中信國際電訊
CITIC TELECOM INTERNATIONAL

STOCK CODE:1883

INTERIM REPORT 2026

CONNECT THE FUTURE
CONNECT THE WORLD

ABOUT US

CITIC Telecom International Holdings Limited (the "Company", and together with its subsidiaries the "Group") was established in 1997 in Hong Kong and was listed on The Stock Exchange of Hong Kong Limited on 3 April 2007. The Group is a telecommunications enterprise providing comprehensive services.

The Company's services cover international telecommunications services, providing mobile international roaming, international voice, international messaging, international data and international value-added telecommunications services, etc. to global carriers (including mobile operators, fixed line operators, virtual network operators, internet operators and OTT operators). The Company is one of the largest telecommunications hubs in Asia Pacific, with "DataMall 自由行", the world's first mobile trading platform and SIMN as our self-developed products. The Company owns the whole CITIC Telecom Tower (with a floor area of approximately 340,000 sq. ft.) and has established two large-scale data centres in Hong Kong.

The Company's wholly-owned subsidiary, Acclivis Technologies and Solutions Pte. Ltd. ("Acclivis"), is based in Singapore with businesses in Malaysia, Indonesia, Thailand and Philippines, etc. As one of the leading IT services providers in the region, Acclivis is the trusted advisor to government and enterprise to deliver digital transformation projects and smart solutions that harness our end-to-end ICT capabilities, with focus on cloud solutions, managed services and enterprise connectivity. Acclivis also owns the reputable internet service brand "Pacific Internet" in Singapore, Thailand, Indonesia, Philippines and Malaysia, and has established data centres and cloud computing centres across key cities in Southeast Asia.

Through its wholly-owned subsidiary, CITIC Telecom International CPC Limited ("CPC"), the Group provides one-stop ICT solutions to multinational and business enterprises, including private network solutions, EPL, SD-WAN, internet access, cloud computing, information security, cloud data centre and a series of value-added services, etc. CPC is one of the most trusted partners of leading multinational and business enterprises in the Asia-Pacific region. CPC has gained a foothold in the Chinese mainland market through its subsidiary, China Enterprise ICT Solutions Limited ("CEC"), providing comprehensive ICT services for sizable multinational and business enterprises in Chinese mainland. CEC possesses various nationwide licenses in value-added telecommunications services in Chinese mainland, including nationwide Ethernet VPN, and has established cloud data centres in various cities such as Beijing, Shanghai and Guangzhou.

The Group holds 99% equity interest in Companhia de Telecomunicações de Macau, S.A. ("CTM"). CTM is one of the leading integrated telecommunications services providers in Macau, and is the only full telecommunications services provider in Macau (including mobile, internet, fixed line, data centre, enterprise ICT and international telecommunications services), as well as the major smart city operator of "Digital Macau". As a market leader, CTM has long provided quality telecommunications and ICT services to the residents, government and enterprises of Macau, and plays an important role in the ongoing development of Macau.

The Group has established branch organisations in 22 countries and regions with over 2,400 employees and almost 170 PoPs globally. The Group's business covers 160 countries and regions, and connects to over 600 operators in the world and serves over 3,000 MNCs and 40,000 local enterprises. The Group has R&D teams in various cities including Hong Kong, Macau, Zhuhai, Chengdu, etc. The Group has a number of ISO quality and network security accreditations, and also received awards and commendations from multiple organisations in recognition of caring to employees and environment for years.

CITIC Group Corporation, a large multinational conglomerate headquartered in China, is the ultimate holding company of the Company.

VISION

To become a leading digitalised and intelligentised comprehensive telecommunications company in the Asia-Pacific region, and provide quality services for social development, corporate innovation and the better lives of people.

MISSION

- With the backing of Chinese mainland, establishing a foothold in Hong Kong and Macau, and connecting to the world.
- Focusing on international development, pursuing technological innovation, and enhancing core competitiveness.
- Customer-oriented, with value creation as our goal, providing sustainable return for our shareholders.

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MILESTONES

January 2026

- CITIC Telecom International CPC Limited ("CPC") was awarded the "Best AI SOC Service Provider" at the "IT PRO Corporate Choice 2025" organised by IT PRO Magazine
- CPC received two major awards in the "Internet and Cloud Services" sector at the "Cyber Security Professional Awards 2025" organised by Hong Kong Police Force
- China Enterprise ICT Solutions Limited ("CEC") was awarded the "2025 Global Digital Intelligence Empowerment Award" at the 2nd Go Global Digital Innovation Summit
- Companhia de Telecomunicações de Macau, S.A. ("CTM") acquired 100% share capital of Hutchison Telephone (Macau) Company Limited on 12 January 2026

February 2026

- CPC's "TrustCSI™ AI SOC" won the Bronze Award for "Innovation in AI Products & Services" at the "2026 Asia-Pacific Stevie® Awards" organised by Stevie Awards Inc.

April 2026

- CEC's New Generation Intelligent Security Operations Center (AI SOC) won the "2025 Outstanding Recommended Product for Intelligent Manufacturing" issued by e-works
- CEC won the "2025 Excellent Digital & Intelligent ICT Service Provider" issued by e-works

May 2026

- CITIC Telecom International Limited ("CITIC Telecom International")'s self-developed "Cross-border Encrypted Communication Service Solution" was awarded the "2026 Top Ten Lighthouse Projects" at the Kunlun Ecosystem Alliance Roundtable Conference during the 9th Digital China Summit
- CPC received the "Cybersecurity Service Provider of the Year" at the "Tech Fest Hong Kong Awards 2026", jointly organised by KORNERSTONE Institute, Revive Tech Asia and TEH Group for the second consecutive year
- CPC received the "Distinguished AI-driven Security Operations Center Provider" in the "Corporate Brand Awards of Excellence 2026" issued by Hong Kong Economic Journal for the 10th consecutive year

March 2026

- CPC won three awards at the "2026 Cybersecurity Excellence Awards": including "AI Security Solutions (Silver Award)", "SOC Team of the Year (Gold Award)" and "MSSP of the Year (Silver Award)" organised by Cybersecurity Insiders. It is the 4th consecutive year that CPC has won these awards
- CPC's "TrustCSI™ AI Pentest" won a Bronze Medal at the 51st International Exhibition of Inventions Geneva
- CPC's "AI Databank" solution won the "AI Excellence Award" at the "Data Centre World Awards 2026" organised by CloserStill Media
- CTM won the "AI-Oriented Business Innovation and Premium User Experience Award" issued by Europe's leading digital economy think tank, IDATE for the second consecutive year
- Acclivis Technologies and Solutions Pte. Ltd. was recognised as an "ASUS Business Partner of 2026"

- CEC won the "Best MPLS VPN Service Provider" at the China Enterprise IT Award organised by D1Net
- CEC was awarded the "2026 CDI Outstanding AI Innovation Technology Service Provider" issued by the organising committee of 2026 China Digital Innovation Expo
- CEC won the "2025-2026 Outstanding Digital Transformation Solution Provider" jointly issued by CIO Times and New Infrastructure Innovation Research Institute

June 2026

- CITIC Telecom International received the "Excellent Partner of the Year – Digital Application" and "Best Product Innovative Partner" issued by two China operators at the Mobile World Congress Shanghai 2026
- CPC's "AI SOC" won "AI+ in Business Awards (Large Corporate)" at the AI+ Power Awards 2026 organised by Baobab Tree Event
- CTM was awarded the "Excellent Partner of the Year – Global Roaming and IoT" issued by a China Operator

