets		83	78
		13,553	13,553
Current assets			
Inventories		41	98
Finance lease receivables		1	2
Contract assets		189	228
Trade and other receivables	8	1,355	1,152
Current tax recoverable		16	9
Cash and deposits		1,780	1,945
		3,382	3,434
Current liabilities			
Trade and other payables	9	1,913	1,691
Contract liabilities		235	225
Bank and other borrowings		655	1,206
Lease liabilities		90	92
Current tax payable		291	189
		3,184	3,403
Net current assets		198	31
Total assets less current liabilities		13,751	13,584

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026 (CONTINUED)
(Expressed in Hong Kong dollars)

	Note	*30 June 2026* (Unaudited) $ million	*31 December 2025* (Audited) $ million
Non-current liabilities			
Non-current contract liabilities		1	1
Non-current bank and other borrowings		2,273	2,051
Non-current lease liabilities		191	208
Non-current derivative financial instruments		-	4
Non-current other payables	9	16	15
Defined benefit plan obligations		10	9
Deferred tax liabilities		119	124
Non-current tax payable		17	31
		2,627	2,443
NET ASSETS		11,124	11,141
CAPITAL AND RESERVES			
Share capital		4,758	4,758
Reserves		6,249	6,265
Total equity attributable to equity shareholders of the Company		11,007	11,023
Non-controlling interests		117	118
TOTAL EQUITY		11,124	11,141

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 2026 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 13 August 2026.

The condensed interim financial report has been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2026 annual financial statements.

The HKICPA has issued a number of amendments to HKFRS Accounting Standards that are first effective for the current accounting period. Of these, only the amendments to HKFRS 9, *Financial instruments* and HKFRS 7, *Financial instruments: Disclosures - Amendments to the classification and measurement of financial instruments*, are relevant to the Group's financial statements. None of these developments have had a material effect on the 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 2025 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 2025 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.

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	
	2026	*2025*
	(Unaudited)	(Unaudited)
	$ million	$ million
Revenue from contracts with customers		
Disaggregated by major service lines or products:		
Mobile services	610	548
Internet services	750	754
International telecommunications services	1,390	1,343
Enterprise solutions	1,270	1,364
Fixed line services	58	63
Fees from the provision of telecommunications services	4,078	4,072
Sales of mobile handsets and equipment	670	735
	4,748	4,807

2 Revenue and segment reporting (continued)

(a) Disaggregation of revenue (continued)

	Six months ended 30 June	
	2026	*2025*
	(Unaudited)	(Unaudited)
	$ million	$ million
Disaggregated by geographical location of the Group's revenue from external customers:		
Hong Kong (place of domicile)	2,049	2,037
Chinese mainland	476	525
Macau	1,873	1,897
Singapore	189	176
Others	161	172
	2,699	2,770
	4,748	4,807

During the six months ended 30 June 2026 and 2025, 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	
	2026	*2025*
	(Unaudited)	(Unaudited)
	$ million	$ million
Reportable segment profit	948	991
Net loss on disposal of property, plant and equipment	-	(1)
Net foreign exchange gain	-	5
Depreciation and amortisation	(338)	(331)
Finance costs	(52)	(93)
Gain on bargain purchase of a subsidiary	11	-
Share of profit of a joint venture	1	-
Interest income	15	21
Rentals income from investment properties less direct outgoings	11	13
Valuation losses on investment properties	(3)	(9)
Unallocated head office and corporate expenses	(27)	(38)
Consolidated profit before taxation	566	558

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	
	2026	*2025*
	(Unaudited)	(Unaudited)
	$ million	$ million
Interest income from deposits	14	20
Interest income from finance leases and other interest income	1	1
	15	21
Gross rentals income from investment properties (note)	11	13
Gain on bargain purchase of a subsidiary	11	-
	37	34

Note: The rentals income from investment properties less direct outgoings of less than $1,000,000 (six months ended 30 June 2025: less than $1,000,000) for the six months ended 30 June 2026 is $11,000,000 (six months ended 30 June 2025: $13,000,000).

