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HKBN Ltd.
香港寬頻有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1310)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 28 FEBRUARY 2026

(Unless otherwise stated, all monetary figures in this announcement are in Hong Kong dollars.)

The board (the "**Board**") of directors (the "**Director(s)**") of HKBN Ltd. (the "**Company**") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the "**Group**") for the six months ended 28 February 2026. These results were based on the unaudited consolidated interim financial statements for the six months ended 28 February 2026, which were prepared in accordance with the Hong Kong Accounting Standard ("**HKAS**") 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**").

ANNOUNCEMENT HIGHLIGHTS

- Total revenue showed a strong performance, increasing by 5% to $6,029 million. Notably, after excluding handsets and other products sales, core service revenue grew by 8%.
- EBITDA increased by 4% to $1,257 million, attributable to strategic initiatives aimed at driving growth and benefiting from strong operational performance.
- Adjusted free cash flow ("**AFF**") grew by 24% to $157 million, attributable to improved EBITDA and reduced bank loan interest payments.
- Net profit amounted to $108 million. During the period, the financing structure was optimised. Although the early retirement of banking facilities incurred a one off expense, interest expenses were significantly reduced, while the core business remained resilient with strong profitability.
- In consideration of the Company's dividend policy and anticipated capital expenditure needs to drive long-term shareholder value, the Board has resolved to declare an interim dividend of 15.5 cents per share (28 February 2025: 15.5 cents per share).

SHAREHOLDER LETTER

Dear Shareholders,

Strategy in Action: From Challenging the Market to Reaching the World

I am pleased to write to you once again with unwavering confidence. Over the past six months, HKBN has made significant progress under our new strategic direction, and the value of our post-acquisition integration is steadily coming through.

We continue to run both our residential and enterprise businesses side by side. This dual-track approach has delivered steady growth and sustained improvements in profitability. Our strategic collaboration with China Mobile is now fully underway, taking shape across five key areas — customers, business, services, resources, and procurement — giving our Group powerful new momentum.

Residential Business: Deepening "Infinite-Play" Strategy, Bringing AI into Daily Life

The success of our "Infinite-Play" strategy speaks for itself. By consistently integrating premium content partners and value-added services, we have strengthened our customer engagement and steadily grown average revenue per household. At the same time, our "Fibre In, Copper Out" network upgrade initiative is in full swing. Built on ultra-fast GigaFast broadband, it has significantly improved customer satisfaction and loyalty.

We are now embedding AI into personalised services — from smart customer support and content recommendations to home management — making technology truly useful in everyday life. Looking ahead, "Infinite-Play" will expand further into gerontechnology, insurance, healthcare, and smart living, using AI to create smarter, more convenient living experiences.

Enterprise Business: Leading Digital Transformation, Empowering Customers to Win in the AI Era

We are becoming the digital partner of choice for businesses expanding into overseas markets. Our MetroNet (Metro Ethernet) service has been upgraded tenfold to 100Gbps, ready to handle the massive data demands of AI, cloud computing and high-volume transactions.

AI is redefining how businesses operate. We offer end-to-end AI solutions — spanning smart customer service, data analytics, content generation, and industry-specific applications — helping clients in government, finance, healthcare, logistics, and other sectors embrace AI and drive digital transformation.

To navigate the competitive landscape of the intelligent era, we are proactively positioning ourselves with a forward-looking vision. Through the HKBN InnoTech Ecosystem Alliance (iTEA), we bring together leading technology providers alongside our proprietary management platforms and GigaFast Business broadband solutions — building a strong foundation to drive sustainable growth for our enterprise business.

AI at the Core — Powering Smarter Operations, Driving Sustainable Growth

AI is not just for our customers — it is also playing a vital role within HKBN. We are integrating AI into network management and customer service, delivering improvements in both efficiency and service quality.

From building computing infrastructure to deploying smart applications, and from empowering our people to elevating customer experiences, AI is injecting fresh momentum into HKBN — creating sustainable, long-term competitive advantages.