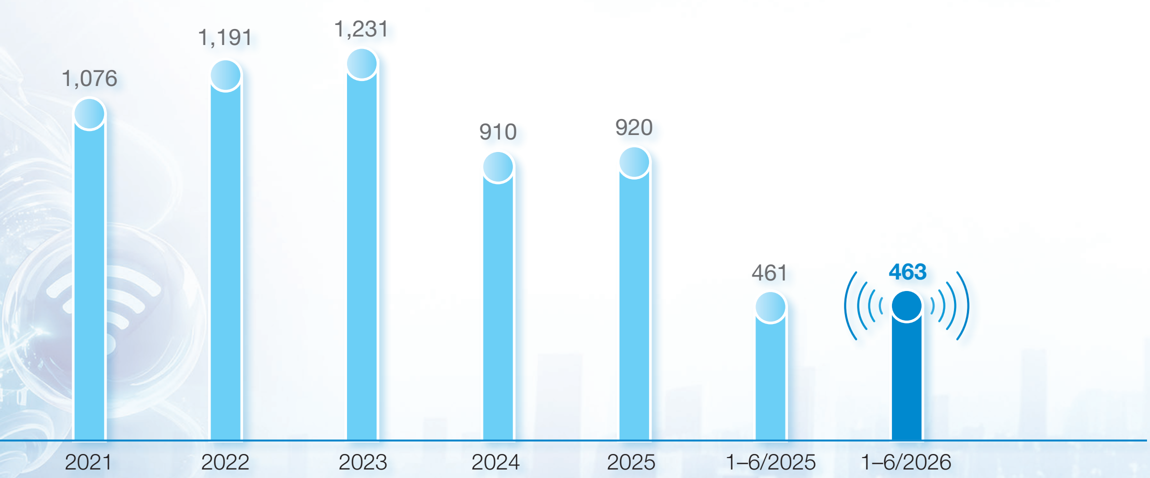
FINANCIAL HIGHLIGHTS

In HK$ million	Half year ended 30 June 2026	2025	
Revenue			
Revenue from telecommunications services	**4,078**	4,072	Increase 0.1%
Sales of mobile handsets and equipment	**670**	735	Decrease 8.8%
	4,748	4,807	Decrease 1.2%
Profit attributable to equity shareholders of the Company	**463**	461	Increase 0.4%
EBITDA[1]	**941**	961	Decrease 2.1%
Earnings per share (HK cents)			
Basic and diluted	**12.5**	12.5	Same level as last period
Dividend per share (HK cents)			
Interim dividend	**5.0**	6.0	Decrease 16.7%

[1] EBITDA represents earnings before interest, taxes, depreciation and amortisation.

Profit attributable to equity shareholders of the Company

HK$ million



In HK$ million	30 June 2026	31 December 2025	
Total assets	**16,935**	16,987	Decrease 0.3%
Total equity attributable to equity shareholders of the Company	**11,007**	11,023	Decrease 0.1%
Total debt[2]	**2,928**	3,257	Decrease 10.1%
Less: Cash and deposits	**(1,780)**	(1,945)	Decrease 8.5%
Net debt	**1,148**	1,312	Decrease 12.5%
Net gearing ratio[3]	**9%**	11%	Decrease 2.0%

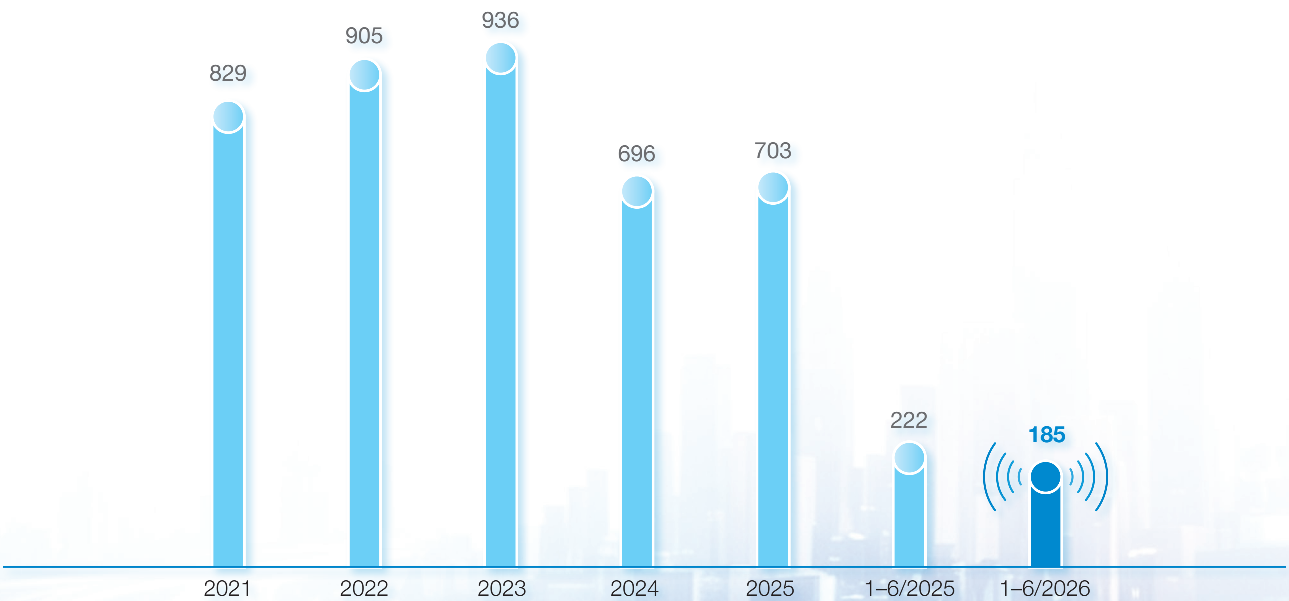
2 Total debt includes current and non-current bank and other borrowings.

3 Net gearing ratio $= \frac{\text{Net debt}}{\text{Total capital}} \times 100\%$

Total capital = Total equity attributable to equity shareholders of the Company + Net debt

Dividends payable to equity shareholders of the Company attributable to the year/interim period

HK$ million



Note: The interim dividend payable for the year ending 31 December 2026 was based on the number of shares in issue as at 30 June 2026, which may differ from the number of shares at the closing date of the register of members.

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 leveraged 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 "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

BUILDING THE FUTURE

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.

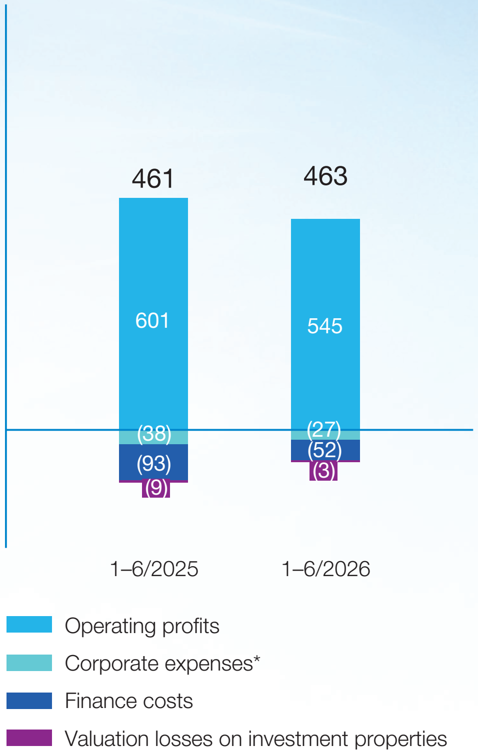
Summary of Financial Results

In HK$ million	Half year ended 30 June 2026	2025	Increase/(Decrease)	
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

HK$ million



* 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.