4 Profit before taxation

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

	Six months ended 30 June	
	2026	*2025*
	(Unaudited)	(Unaudited)
	$ million	$ million
(a) Cost of sales and services		
Cost of provision of telecommunications services	2,271	2,298
Cost of sales of mobile handsets and equipment	650	730
	2,921	3,028
(b) Depreciation and amortisation		
Depreciation charge		
- property, plant and equipment	217	216
- right-of-use assets	61	57
Amortisation	60	58
	338	331

4 Profit before taxation (continued)

	Six months ended 30 June 2026 (Unaudited) $ million	2025 (Unaudited) $ million
(c) Staff costs (including directors' emoluments)		
Contributions to defined contribution retirement plans	34	31
Expenses recognised in respect of defined benefit plans:		
- long service payments	1	1
- CTM Staff Provident Fund	2	3
Salaries, wages and other benefits	516	508
	553	543
(d) Finance costs		
Interest on bank and other borrowings	47	81
Interest on lease liabilities	7	8
Other finance charges	1	3
Others	(3)	1
	52	93
(e) Other items		
Impairment losses for trade debtors and contract assets	27	30
Net loss on disposal of property, plant and equipment	-	1
Net foreign exchange gain	-	(5)

5 Income tax

(a) Taxation in the consolidated income statement represents:

	Six months ended 30 June	
	2026	*2025*
	(Unaudited)	(Unaudited)
	$ million	$ million
Current tax		
- Hong Kong Profits Tax	6	18
- Pillar Two income taxes (note 5(b))	14	-
- Macau Complementary Tax	72	71
- Jurisdictions outside Hong Kong and Macau	16	9
	108	98
Deferred tax	(11)	(9)
	97	89

The provision for Hong Kong Profits Tax is calculated by applying the estimated annual effective tax rate of 16.5% (2025: 16.5%) to the six months ended 30 June 2026.

The provision for Macau Complementary Tax for the six months ended 30 June 2026 is calculated at 12% (2025: 12%) of the estimated assessable profits for the period. Assessable profits of the first Macau Patacas ("MOP") 600,000 (equivalent to approximately $582,000) (2025: 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 taxes

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.

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 the Chinese mainland and Macau Special Administrative Region.

The Group has applied the temporary mandatory exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes and accounted for the tax as current tax when incurred. During the six months ended 30 June 2026, a net top-up tax of $14,000,000 (six months ended 30 June 2025: $Nil) has been recognised as current tax.

6 Dividends

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

	2026 (Unaudited) $ million	*2025* (Unaudited) $ million
Interim dividend declared/declared and paid after the interim period of HK5.0 cents (2025: HK6.0 cents) per share	185	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	
	2026 (Unaudited) $ million	*2025* (Unaudited) $ million
Final dividend in respect of the previous financial year, approved and paid during the following interim period, of HK13.0 cents (six months ended 30 June 2025: HK12.8 cents) per share	481	474

7 Earnings per share

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of $463,000,000 (six months ended 30 June 2025: $461,000,000) and the weighted average number of 3,701,000,000 ordinary shares (2025: 3,701,000,000 shares) in issue during the interim period.

(b) Diluted earnings per share

Diluted earnings per share for the periods ended 30 June 2026 and 2025 were the same as basic earnings per share, as there were no potential dilutive ordinary shares in existence.

8 Trade and other receivables

	30 June 2026 (Unaudited) $ million	*31 December 2025* (Audited) $ million
Trade debtors and bills receivable	1,145	1,004
Less: loss allowance	(150)	(141)
	995	863
Prepayments	246	187
Other receivables and deposits	197	183
	1,438	1,233
Represented by:		
Non-current portion	83	81
Current portion	1,355	1,152
	1,438	1,233

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

	30 June 2026 (Unaudited) $ million	*31 December 2025* (Audited) $ million
Within 1 year	984	853
Over 1 year	11	10
	995	863

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

9 Trade and other payables

	30 June 2026 (Unaudited) $ million	*31 December 2025* (Audited) $ million
Trade creditors	1,005	846
Other payables and accruals	924	860
	1,929	1,706
Represented by:		
Non-current portion	16	15
Current portion	1,913	1,691
	1,929	1,706

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 2026 (Unaudited) $ million	*31 December 2025* (Audited) $ million
Within 1 year	884	722
Over 1 year	121	124
	1,005	846

FINANCIAL REVIEW

OVERVIEW

The Group's operating results for the six months ended 30 June 2026 were in line with the corresponding period of 2025. Profit for the period and profit attributable to equity shareholders of the Company amounted to HK$469 million and HK$463 million respectively, both similar to the first half of 2025. Basic earnings per share for the six months ended 30 June 2026 and 2025 were both at HK12.5 cents.

