

Submission for Best Broadband Carrier Award:

a. Innovation in product portfolio and business models

HKBN Group, which runs Hong Kong Broadband Network Limited and HKBN Enterprise Solutions Limited, is Hong Kong's largest provider of residential high speed fibre broadband (symmetrical 100Mbps to 1,000Mbps) services by number of subscriptions, and a fast growing enterprise solutions provider. HKBN has invested over HK\$4 billion to establish its own fibre network across Hong Kong, covering 2.2 million residential home passed, representing approximately 81% of Hong Kong's total residential units, and over 2,300 commercial buildings.

After acquiring New World Telecom in 2016, HKBN has successfully completed the integration of fibre networks of the two companies in 2017, and is able to provide not only increased network capacity, but also two separate platforms for diversity and redundancy. HKBN has expanded to offer a complete range of business-imperative solutions, including broadband and Wi-Fi network services, cloud solutions, data connectivity, data facilities, system integration, voice communications and mobile services. It not only provides enterprise solutions for companies of different sizes and industries, but also works together with global network service providers and global CDN leaders as their local partner in Hong Kong.

To ensure reliable, ultra-high speed network connectivity in the face of soaring demand for 4K OTT entertainment, online gaming and IoT applications, HKBN is the first in Asia Pacific to deploy Huawei's NetEngine 9000 core router, which has increased 6 times the capacity of HKBN's previous network equipment, and is sufficient to meet HKBN's business development needs for the next 5 to 10 years. HKBN also completed network optimization and hub sites upgrade with dedicated CDN bandwidth for OTT application. The outstanding performance of HKBN's broadband service is best showcased by the report of Speedtest by Ookla in June 2017, which named HKBN the fastest broadband provider in Hong Kong (<http://www.speedtest.net/reports/hong-kong/>)

HKBN is the first and only company in Hong Kong offering top-value quad-play (home broadband, home telephone, OTT and mobile services) in one consolidated bill. By working closely with strategic partner TVB, Hong Kong's dominant local TV broadcaster, HKBN offers myTVB Super, TVB's OTT service (with over 50 linear channels and VOD services of local and global content) at disruptively low price.

HKBN deploys its innovative award-winning home gateway (1,000Mbps-enabled fibre broadband and concurrent dualband Wi-Fi with 802.11ac support) into the homes of its residential broadband customers. The device serves as a gateway for smart devices and OTT

set-top boxes, supporting HD voice calls, network phonebooks and remote control functionality for home monitoring systems and connectivity with IoT smart home applications. With the home gateway, HKBN uniquely offers “Wi-Fi Concierge” service to its broadband customers, including home Wi-Fi network set-up, 24/7 technical support hotline, remote diagnosis and trouble shooting services.

b. Business execution

Under HKBN’s Co-Ownership scheme, in which majority of its supervisors and managerial executives have invested their own savings in purchasing HKBN shares, HKBN is run with an “owner” mind set and combined entrepreneurial spirit for outstanding business execution to exceed customer and investor expectations.

HKBN emphasizes leading disruption to break away from legacy market norms, with a view to bringing win-win for all business partnerships and patronage. For example, barter (resources exchange) is allowed as a means of payment by enterprise customers in exchange for HKBN services. Innovative wholesaling approach is adopted for a large number of residential estates (bulk purchase agreements with owner incorporations instead of individual households for HKBN services at competitive prices). AGILE processes are applied in project management to ensure very quick development and delivery of new services.

c. Financial performance

HKBN achieved strong growth in both its residential and enterprise businesses. HKBN Ltd. (HKEX stock code 1310) had strong 16% half-on-half EBITDA growth to HK\$560 million in its 2H2017 results. Revenue continued to grow year-on-year at 16% in FY2017, while enterprise revenue grew 49% to HK\$1,208 million. Enterprise ARPU rose 19% year-on-year in FY2017.

d. Market & technology leadership and customer care

HKBN continues to be the market leader of residential high-speed fibre broadband (symmetrical 100Mbps to 1,000Mbps) services in Hong Kong. HKBN enterprise customer number rose 8% in FY2017 to a total of 54,000. In less than 18 months since the launch of myTV SUPER OTT service, HKBN has reached a sales of 526,000 set-top boxes.