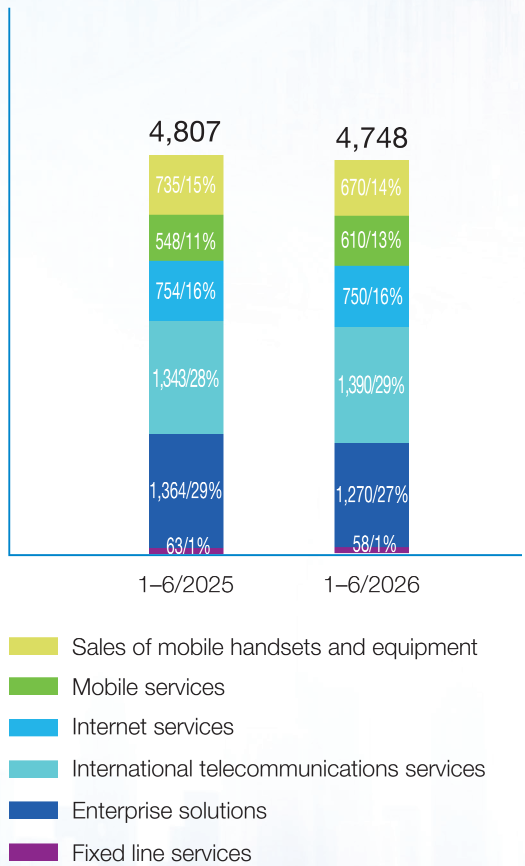
Revenue

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.

HK$ million

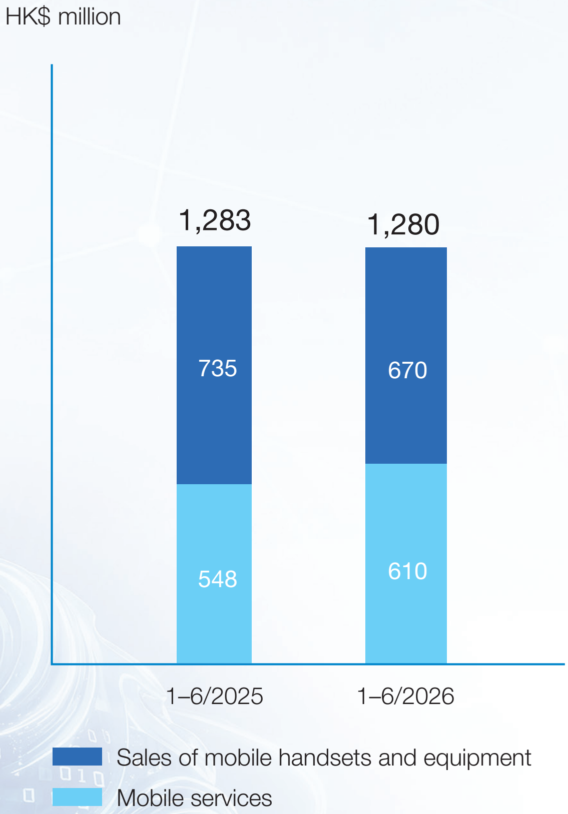


Revenue from telecommunications services for the six months ended 30 June 2026 amounted to HK$4,078 million, which represented an increase of HK$6 million when compared to the corresponding period of 2025. The increase was due to the growth in revenue from mobile services and international telecommunications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

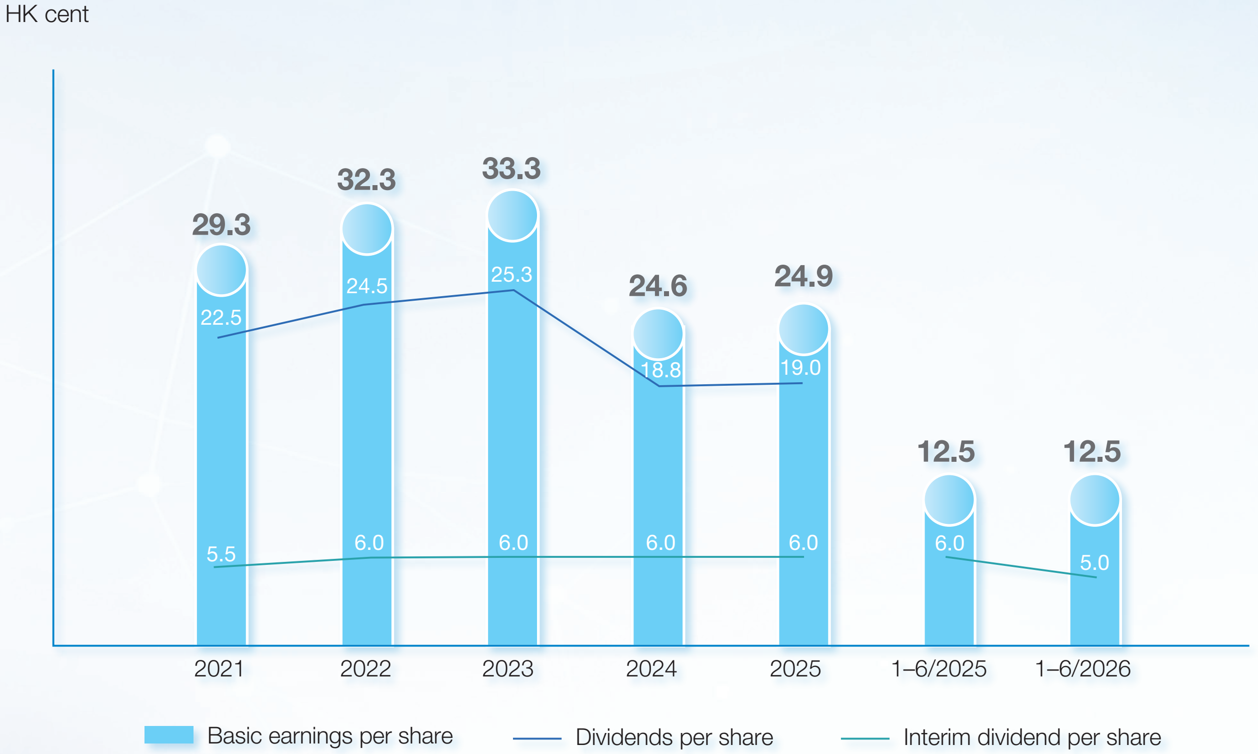
Acquisition of a subsidiary
On 12 January 2026, the Group entered into a share sale and purchase agreement with Greater Options Limited and Colonial Nominees Limited to acquire the entire equity interest in Hutchison Macau, which is engaged in the mobile telecommunications business in Macau, for a total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

In HK$ million	Half year ended 30 June 2026	2025	Increase/(Decrease)	
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:

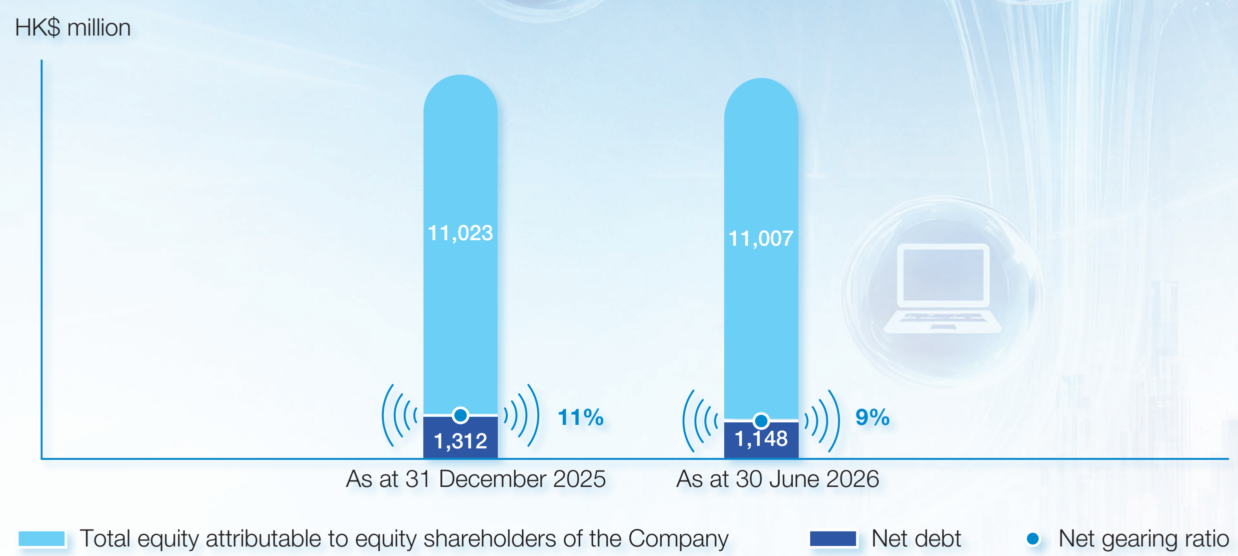
	Denomination							
In HK$ million equivalents	HKD	USD	SGD	MOP	RMB	EUR	Others	Total
Total debt	**2,352**	**–**	**–**	**–**	**576***	**–**	**–**	**2,928**
Less: Cash and deposits	**(417)**	**(529)**	**(60)**	**(543)**	**(98)**	**(62)**	**(71)**	**(1,780)**
Net debt/(cash)	**1,935**	**(529)**	**(60)**	**(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%

Net Debt and Net Gearing Ratio

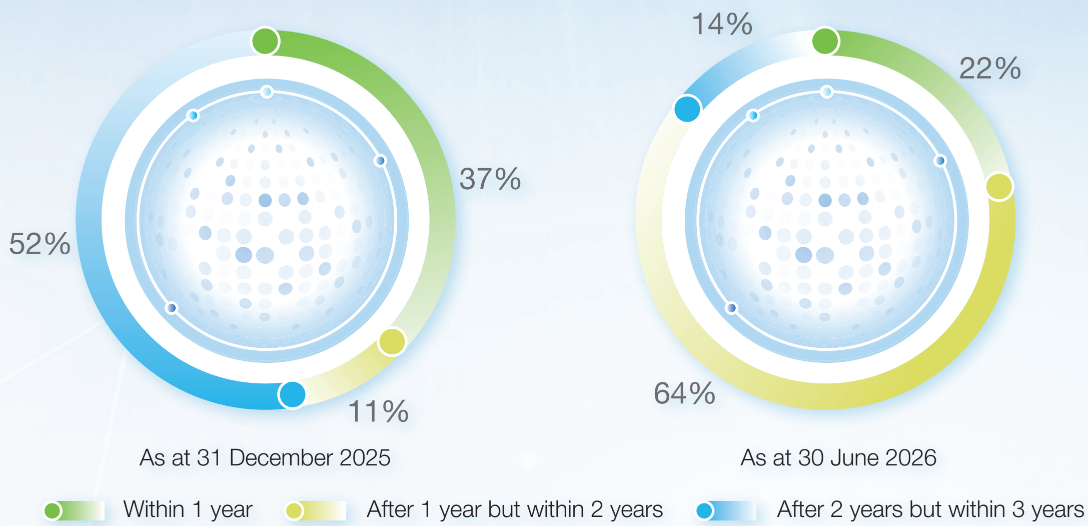


The Group's total debt decreased from HK$3,257 million as at 31 December 2025 to HK$2,928 million as at 30 June 2026. The Group made net repayment of bank and other loans for the amount of HK$348 million from its surplus cash during the period.

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

Total Debt by Maturity



* The above graph excludes the amount of interest payable.

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).

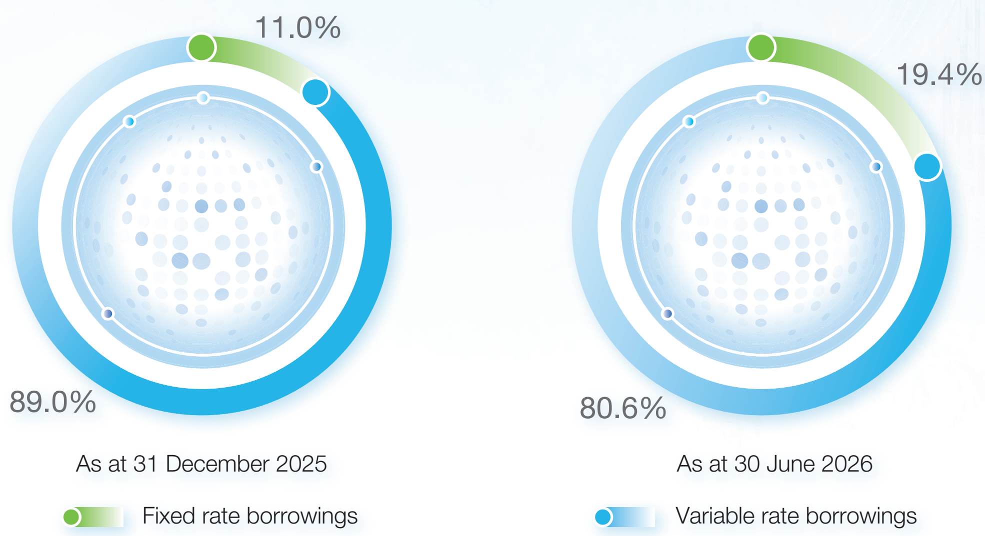
In determining and estimating the useful lives of the Shared Assets and Remaining Assets, CTM based on the assumption of the subsequent successful renewal of the Concession or the grant of a new operating licence to CTM to enable the continuation of managing and operating those assets.

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.

Total Debt



* The above graph excludes the amount of interest payable.

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.

FORWARD LOOKING STATEMENTS

This Interim Report 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.

None of the Company, the directors, employees or agents assumes (a) any obligation to correct or update any forward looking statements or opinions contained in this Interim Report; and (b) any liability arising from any forward looking statements or opinions that do not materialise or otherwise prove to be incorrect.

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 review 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.