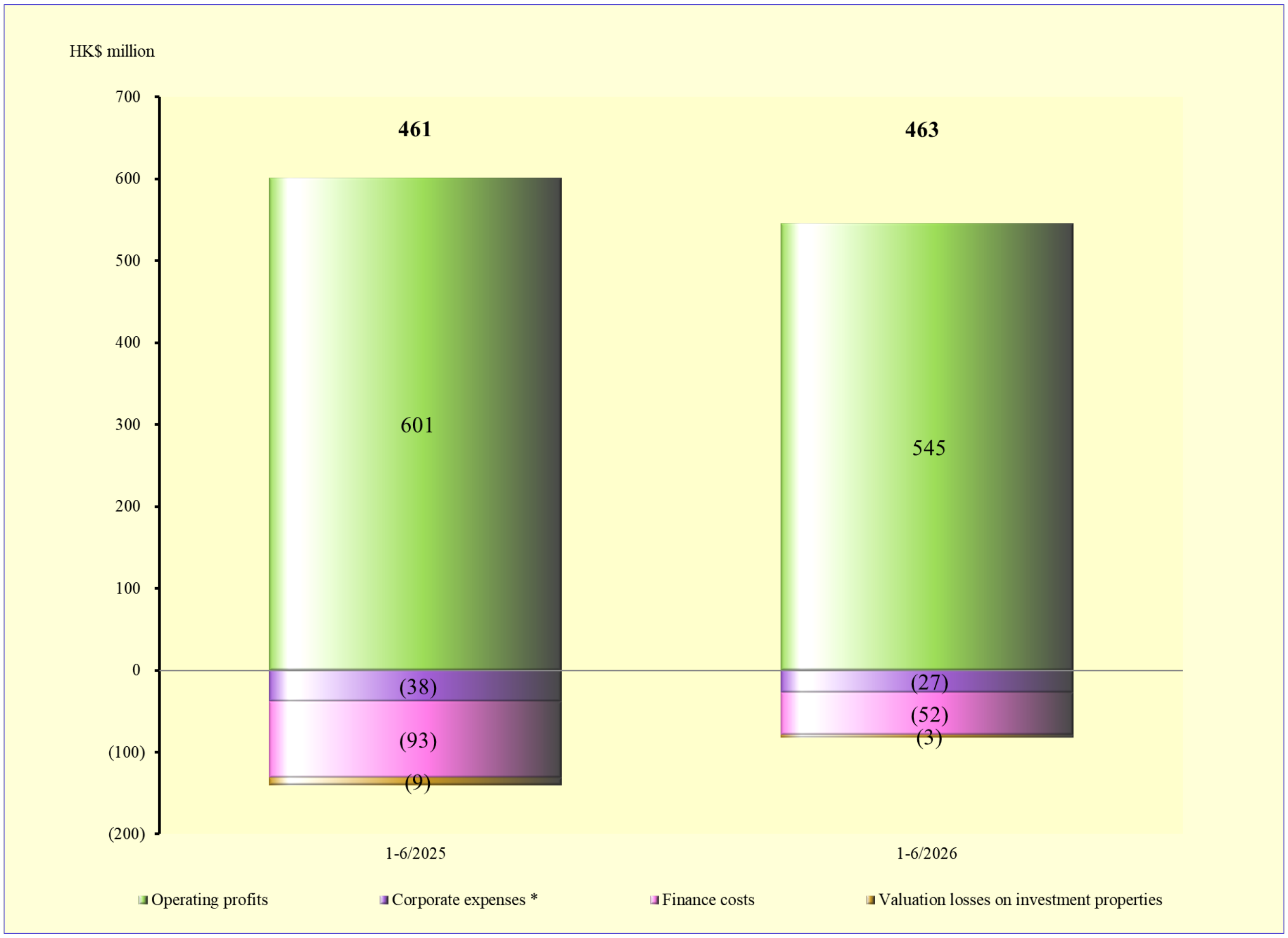
The Group's total revenue decreased by 1.2% year-on-year to HK$4,748 million while revenue from telecommunications services achieved a slight increase to HK$4,078 million when compared to the first half of 2025.