Three Growth Strategies

Today, HKBN is more confident and capable than ever in becoming a leading force in digital services — fully supporting the development of digital infrastructure in Hong Kong and across the Greater Bay Area. Our direction is clear, and our three growth strategies are steadily being delivered:

- **Strengthening Network Capabilities:** with greater resources and more proactive investment, we are actively expanding our network footprint across Hong Kong

- **Enhancing Customer Service:** driving the "Fibre In, Copper Out" initiative and upgrading fibre equipment to enhance service quality and improve the user experience

- **Enriching smart services:** deepening our system integration capabilities and embedding AI into more scenarios, delivering smarter, more efficient digital solutions for both enterprise and residential customers

These strategic initiatives all share a single goal: creating long-term value for our stakeholders.

Rooted in Hong Kong, Reaching the World

The National 15th Five-Year Plan and the accelerating integration of the Greater Bay Area present real opportunities for us.

"Rooted in Hong Kong, Connected to the Greater Bay Area, Reaching the World" is our strategic compass — the principle guiding every action we take. We will continue to bring in world-leading technologies, deepen our synergies, accelerate the integration of AI into our core business, and help Hong Kong enterprises expand globally.

With more resources and a more proactive approach, we are committed to delivering sustainable, long-term returns for all our stakeholders.

Sincerely yours,

LING Hao
Chairman and Executive Director

Hong Kong, 24 April 2026

KEY FINANCIAL AND OPERATIONAL SUMMARY

Table 1: Financial highlights

	For the six months ended		
	28 February 2026	28 February 2025	**Change YoY**
Key financials *($'000)*			
Revenue	**6,029,202**	5,734,269	+5%
– Enterprise Solutions	**2,807,608**	2,549,534	+10%
– Enterprise Solutions related products	**1,012,202**	892,191	+13%
– Residential Solutions	**1,158,200**	1,165,568	-1%
– Handsets and other products	**1,051,192**	1,126,976	-7%
Profit for the period	**107,672**	107,560	+0%
EBITDA [1,2]	**1,256,500**	1,206,122	+4%
Adjusted Free Cash Flow [1,3]	**157,078**	126,186	+24%
Reconciliation of EBITDA & Adjusted Free Cash Flow [1,2,3]			
Profit for the period	**107,672**	107,560	+0%
Amortisation of customer acquisition and retention costs	**144,566**	142,259	+2%
Amortisation of intangible assets	**170,701**	177,859	-4%
Depreciation	**388,760**	411,210	-5%
Finance costs	**378,831**	366,024	+3%
Income tax expense	**72,396**	5,506	>100%
Interest income	**(6,426)**	(4,296)	+50%
EBITDA	**1,256,500**	1,206,122	+4%
Capital expenditure	**(269,744)**	(238,513)	+13%
Changes in working capital	**(209,093)**	(100,391)	>100%
Customer acquisition and retention costs	**(133,601)**	(130,493)	+2%
Income tax paid	**(151,033)**	(162,603)	-7%
Lease payment in relation to right-of-use assets	**(85,219)**	(91,603)	-7%
Net interest paid	**(250,732)**	(356,333)	-30%
Adjusted Free Cash Flow	**157,078**	126,186	+24%

KEY FINANCIAL AND OPERATIONAL SUMMARY (CONTINUED)

Table 2: Operational highlights

	For the six months ended			
	28 February 2026	31 August 2025	28 February 2025	**Change YoY**
Enterprise business				
Commercial building coverage	**8,266**	8,220	8,183	+1%
Subscriptions *('000)*				
– Broadband	**107**	107	109	-2%
– Voice	**326**	335	347	-6%
Residential business				
Residential homes passed *('000)*	**2,659**	2,646	2,614	+2%
Subscriptions *('000)*				
– Broadband	**916**	907	900	+2%
– Voice	**275**	290	314	-12%
Mobile business				
Subscriptions *('000)*	**169**	181	197	-14%
Total full-time permanent staff	**3,636**	3,670	3,741	-3%

Notes:

(1) EBITDA and AFF are not measures of performance under HKFRS Accounting Standards. These measures do not represent, and should not be used as substitutes for, net income or cash flows from operations as determined in accordance with HKFRS Accounting Standards. These measures are not necessarily an indication of whether cash flow will be sufficient to fund our cash requirements. In addition, our definitions of these measures may not be comparable to other similarly titled measures used by other companies.

(2) EBITDA means profit for the period plus amortisation of customer acquisition and retention costs, amortisation of intangible assets (net of direct cost incurred in corresponding period), depreciation, finance costs, and income tax expense, less interest income.