CONDENSED INTERIM FINANCIAL REPORT

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	*3(a)*	**4,748**	4,807
Valuation losses on investment properties	*8(b)*	**(3)**	(9)
Other income	*4*	**37**	34
Cost of sales and services	*5(a)*	**(2,921)**	(3,028)
Depreciation and amortisation	*5(b)*	**(338)**	(331)
Staff costs	*5(c)*	**(553)**	(543)
Other operating expenses		**(353)**	(279)
		617	651
Finance costs	*5(d)*	**(52)**	(93)
Share of profit of a joint venture		**1**	–
Profit before taxation	*5*	**566**	558
Income tax	*6(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

The notes on pages 33 to 52 form part of this condensed interim financial report. Details of dividends payable to equity shareholders of the Company are set out in note 15(a).

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the six months ended 30 June 2026
(Expressed in Hong Kong dollars)

	Six months ended 30 June 2026 (Unaudited) $ million	2025 (Unaudited) $ 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

The notes on pages 33 to 52 form part of this condensed interim financial report.

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	*8*	**606**	609
Property, plant and equipment	*8*	**1,886**	1,794
Right-of-use assets	*9*	**442**	467
Intangible assets	*10*	**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	*11*	**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	*11*	**1,355**	1,152
Current tax recoverable		**16**	9
Cash and deposits	*12(a)*	**1,780**	1,945
		3,382	3,434
Current liabilities			
Trade and other payables	*13*	**1,913**	1,691
Contract liabilities		**235**	225
Bank and other borrowings	*14*	**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

	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	*14*	2,273	2,051
Non-current lease liabilities		191	208
Non-current derivative financial instruments		–	4
Non-current other payables	*13*	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	*15(b)*	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

The notes on pages 33 to 52 form part of this condensed interim financial report.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 June 2026
(Expressed in Hong Kong dollars)

		Attributable to equity shareholders of the Company							
	Note	Share capital (Unaudited) $ million	Property revaluation reserve (Unaudited) $ million	Exchange reserve (Unaudited) $ million	Hedging reserve (Unaudited) $ million	Retained profits (Unaudited) $ million	Total (Unaudited) $ million	Non-controlling interests (Unaudited) $ million	Total equity (Unaudited) $ million
Balance as at 1 January 2026		4,758	62	1	(4)	6,206	11,023	118	11,141
Changes in equity for the six months ended 30 June 2026:									
Profit for the period		–	–	–	–	463	463	6	469
Other comprehensive income for the period		–	–	5	(3)	–	2	3	5
Total comprehensive income for the period		–	–	5	(3)	463	465	9	474
Dividend paid to non-controlling interests		–	–	–	–	–	–	(10)	(10)
Dividends approved in respect of the previous financial year	*15(a)(ii)*	–	–	–	–	(481)	(481)	–	(481)
		–	–	–	–	(481)	(481)	(10)	(491)
Balance as at 30 June 2026		4,758	62	6	(7)	6,188	11,007	117	11,124

		Attributable to equity shareholders of the Company							
	Note	Share capital (Unaudited) $ million	Property revaluation reserve (Unaudited) $ million	Exchange reserve (Unaudited) $ million	Hedging reserve (Unaudited) $ million	Retained profits (Unaudited) $ million	Total (Unaudited) $ million	Non-controlling interests (Unaudited) $ million	Total equity (Unaudited) $ million
Balance as at 1 January 2025		4,758	62	(51)	2	5,946	10,717	110	10,827
Changes in equity for the six months ended 30 June 2025:									
Profit for the period		–	–	–	–	461	461	8	469
Other comprehensive income for the period		–	–	51	(5)	–	46	1	47
Total comprehensive income for the period		–	–	51	(5)	461	507	9	516
Dividend paid to non-controlling interests		–	–	–	–	–	–	(10)	(10)
Dividends approved in respect of the previous financial year	*15(a)(ii)*	–	–	–	–	(474)	(474)	–	(474)
		–	–	–	–	(474)	(474)	(10)	(484)
Balance as at 30 June 2025		4,758	62	–	(3)	5,933	10,750	109	10,859

The notes on pages 33 to 52 form part of this condensed interim financial report.

CONSOLIDATED CASH FLOW 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
Operating activities			
Cash generated from operations	*12(e)*	**974**	1,328
Tax paid:			
– Macau Complementary Tax paid		**(1)**	(1)
– Tax paid for jurisdictions outside Hong Kong and Macau		**(26)**	(15)
Tax refunded:			
– Tax refunded for jurisdictions outside Hong Kong and Macau		**1**	1
Net cash generated from operating activities		**948**	1,313
Investing activities			
Payment for the purchase of property, plant and equipment		**(140)**	(161)
Proceeds from the sale of property, plant and equipment		**1**	–
Acquisition of a subsidiary, net of cash acquired	*17(c)*	**(42)**	–
Decrease in other deposits		**53**	29
Interest received		**15**	22
Net cash used in investing activities		**(113)**	(110)
Financing activities			
Proceeds from new bank and other loans		**1,659**	3,600
Payment for redemption of bonds		**–**	(3,490)
Repayment of bank and other loans		**(2,007)**	(500)
Payment for transaction costs on bank loans		**–**	(5)
Other borrowing costs paid		**(48)**	(146)
Capital element of lease rentals paid		**(56)**	(53)
Interest element of lease rentals paid		**(7)**	(8)
Dividends paid to equity shareholders of the Company		**(481)**	(474)
Dividend paid to non-controlling interests		**(10)**	(10)
Net cash used in financing activities		**(950)**	(1,086)
Net (decrease)/increase in cash and cash equivalents		**(115)**	117
Cash and cash equivalents as at 1 January		**1,363**	1,007
Effect of foreign exchange rate changes		**3**	15
Cash and cash equivalents as at 30 June	*12(a)*	**1,251**	1,139

The notes on pages 33 to 52 form part of this condensed interim financial report.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL REPORT

(Expressed in Hong Kong dollars unless otherwise indicated)

1 BASIS OF PREPARATION

This 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. Details of any changes in accounting policies are set out in note 2.

The preparation of a condensed interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This condensed interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2025 annual financial statements. The condensed consolidated financial statements and the accompanying notes do not include all of the information required for a full set of financial statements prepared in accordance with HKFRS Accounting Standards.

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. KPMG's independent review report to the Board of Directors is included on page 53.

The financial information relating to the financial year ended 31 December 2025 that is included in the condensed interim financial report 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 CHANGES IN ACCOUNTING POLICIES

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 these condensed consolidated financial statements.

The Group has not applied any new standard, amendment or interpretation that is not yet effective for the current accounting period.

3 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)
	Note	**$ million**	$ million
Revenue from contracts with customers			
Disaggregated by major service lines or products:			
Mobile services	*(i)*	**610**	548
Internet services	*(ii)*	**750**	754
International telecommunications services	*(iii)*	**1,390**	1,343
Enterprise solutions	*(iv)*	**1,270**	1,364
Fixed line services	*(v)*	**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

Notes:

(i) Mobile services broadly include mobile local and roaming services, other mobile value-added services and others.

(ii) Internet services broadly include internet access services, data centre services and others.

(iii) International telecommunications services broadly include voice services, messaging services and "DataMall 自由行" services.

(iv) Enterprise solutions broadly include enterprise solutions services, business solution projects, virtual private network services, sales of related products and others.

(v) Fixed line services broadly include domestic and international fixed telephony services and others.

3 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

(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.

4 OTHER INCOME

	Six months ended 30 June 2026 (Unaudited) $ million	2025 (Unaudited) $ 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 *(note 17)*	**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).