Summary of Financial Results

	Half year ended 30 June		**Increase / (Decrease)**	
In HK$ million	**2026**	2025		
Revenue from telecommunications services	**4,078**	4,072	6	0.1%
Sales of mobile handsets and equipment	**670**	735	(65)	(8.8%)
Revenue	**4,748**	4,807	(59)	(1.2%)
Valuation losses on investment properties	**(3)**	(9)	(6)	(66.7%)
Other income	**37**	34	3	8.8%
Cost of sales and services	**(2,921)**	(3,028)	(107)	(3.5%)
Depreciation and amortisation	**(338)**	(331)	7	2.1%
Staff costs	**(553)**	(543)	10	1.8%
Other operating expenses	**(353)**	(279)	74	26.5%
Profit from consolidated activities	**617**	651	(34)	(5.2%)
Finance costs	**(52)**	(93)	(41)	(44.1%)
Share of profit of a joint venture	**1**	-	1	N/A
Income tax	**(97)**	(89)	8	9.0%
Profit for the period	**469**	469	-	-
Less: Non-controlling interests	**(6)**	(8)	(2)	(25.0%)
Profit attributable to equity shareholders of the Company	**463**	461	2	0.4%
EBITDA*	**941**	961	(20)	(2.1%)
Basic earnings per share (HK cents)	**12.5**	12.5	-	-
Dividend per share (HK cents)	**5.0**	6.0	(1.0)	(16.7%)

* *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 2026 amounted to HK$463 million which was similar to the corresponding period of 2025. Excluding the valuation losses on investment properties for the six months ended 30 June 2026 of HK$3 million (six months ended 30 June 2025: HK$9 million), profit attributable to equity shareholders of the Company for the first half of 2026 would decrease by 0.9% year-on-year or HK$4 million to HK$466 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 1.2% year-on-year to HK$4,748 million.

Revenue from telecommunications services for the six months ended 30 June 2026 amounted to HK$4,078 million, which represented an increase of HK$6 million when compared to the corresponding period of 2025. The increase was due to the growth in revenue from mobile services and international telecommunications services, but was partially offset by the drop in revenue from internet services, enterprise solutions and fixed line services.

The Group's sales of mobile handsets and equipment for the six months ended 30 June 2026 amounted to HK$670 million, which represented a decrease of 8.8% or HK$65 million when compared to the corresponding period of 2025.

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 11.3% year-on-year to HK$610 million mainly due to the consolidation of the results of a newly acquired subsidiary in early 2026, namely Hutchison Telephone (Macau) Company Limited ("Hutchison Macau"), and successful promotional activities, which resulted in the growth in postpaid revenue, prepaid revenue and outbound roaming revenue. Meanwhile, driven by the steady growth of tourism industry in Macau, inbound roaming revenue also recorded an increase.

Sales of mobile handsets and equipment decreased 8.8% year-on-year or HK$65 million to HK$670 million.

The Group's overall number of mobile subscribers as at 30 June 2026 was approximately 914,000 (30 June 2025: approximately 803,000) subscribers, representing an increase of around 13.8% year-on-year as a result of the increase in postpaid subscribers of around 23.2% year-on-year to about 718,000 (30 June 2025: over 583,000) subscribers, partly offset by the decrease in prepaid customers of around 10.9% to over 196,000 (30 June 2025: approximately 220,000) subscribers.

As at 30 June 2026, total number of 5G mobile subscribers was over 849,000 (30 June 2025: approximately 803,000) subscribers, representing 92.9% (30 June 2025: nearly 100%) of the Group's total number of mobile subscribers.

The Group sustained its leading position in Macau with approximately 63.6% (30 June 2025: 54.1%) market share of Macau's mobile market.

Internet services

Internet services revenue amounted to HK$750 million which was similar to the corresponding period of 2025 and with the number of broadband users increased to over 210,000 (30 June 2025: approximately 209,000) subscribers.

As at 30 June 2026, the Group's internet market share in Macau was around 96.0% (30 June 2025: 96.5%).

International telecommunications services

International telecommunications services revenue including revenue from messaging services (including SMS), voice services and "DataMall自由行" services increased by 3.5% or HK$47 million year-on-year to HK$1,390 million.

The Group's successful efforts in increasing its voice services revenue by 3.0% or HK$30 million year-on-year to HK$1,029 million was the main contributing factor for the increase in international telecommunications services revenue. The revenue from messaging services amounted to HK$262 million which represented a decrease of 2.6% or HK$7 million when compared to the corresponding period of 2025.

Revenue from "DataMall自由行" services continued its growth momentum and achieved an increase of 32.0% or HK$24 million to HK$99 million when compared to the corresponding period of 2025.