Below are some of the awards HKBN received which reflect the market, technology and customer service leadership of HKBN:

- 3-in-1 home gateway won Gold Prize in the category of Telecommunications Products at the Electronic Industries Award 2016
- Ocean Park Hong Kong App (HKBN as co-developer) won Hong Kong Retail Innovation Award 2017 and 4 Mob-Ex Awards 2017

- The Best SME Partners 2017 – Telecommunication Service Provider presented by *Economic Digest*
- Best SME's Partner Award presented by Hong Kong General Chamber of Small and Medium Business
- Next Top Service Award 2017 – Internet Service Providers (selected by public voting)
- 14 awards from the Hong Kong Call Centre Association Awards

HKBN highly rates the importance of the digitalization of major checkpoints in customer journey. The Group has great online platforms providing highly convenient, one-stop service for news service acquisition, contract renewal, online service support, enquiry and information. Paperless operation transformation has been applied in the residential sales and installation services, and the same in enterprise business is underway.

Submission for Best MVNO Award:

Hong Kong Broadband Network Limited (“HKBN”) entered into Hong Kong’s mobile market as an MVNO in Sep 2016. As Hong Kong’s largest residential high speed fibre broadband (symmetrical 100Mbps to 1,000Mbps) provider, and powered by two mobile carriers SmarTone and China Mobile Hong Kong, HKBN distinctly positions itself to disrupt the mobile market through 1) unprecedented price value (i.e. Superior network performance at tariffs among the lowest in the market); 2) norm-breaking innovative services (to be explained below); and 3) tapping the big residential broadband customer base of over 870,000 households (about 1/3 of the total Hong Kong households) and a fast growing enterprise customer base.

HKBN offers a full range of mobile services plans, from low to high data usage, as well as from low speed (less than 21Mbps running at 3G network) to running at full speed 4.5G network. After the initial stage of a quick build-up of customer base by heavily marketing on the most popular low-usage plans, HKBN has quickly expanded its offerings to mid- to high-usage plans, such as family plans and an innovative 12G plan, which is flexibly upgradable to unlimited use of data, at a price significantly lower than any unlimited data plans in the market. HKBN also offers corporate plans and corporate staff plans to tap into its enterprise customer base. Targeting at current mobile users, HKBN offers further tariff discounts and additional data for: 1) customers porting their numbers from other mobile operators, especially those from mobile brands under Hong Kong’s largest mobile operator HKT; and 2) customers who bundle their mobile services together with home broadband, home telephone and OTT services (quad-play).

On top of mobile services plans, HKBN began to offer the latest models of iPhone and accessories in Dec 2017. With a view to disrupting the roaming data market, HKBN introduced global mobile data service in Mar 2018, beginning with the offer of the free use of HKBN Travel Pocket Wi-Fi (for 10 or 5 days) to new and existing mobile/FTNS customers in its over 1 million customer base.

HKBN is sharp and quick in business execution. New to the mobile business, HKBN formed a dedicated cross-department team to mastermind the launch of its MVNO service, which successfully completed in five short months. Extensive testing and trialling of service experience from existing mobile service providers was done with a view to finding out good and bad experiences for service improvement. AGILE processes were applied to expedite the management of service development. As a result, HKBN's offering is highly market- and customer-focused, bringing about not only competitive prices, but also innovative and top-value services, such as:

- 180 days deferred start bill option (lessens the impact of long contract with other mobile operators)
- 14-day cooling off period (allows customers to try out HKBN services in 14 days or they are free to break away from the signed contract)
- Option of free-to-go plans (vs long-term contracts)
- Easy online registration and online document submission (break the long established industry requirement to verify ID document and receive porting documents in retail outlets)
- Hassle-free SIM delivery (breaks the market norm of getting the SIM at retail outlets, allowing customers to choose to have the SIM cards delivered home, picked up from HKBN sales people or from selected SF-Express shops across Hong Kong)

HKBN Mobile Services has gained significant market share and profitability for itself and its mobile capacity partners. The market has responded overwhelmingly, and HKBN has surpassed its initial target of getting 150,000 customers in the first 12 months with 250,000 registered customers. About 90% of its customers ported in their numbers from other operators, and about 40% were from brands under HKT. HKBN's success has aroused other mobile operators to respond, and, to the benefits of consumers at large, mobile tariffs in Hong Kong have been brought down significantly in the past one year.

HKBN achieved strong growth in its businesses. HKBN Ltd. (HKEX stock code 1310) had strong 16% half-on-half EBITDA growth to HK\$560 million in its 2H2017 results. Revenue continued to grow year-on-year at 16% in FY2017, while enterprise revenue grew 49% to HK\$1,208 million. Enterprise ARPU rose 19% year-on-year in FY2017.