5 PROFIT BEFORE TAXATION

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

	Six months ended 30 June 2026 (Unaudited) $ million	2025 (Unaudited) $ 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

5 PROFIT BEFORE TAXATION (CONTINUED)

		Six months ended 30 June	
		2026	2025
		(Unaudited)	(Unaudited)
		$ million	$ 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)

6 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 6(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 ("Macau SAR").

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.

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 INVESTMENT PROPERTIES AND PROPERTY, PLANT AND EQUIPMENT

(a) Acquisitions and disposals

During the six months ended 30 June 2026, the Group acquired items of property, plant and equipment with a cost of $301,000,000 (six months ended 30 June 2025: $127,000,000), which included an amount of $156,000,000 (six months ended 30 June 2025: $Nil) acquired through an acquisition of a subsidiary (see note 17). Items of property, plant and equipment with a net book value of $1,000,000 (six months ended 30 June 2025: $1,000,000) were disposed of during the six months ended 30 June 2026, resulting in a net gain on disposal of less than $1,000,000 (six months ended 30 June 2025: a net loss of $1,000,000).

(b) Valuation

The valuations of investment properties carried at fair value were updated as at 30 June 2026 by the Group's independent valuers using the same valuation techniques as were used by those valuers when carrying out the December 2025 valuations. As a result of the update, losses of $3,000,000 (six months ended 30 June 2025: $9,000,000) have been recognised in profit or loss for the period.

9 RIGHT-OF-USE ASSETS

During the six months ended 30 June 2026, the Group entered into a number of lease agreements mainly for use of cell sites, data centres and offices, and therefore recognised the additions to right-of-use assets of $31,000,000 (six months ended 30 June 2025: $25,000,000), which included an amount of $11,000,000 (six months ended 30 June 2025: $Nil) acquired through an acquisition of a subsidiary (see note 17).

10 INTANGIBLE ASSETS

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 SAR (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 is $68,000,000 (31 December 2025: $73,000,000).

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 is $133,000,000 (31 December 2025: $148,000,000).

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.

11 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.

12 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION

(a) Cash and cash equivalents comprise:

	30 June 2026 (Unaudited) $ million	31 December 2025 (Audited) $ million
Cash at bank and in hand	**753**	844
Time deposits with banks	**504**	525
Other deposits *(note 12(d))*	**523**	576
Cash and deposits in the consolidated statement of financial position *(note 12(b))*	**1,780**	1,945
Less: interest receivable	**(4)**	(4)
Less: pledged deposits *(note 12(c))*	**(2)**	(2)
Less: other deposits *(note 12(d))*	**(523)**	(576)
Cash and cash equivalents in the consolidated cash flow statement	**1,251**	1,363

(b) As at 30 June 2026, cash and deposits situated in the Chinese mainland amounted to $82,000,000 (31 December 2025: $145,000,000). Remittance of funds out of the Chinese mainland is subject to relevant rules and regulations of foreign exchange control.

(c) As at 30 June 2026, bank deposits of $2,000,000 (31 December 2025: $2,000,000) were pledged to secure part of the banking facilities of the Group.

(d) As at 30 June 2026, other deposits of $523,000,000 (31 December 2025: $576,000,000) were deposited in CITIC Finance International Limited, a fellow subsidiary of the Group which is principally engaged in the provision of treasury management services. These unsecured cash deposits carry interest at market rates and can be withdrawn by the Group on demand or in accordance with the terms of agreement.

12 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (CONTINUED)

(e) Reconciliation of profit before taxation to cash generated from operations:

		Six months ended 30 June	
		2026	2025
		(Unaudited)	(Unaudited)
	Note	**$ million**	$ million
Profit before taxation		**566**	558
Adjustments for:			
Depreciation and amortisation	*5(b)*	**338**	331
Valuation losses on investment properties	*8(b)*	**3**	9
Net loss on disposal of property, plant and equipment	*5(e)*	**–**	1
Share of profit of a joint venture		**(1)**	–
Gain on bargain purchase of a subsidiary	*4*	**(11)**	–
Finance costs	*5(d)*	**52**	93
Interest income	*4*	**(15)**	(21)
Foreign exchange loss		**7**	6
		939	977
Changes in working capital:			
Decrease in inventories		**57**	308
Decrease in contract costs		**2**	–
(Increase)/decrease in trade and other receivables		**(182)**	158
Decrease in finance lease receivables		**1**	1
Decrease in contract assets		**66**	27
Increase in trade and other payables		**94**	106
Decrease in contract liabilities		**(5)**	(251)
Increase in defined benefit plan obligations, net		**2**	2
Cash generated from operations		**974**	1,328

13 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

14 BANK AND OTHER BORROWINGS

	30 June 2026 (Unaudited) $ million	31 December 2025 (Audited) $ million
Bank and other loans	**2,923**	3,251
Interest payable	**5**	6
	2,928	3,257

At the end of the reporting period, bank and other borrowings are unsecured and repayable as follows:

	30 June 2026 (Unaudited) $ million	31 December 2025 (Audited) $ million
Within 1 year or on demand	**655**	1,206
After 1 year but within 2 years	**1,873**	354
After 2 years but within 5 years	**400**	1,697
	2,273	2,051
	2,928	3,257

All of the non-current bank and other borrowings are carried at amortised cost. None of the non-current bank and other borrowings is expected to be settled within one year.

(a) Certain of the Group's banking facilities are subject to the fulfilment of covenants relating to certain of the Group's statement of financial position and financial performance ratios, as 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.

15 CAPITAL, RESERVES AND DIVIDENDS

(a) Dividends

(i) 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.

(ii) 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

(b) Share capital

		30 June 2026 (Unaudited)		31 December 2025 (Audited)	
	Note	**Number of shares**	**Amount $ million**	Number of shares	Amount $ million
Ordinary shares, issued and fully paid:					
As at 1 January and as at 30 June/31 December	*(i)*	**3,700,891,382**	**4,758**	3,700,891,382	4,758

Note:

(i) The holders of ordinary shares are entitled to receive dividends as declared from time to time and every member shall have one vote per share on a poll at general meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

16 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Financial assets and liabilities measured at fair value

(i) Fair value hierarchy

The following table presents the fair value of the Group's derivative financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available
- Level 3 valuations: Fair value measured using significant unobservable inputs

		Fair value measurements as at 30 June 2026 categorised into		Fair value measurements as at 31 December 2025 categorised into
	Fair value as at 30 June 2026 (Unaudited) $ million	**Level 2 (Unaudited) $ million**	Fair value as at 31 December 2025 (Audited) $ million	Level 2 (Audited) $ million
Recurring fair value measurements				
Financial asset:				
Derivative financial instruments:				
– Cross currency swap	**9**	**9**	–	–
Financial liability:				
Derivative financial instruments:				
– Cross currency swap	**–**	**–**	4	4

During the six months ended 30 June 2026, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3 (2025: Nil). The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

(ii) Valuation techniques and significant inputs used in Level 2 fair value measurements

The fair value of the cross currency swap is determined based on the amount that the Group would receive or pay to terminate the swaps at the end of the reporting period, taking into account current interest rates and current creditworthiness of the swap counterparty.

17 ACQUISITION OF A SUBSIDIARY

(a) On 12 January 2026, CTM entered into a share sale and purchase agreement with Greater Options Limited and Colonial Nominees Limited to acquire the entire equity interest in Hutchison Telephone (Macau) Company Limited ("Hutchison Macau"), which is engaged in the mobile telecommunications business in Macau, for a total cash consideration of $110,000,000. Upon completion, Hutchison Macau became a subsidiary of the Company.