Enterprise solutions

For the six months ended 30 June 2026, enterprise solutions revenue decreased by 6.9% or HK$94 million year-on-year to HK$1,270 million. The decrease was mainly due to lower project revenue from government and enterprises in Macau and Chinese mainland, as well as the decrease in leased line revenue.

Fixed line services

As a result of the decrease in fixed residential and business lines, fixed line services revenue was down by 7.9% year-on-year to HK$58 million for the six months ended 30 June 2026.

Results for the period

Profit attributable to equity shareholders of the Company for the six months ended 30 June 2026 was comparable with the corresponding period of 2025 mainly due to the combined effect of the following factors:

Revenue

The Group's revenue from telecommunications services amounted to HK$4,078 million which was at par with the corresponding period of 2025. Total revenue including mobile handsets and equipment sales amounted to HK$4,748 million for the period, representing a year-on-year decrease of 1.2%.

Valuation losses on investment properties

Certain floors of properties held by the Group were leased out to third parties and an affiliate of the Group. These floors were revalued as at 30 June 2026 by the Group's independent surveyors with a valuation losses of HK$3 million for the six months ended 30 June 2026 (six months ended 30 June 2025: HK$9 million).

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 3.5% or HK$107 million to HK$2,921 million when compared to the corresponding period of 2025.

Depreciation and amortisation

Depreciation and amortisation expenses totaled HK$338 million for the six months ended 30 June 2026, representing a year-on-year increase of 2.1%. The increase was mainly due to a number of new lease agreements entered by the Group during the six months ended 30 June 2026.

Staff costs

Staff costs totaled HK$553 million for the six months ended 30 June 2026, representing a year-on-year increase of 1.8%.

Other operating expenses

Other operating expenses for the six months ended 30 June 2026 increased by 26.5% or HK$74 million to HK$353 million when compared to the corresponding period of 2025. The increase was mainly due to the consolidation of the results of a newly acquired subsidiary in early 2026.

Finance costs

Finance costs amounted to HK$52 million for the six months ended 30 June 2026, representing a year-on-year decrease of 44.1% or HK$41 million. The decrease was mainly due to the full redemption of the US$450 million 6.1% guaranteed bonds on the maturity date of 5 March 2025 and the net repayment of bank and other loans for the amount of HK$348 million from the Group's surplus cash during the period.

Income tax

Income tax for the period amounted to HK$97 million, an increase of HK$8 million when compared to the first half of 2025. Included in the income tax amount was a net provision for top-up tax of HK$14 million (six months ended 30 June 2025: HK$Nil) as required under the Hong Kong Inland Revenue (Amendment) (Minimum Tax for Multinational Enterprise Groups) Ordinance 2025. Excluding finance costs, tax effect of unrecognised tax losses, over or under-provision of taxes and any origination and reversal of temporary differences in relation to prior years (if any), the effective tax rates for the six months ended 30 June 2026 and 2025 were 16.0% and 13.7% respectively.

Acquisition of a subsidiary

On 12 January 2026, the Group entered into a share sale and purchase agreement with Greater Options Limited and Colonial Nominees Limited to acquire the entire equity interest in Hutchison Macau, which is engaged in the mobile telecommunications business in Macau, for a total cash consideration of HK$110 million.

A gain on bargain purchase of HK$11 million was recognised as a result of the excess of the fair value of the net assets acquired and the fair value of the consideration. Upon completion of the acquisition, Hutchison Macau became a subsidiary of the Company.

Earnings and Dividends per share

Both basic and diluted earnings per share amounted to HK12.5 cents for the six months ended 30 June 2026 and 2025 respectively.

The Company's Board of Directors has declared an interim dividend of HK5.0 cents per share for the year ending 31 December 2026.

Cash flows

	Half year ended 30 June		**Increase / (Decrease)**	
In HK$ million	**2026**	2025		
Source of cash:				
Cash inflows from business operations	**948**	1,313	(365)	(27.8%)
Decrease in other deposits	**53**	29	24	82.8%
Other cash inflows	**16**	22	(6)	(27.3%)
Sub-total	**1,017**	1,364	(347)	(25.4%)
Use of cash:				
Capital expenditure*	**(140)**	(161)	(21)	(13.0%)
Payment for an acquisition of a subsidiary, net of cash acquired	**(42)**	-	42	N/A
Dividends paid to equity shareholders of the Company and non-controlling interests	**(491)**	(484)	7	1.4%
Capital and interest elements of lease rentals paid	**(63)**	(61)	2	3.3%
Payment of borrowing costs	**(48)**	(151)	(103)	(68.2%)
Net cash outflows from borrowings	**(348)**	(390)	(42)	(10.8%)
Sub-total	**(1,132)**	(1,247)	(115)	(9.2%)
Net (decrease) / increase in cash and cash equivalents	**(115)**	117	(232)	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$1,017 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 outflow of HK$115 million for the six months ended 30 June 2026.

Capital expenditure

The Group's total capital expenditure (excluding property plant and equipment acquired through acquisition of a subsidiary) for the six months ended 30 June 2026 amounted to HK$145 million. During the period, HK$21 million was invested in 5G and the remainder of the capital expenditure was mainly for network systems upgrade and expansion.

Capital commitments

As at 30 June 2026, the Group had outstanding capital commitments of HK$198 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$67 million was outstanding contractual capital commitments and HK$131 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 on financing activities is centralised at head office level.

1. Debt and leverage

As at 30 June 2026, the Group's total debt was HK$2,928 million, a decrease of 10.1% when compared to HK$3,257 million as at 31 December 2025. The Group's net debt decreased to HK$1,148 million, and the net gearing ratio decreased from 11% as at 31 December 2025 to 9% as at 30 June 2026.

As at 30 June 2026, 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	2,352	-	-	-	576*	-	-	**2,928**
Less: Cash and deposits	(417)	(529)	(60)	(543)	(98)	(62)	(71)	**(1,780)**
Net debt/ (cash)	**1,935**	**(529)**	**(60)**	**(543)**	**478**	**(62)**	**(71)**	**1,148**

* The Group entered into a certain amount of RMB to SGD fixed-to-fixed cross currency swap to eliminate foreign exchange risk associated with the retranslation of part of the net investment in Singapore subsidiaries. In addition, part of the RMB denominated bank loan was designated as a hedging instrument for the changes in the value of the net investment in the PRC subsidiaries that was attributable to changes in the HKD/RMB spot rate.

As at 30 June 2026 and 31 December 2025, the Group's net gearing ratio was as follows:

In HK$ million	**30 June 2026**	31 December 2025
Total debt	**2,928**	3,257
Less: Cash and deposits	**(1,780)**	(1,945)
Net debt	**1,148**	1,312
Total equity attributable to equity shareholders of the Company	**11,007**	11,023
Total capital	**12,155**	12,335
Net gearing ratio	**9%**	11%

The Group's total debt decreased from HK$3,257 million as at 31 December 2025 to HK$2,928 million as at 30 June 2026. The Group made net repayment of bank and other loans for the amount of HK$348 million from its surplus cash during the period.

The maturity profile of the Group's total debt which includes interest payable as at 30 June 2026 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	650	1,873	400	2,923
Interest payable	5	-	-	5
	655	1,873	400	2,928

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$1,780 million and undrawn committed bank and other loan facilities expiring beyond one year of HK$4,689 million as at 30 June 2026 were more than sufficient to cover the repayments of outstanding amount of total debt (excluding interest payable) of HK$650 million in the coming twelve months and contractual capital commitments of HK$67 million as at 30 June 2026.

As at 30 June 2026, the Group had available trading facilities of HK$242 million. The amount of HK$43 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 2026.

As at 30 June 2026, the type of facilities of the Group was summarised as follows:

In HK$ million	Total available facilities	Amount utilised	Amount unutilised	Undrawn expiring within 1 year	Undrawn expiring beyond 1 year
Bank and other loans					
- Committed facilities:					
Bank loans	5,054	2,176	2,878	-	2,878
Other loans	3,471	400	3,071	1,260	1,811
	8,525	2,576	5,949	1,260	4,689
- Uncommitted facilities:					
Bank loans	3,558	350	3,208	3,208	-
	12,083	2,926	9,157	4,468	4,689
Trading facilities - Uncommitted facilities	242	43	199		
Total	12,325	2,969	9,356		

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 2026 and 31 December 2025, the Group was in compliance with the relevant requirements.

4. Contingent liabilities

As at 30 June 2026 and 31 December 2025, the Group had no significant contingent liabilities.

5. Performance bonds, guarantees and pledged assets

As at 30 June 2026 and 31 December 2025, performance bonds and other guarantees of the Group were as follows:

In HK$ million	**30 June 2026**	31 December 2025
Performance bonds provided to the Macau Government and other customers	**38**	54
Other guarantees	**5**	5
Total	**43**	59

As at 30 June 2026, bank deposits of HK$2 million (31 December 2025: HK$2 million) were pledged to secure part of the facilities of the Group.