The consideration of $110,000,000 is payable in three instalments, resulting in a fair value of the consideration of $108,000,000 as at the date of acquisition. A gain on bargain purchase of $11,000,000 was recognised in the consolidated income statement, representing the fair value of the identifiable assets acquired and liabilities assumed in excess of the fair value of consideration. The fair value of the identifiable assets acquired and liabilities assumed was determined with reference to a valuation report prepared by an independent professional valuer.

(b) For the six months ended 30 June 2026, the acquisition-related costs and the contributions to the Group's revenue and profit before taxation from Hutchison Macau since the date of acquisition were not material.

(c) The fair value of assets and liabilities of Hutchison Macau at the date of acquisition is as follows:

	Fair value $ million
Property, plant and equipment *(note 8)*	156
Right-of-use assets *(note 9)*	11
Intangible assets	10
Contract assets	2
Trade and other receivables	22
Cash and cash equivalents	2
Trade and other payables	(57)
Contract liabilities	(15)
Lease liabilities	(11)
Deferred tax liabilities	(1)
Net identifiable assets acquired	119
Gain on bargain purchase of a subsidiary	(11)
	108
Satisfied by:	
Cash consideration paid	44
Cash consideration payable	64
	108
Cash consideration paid	44
Cash and cash equivalents acquired	(2)
Acquisition of a subsidiary, net of cash acquired	42

18 CAPITAL COMMITMENTS

Capital commitments outstanding at the end of reporting period not provided for in the condensed interim financial report are as follows:

	30 June 2026 (Unaudited) $ million	31 December 2025 (Audited) $ million
Contracted for	**67**	39
Authorised but not contracted for	**131**	29
	198	68

19 PERFORMANCE BONDS

At the end of the reporting period, performance bonds of the Group are as follows:

	30 June 2026 (Unaudited) $ million	31 December 2025 (Audited) $ million
Performance bonds provided to customers of business solutions projects	**28**	44
Performance bonds provided to others	**10**	10
	38	54

In respect of above, no provision has been made in the condensed interim financial report. As at 30 June 2026, the directors do not consider it probable that a claim will be made against the Group under any of the performance bonds. The maximum liability of the Group at the end of the reporting period is the total amount guaranteed by the performance bonds of $38,000,000 (31 December 2025: $54,000,000).

20 MATERIAL RELATED PARTY TRANSACTIONS

(a) Transactions with affiliates of the Group and its holding company

(i) Recurring transactions

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	$ million	$ million
Internet data centre services fee received/receivable from fellow subsidiaries	**14**	14
Virtual private network services fee received/receivable from fellow subsidiaries	**15**	14
Internet access services fee received/receivable from fellow subsidiaries	**6**	5
Information security management services fee received/receivable from fellow subsidiaries	**4**	6
Cloud computing solutions services fee received/receivable from fellow subsidiaries	**7**	6
Messaging services fee received/receivable from fellow subsidiaries	**5**	6
Telecommunications services and related expenses paid/payable to		
– a fellow subsidiary	**(10)**	(11)
– an associate of the ultimate holding company	**(3)**	(4)
Building management fees, water and electricity fees, air conditioning charges and car parking spaces rental paid/payable to fellow subsidiaries	**(7)**	(7)
Rental income and building management charges received/receivable from a fellow subsidiary	**9**	8
Interest income from deposits received/receivable from fellow subsidiaries	**7**	10
Finance costs on bank and other loans paid/payable to fellow subsidiaries	**(18)**	(18)

20 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Transactions with affiliates of the Group and its holding company (continued)

(ii) Balances with affiliates of the Group

	30 June 2026 (Unaudited) $ million	31 December 2025 (Audited) $ million
Advance payment for the acquisition of the remaining equity interest in a subsidiary included in trade and other receivables to a fellow subsidiary	**71**	69
Lease liabilities due to fellow subsidiaries	**(38)**	(42)
Deposits with fellow subsidiaries *(note (i))*	**608**	714
Bank and other loans from fellow subsidiaries *(note (ii))*	**(1,398)**	(1,298)

Notes:

(i) Deposits with fellow subsidiaries are unsecured, interest-bearing at the prevailing market rates and can be withdrawn on demand or in accordance with the terms of agreement.

(ii) Bank and other loans from fellow subsidiaries are unsecured, interest-bearing at the prevailing market rates and repayable in accordance with the terms of agreement.

(b) Transactions with other government-related entities

The Group is a government-related enterprise and has transactions with entities directly or indirectly controlled by the Government of the People's Republic of China (the "PRC") through government authorities, agencies, affiliates and other organisations (collectively referred to as "government-related entities").

Apart from transactions with the affiliates of the Group as disclosed above, the Group has collectively, but not individually, significant transactions with other government-related entities which include, but not limited to, the following:

– rendering and receiving services; and

– financial services arrangements.

These transactions are conducted in the ordinary course of the Group's business on terms comparable to those with other entities that are not government-related. The Group has established its buying, pricing strategy and approval process for purchases and sales of products and services. Such buying, pricing strategy and approval processes do not depend on whether the counterparties are government-related entities or not.

20 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Transactions with other government-related entities (continued)

Having considered the potential for transactions to be impacted by related party relationships, the Group's buying, pricing strategy and approval processes, and what information would be necessary for an understanding of the potential effect of the relationship on the condensed interim financial report, the directors are of the opinion that the following transactions with other government-related entities require disclosure:

(i) Transactions with other government-related entities including state-controlled banks in the PRC

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	$ million	$ million
Interest income from bank deposits	**6**	6
Finance costs on bank loans	**(21)**	(18)
Fees received/receivable from the provision of telecommunications services	**801**	855
Fees paid/payable for cost of sales and services	**(735)**	(809)

(ii) Balances with other government-related entities including state-controlled banks in the PRC

	30 June	31 December
	2026	2025
	(Unaudited)	(Audited)
	$ million	$ million
Bank deposits	**600**	679
Trade debtors	**121**	118
Contract assets	**6**	9
Trade creditors	**(238)**	(236)
Bank loans	**(1,475)**	(1,053)

(c) Key management personnel emoluments

Emoluments for key management personnel of the Group, including amounts paid/payable to the Company's directors, are as follows:

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	$ million	$ million
Short-term employee benefits	**9**	10

21 NON-ADJUSTING EVENT AFTER THE REPORTING PERIOD

After the end of the reporting period, the directors declared an interim dividend. Further details are disclosed in note 15(a)(i).

REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL REPORT

KPMG

To the board of directors of
CITIC Telecom International Holdings Limited
(Incorporated in Hong Kong with limited liability)

INTRODUCTION

We have reviewed the condensed interim financial report set out on pages 27 to 52, which comprises the consolidated statement of financial position of CITIC Telecom International Holdings Limited (the "Company") and its subsidiaries (together, the "Group") as of 30 June 2026 and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the six-month period then ended and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34, *Interim financial reporting,* as issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this condensed interim financial report in accordance with Hong Kong Accounting Standard 34.

Our responsibility is to express a conclusion, based on our review, on this condensed interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity,* as issued by the Hong Kong Institute of Certified Public Accountants. A review of the condensed interim financial report consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim financial report as at 30 June 2026 is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34, *Interim financial reporting*.