As at 30 June 2026, the Company issued guarantees of HK$185 million (31 December 2025: HK$184 million) for its subsidiaries in respect of the various forms of facility lines from financial institutions.

In September 2025, the Company's subsidiary, Companhia de Telecomunicações de Macau, S.A. ("CTM") and the Macau Government entered into a supplemental concession agreement (the "2025 Supplemental Concession Agreement"), under which the Macau Government agreed to extend the concession for operating domestic and international fixed voice telephony services (the "Concession") under the Midterm Review of the Concession Agreement for Public Telecommunications Services (the "Midterm Review of Concession Agreement") by two years until 30 September 2027. The 2025 Supplemental Concession Agreement also grants the Macau Government a termination right by giving CTM 60 days' prior notice, exercisable from 1 October 2026.

Pursuant to the 2025 Supplemental Concession Agreement, certain assets (the "Assets"), as defined under Clauses 5, 6, and 7 of the Midterm Review of Concession Agreement, were transferred to the Macau Government on 1 October 2025, on the same day, the Macau Government handed over the Assets to CTM for its continuing use during the concession period. The Macau Government has also indicated its intention to make part of the Assets, such as the concession ducts, available for use by other telecommunications network operators in the Macau Special Administrative Region (the "Shared Assets").

As a result, CTM reclassified the net book value of the Shared Assets as Concession Assets in 2025 and amortised their carrying amounts over a period during which they are expected to be available for use by CTM. As at 30 June 2026, the net book value of the Shared Assets was HK$68 million (31 December 2025: HK$73 million).

For the remaining part of the Assets (the "Remaining Assets"), as CTM retains control over them to derive economic benefits, it will continue to be recognised as property, plant, and equipment. Their carrying amounts will be depreciated over their estimated useful lives. As at 30 June 2026, the net book value of the Remaining Assets was HK$133 million (31 December 2025: HK$148 million).

In determining and estimating the useful lives of the Shared Assets and Remaining Assets, CTM based on the assumption of the subsequent successful renewal of the Concession or the grant of a new operating licence to CTM to enable the continuation of managing and operating those assets.

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 2026, approximately 19.4% (31 December 2025: 11.0%) 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 2026 and 31 December 2025, the effective interest rates, after the inclusion of amortisation of transaction costs, were as follows:

	30 June 2026	31 December 2025
Effective interest rate for fixed rate borrowings	**2.9%**	3.3%
Effective interest rate for variable rate borrowings	**3.3%**	3.6%
Effective interest rate for total borrowings	**3.2%**	3.6%

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 forecast transaction.

The Group has entered into cross currency swap and a RMB denominated bank loan 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 14.8% (31 December 2025: approximately 17.1%) of the Group's total trade debtors and contract assets as at 30 June 2026. 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 and bills receivable 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 2026, the Group has maintained cash and deposits and bills receivable of HK$1,786 million (31 December 2025: HK$1,962 million), among which HK$1,772 million (31 December 2025: HK$1,958 million) was placed in the above-mentioned entities, representing approximately 99.2% (31 December 2025: approximately 99.8%) of the total cash and deposits and bills receivable 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 and bills receivable, 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 2026, the total number of employees of its headquarters in Hong Kong and its subsidiaries was 2,473. Number of employees in Hong Kong was 462. Employees in Chinese mainland and Macau was 1,720. Employees in other overseas countries totalled 291.

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 52 of the 2025 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 2026.

The Audit Committee has reviewed the interim report with management and the external auditors and recommended its adoption by the board.

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 2026.

DIVIDEND AND CLOSURE OF REGISTER

The board of directors of the Company has declared an interim dividend of HK5.0 cents (2025: HK6.0 cents) per share for the year ending 31 December 2026 payable on Wednesday, 30 September 2026 to shareholders whose names appear on the Register of Members of the Company on Friday, 11 September 2026. The Register of Members of the Company will be closed from Tuesday, 8 September 2026 to Friday, 11 September 2026, 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, 7 September 2026.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the six months ended 30 June 2026. As at 30 June 2026, no treasury shares were held by the Company.

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 2026.

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

Hong Kong, 13 August 2026

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	Yang Feng (Liu Kaiyuan as his alternate)	Lam Yiu Kin
Wang Hua		Wen Ku