KPMG
Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central
Hong Kong

13 August 2026

STATUTORY DISCLOSURE

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.

DIRECTORS' INTERESTS IN SECURITIES

The interests of the directors of the Company in shares of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) as at 30 June 2026 as recorded in the register required to be kept under section 352 of the SFO were as follows:

Long positions in shares of associated corporation

	Nature of interest	Number of shares	Percentage to the number of issued shares %
CITIC Limited			
Zhao Lei	Beneficial owner	13,000	0.00004
Wang Hua	Beneficial owner	40,000	0.00014

Save as disclosed above, as at 30 June 2026, none of the directors of the Company had nor were they taken to or deemed to have, under Part XV of the SFO, any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations or any interests which are required to be entered into the register kept by the Company pursuant to section 352 of the SFO or any interests which are required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix C3 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2026, the interests of the substantial shareholders, other than the directors of the Company or their respective associates, in the shares, underlying shares and debentures of the Company as recorded in the register of interests in shares and short positions required to be kept under section 336 of the SFO were as follows:

Name	Nature of interest/capacity	Number of shares of the Company *(Note 10)*	Percentage to the number of issued shares *(Note 9)* %
CITIC Group Corporation ("CITIC Group")	Interests in controlled corporations *(Notes 1 and 2)*	2,129,345,175 (L)	57.54
CITIC Limited	Interests in controlled corporations and interests in section 317 concert party agreement *(Notes 2 and 8)*	2,129,345,175 (L)	57.54
CITIC Investment (HK) Limited ("CITIC Investment (HK)")	Interests in a controlled corporation and interests in section 317 concert party agreement *(Notes 3 and 8)*	2,129,345,175 (L)	57.54
Silver Log Holdings Ltd. ("Silver Log")	Beneficial owner and interests in section 317 concert party agreement *(Notes 2, 4 and 8)*	2,129,345,175 (L)	57.54
Ease Action Investments Corp. ("Ease Action")	Beneficial owner and interests in section 317 concert party agreement *(Notes 2, 5 and 8)*	2,129,345,175 (L)	57.54
Richtone Enterprises Inc. ("Richtone")	Beneficial owner and interests in section 317 concert party agreement *(Notes 2, 6 and 8)*	2,129,345,175 (L)	57.54

Notes:

1. CITIC Group is the indirect holding company of CITIC Limited, holding 53.12% interest in CITIC Limited as at 30 June 2026 via two wholly-owned subsidiaries of CITIC Group: CITIC Polaris Limited (holding 27.52% interest in CITIC Limited as at 30 June 2026) and CITIC Glory Limited (holding 25.60% interest in CITIC Limited as at 30 June 2026).

2. CITIC Limited indirectly and wholly owns each of Silver Log, Ease Action, Richtone and Perfect New Holdings Limited ("Perfect New"), which in turn hold direct interests in the Company, as follows:

   Silver Log as to 611,187,500 shares (representing approximately 16.52% interest).
   Ease Action as to 1,241,649,869 shares (representing approximately 33.55% interest).
   Richtone as to 134,841,139 shares (representing approximately 3.64% interest).
   Perfect New as to 141,666,667 shares (representing approximately 3.83% interest).

3. CITIC Investment (HK) directly and wholly owns Silver Log.

4. Silver Log is an indirect wholly-owned subsidiary of CITIC Limited, via the following chain of intermediate holding companies (on a wholly-owned basis at each level): CITIC Corporation Limited and CITIC Investment (HK).

SUBSTANTIAL SHAREHOLDERS (CONTINUED)

Notes: (continued)

5. Ease Action is an indirect wholly-owned subsidiary of CITIC Limited, via the following chain of intermediate holding companies (on a wholly-owned basis at each level): CITIC Pacific Limited ("CITIC Pacific") and CITIC Pacific Communications Limited ("CP Communications"), which is the direct holding company of Ease Action.

6. Richtone is an indirect wholly-owned subsidiary of CITIC Limited, via the following chain of intermediate holding companies (on a wholly-owned basis at each level): CITIC Pacific and CP Communications, which is the direct holding company of Richtone.

7. Perfect New is an indirect wholly-owned subsidiary of CITIC Limited, via the following chain of intermediate holding companies (on a wholly-owned basis at each level): CITIC Pacific and CP Communications, which is the direct holding company of Perfect New.

8. CITIC Limited, CITIC Investment (HK), Ease Action, Richtone and Silver Log are parties to agreements which section 317 of the SFO applies. As such, the interests of Ease Action, Richtone, Silver Log and Perfect New (all being indirect wholly-owned subsidiaries of CITIC Limited) are aggregated for disclosure purpose.

9. "Percentage to the number of issued shares" attributable to CITIC Group and/or its subsidiaries (each a "relevant reporting entity") as presented in the table above has been re-computed by the Company as follows: dividing (a) "the number of shares of the Company" as disclosed by the relevant reporting entity and as recorded in the register of interests in shares and short positions required to be kept under section 336 of the SFO, by (b) the total number of issued shares of the Company as at 30 June 2026 (i.e. 3,700,891,382 shares). Such percentage so re-computed and presented, therefore, may deviate slightly from the percentage as so recorded on the relevant register, due to intervening changes in the total number of issued shares of the Company between the date of the relevant disclosure and 30 June 2026 where such changes may or may not have triggered disclosure by the relevant reporting entity.

10. L denotes the entity's long position in the shares of the Company.

LISTED SECURITIES

There was no movement in the Company's share capital during the six months ended 30 June 2026.

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.

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 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. 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.

UPDATE ON DIRECTORS' INFORMATION PURSUANT TO RULE 13.51B(1) OF THE LISTING RULES

Mr. Wu Jun, an executive director of the Company, has been appointed as President of CEC with effect from 30 April 2026.

Mr. Yang Feng, a non-executive director of the Company, (i) ceased to be a non-independent director of CITIC Pacific Special Steel Group Co., Ltd (a subsidiary of CITIC Limited, listed on the Main Board of the Shenzhen Stock Exchange in the People's Republic of China) with effect from 22 May 2026; and (ii) ceased to be a vice chairman of Nanjing Iron & Steel Co., Ltd. (a subsidiary of CITIC Limited, listed on the Main Board of the Shanghai Stock Exchange in the People's Republic of China) with effect from 20 July 2026.

CORPORATE INFORMATION

HEADQUARTERS AND REGISTERED OFFICE

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Hong Kong

Tel: 2377 8888
Fax: 2376 2063

WEBSITE

www.citictel.com contains a description of the Company's business, copies of the reports to shareholders, announcements, press releases and other information.

STOCK CODES

The Stock Exchange of Hong Kong:	01883
Bloomberg:	1883:HK
Reuters:	1883.HK

SHARE REGISTRAR

Shareholders should contact our Registrar, Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong at 2980 1333, or by fax: 2810 8185, on matters such as transfer of shares, change of name or address, or loss of share certificates.

FINANCIAL CALENDAR

Closure of Register:	8 September 2026 to 11 September 2026
Interim Dividend Payable:	30 September 2026

INTERIM REPORT 2026

The Interim Report is also available on the Company's website at www.citictel.com under "Announcements & Circulars" in the Investors section and HKEXnews website at www.hkexnews.hk.

For Shareholders and Non-registered Shareholders who wish to receive a printed form of the Interim Report, please refer to "Corporate Communication Requests" in the Investors section of the Company's website at www.citictel.com for details.