(3) AFF means EBITDA less capital expenditure, customer acquisition and retention costs, income tax paid, lease payments in relation to right-of-use assets, net interest paid and changes in working capital. Working capital includes other non-current assets, inventories, trade receivables, other receivables, deposits and prepayments, contract assets, amount due from/to a joint venture, trade payables (including amount utilised for supply chain financing), other payables and accrued charges (trade related only), contract liabilities, and deposits received.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

In the first half of FY26, our Group demonstrated exceptional business resilience and strategic execution. Despite ongoing geopolitical uncertainties and a challenging macroeconomic environment, total revenue grew steadily at 5%, underscoring the competitive strength of our business model.

Enterprise Solutions

Our Enterprise Solutions business continued to serve as the core growth engine, with revenue rising significantly by 11% to $3,820 million, reflecting strong market demand for our solutions. Within this segment, the international direct dialling wholesale business was a key contributor, generating approximately $730 million in revenue. As enterprises accelerate their digital transformation, our expertise in AI is delivering substantial value and further strengthening our market leadership.

Following the strategic launch of our GigaFast broadband services last year — offering high-speed connectivity ranging from 2.5Gbps to 25Gbps, the number of enterprise customers using GigaFast broadband services exceeded 18,000, representing a 2.1-fold increase year-on-year. Residential customers using GigaFast broadband services grew by 43% year-on-year to nearly 114,000. This flagship service has not only positioned Hong Kong at the forefront of the multi-gigabit era but also laid a solid foundation for its smart city development.

Building on this momentum, a key enabler has been the HKBN InnoTech Ecosystem Alliance (iTEA). Since its establishment in January 2025, iTEA has become a strategic pillar of our business development. By bringing together top-tier technology providers on this powerful platform to drive innovation, iTEA strengthens our position in the Guangdong-Hong Kong-Macao Greater Bay Area (GBA), while providing comprehensive support for enterprises in their cross-border expansion and digital transformation. Looking ahead, we will continue to deepen strategic partnerships with industry leaders to enhance service value and market competitiveness.

A recent illustration of our partnerships in action is a strategic cooperation framework agreement signed with the Beijing Research Institute of Telemetry (BRIT). By combining BRIT's cutting-edge aerospace telemetry capabilities with our superior network resources, extensive customer base, and digital solutions, we are jointly exploring commercial applications in the low-altitude economy, smart cities, and the Internet of Things. This aligns with the national "Aerospace-Land-Sea Integration Strategy" and supports the digital infrastructure development of the GBA.

Residential Solutions

Turning to our Residential Solutions business, this segment maintained steady growth, with revenue stable at $1,158 million. Total residential broadband subscriptions reached 916,000, while network coverage expanded by 2% to 2.66 million households across Hong Kong, reinforcing our leadership position in the city's residential broadband market.

This stable performance was underpinned by our unique "Infinite-Play" strategy, which focuses on premium content partnerships and value-added services to deepen customer engagement. As Hong Kong's network provider offering the widest selection of OTT streaming platforms, HKBN brings together leading services such as Netflix, Disney+, myTV SUPER, iQIYI, HBO Max, and WeTV, as well as music platforms JOOX and KKBOX, to create a comprehensive entertainment ecosystem. This enhances user engagement and loyalty, driving a 3% increase in average revenue per household to $218.

Beyond content, the "Infinite-Play" strategy has now extended into healthcare to address holistic customer needs. This year, in partnership with the Pain Management Centre under EC Healthcare — Hong Kong's largest non-hospital medical service provider — we launched a "Comprehensive Pain Management Service Plan". Combining advanced equipment with professional team support, this plan offers relief solutions for common urban pain conditions, contributing to improved health and quality of life.

Alongside healthcare, we are also promoting technology adoption at the individual user level. In line with this, we launched Hong Kong's first OpenClaw AI application solution, guided by the principle of "Education First, Widespread Application". This offering provides individual users with professional installation, skills training, and security protection, helping them take their first confident steps into AI adoption.

Financial Performance

Against this operational backdrop, network costs and cost of sales increased by 7% to $3,974 million, consistent with revenue growth. Other operating expenses decreased by 3% to $1,499 million, primarily due to a $27 million reduction in depreciation and amortisation, together with other cost-saving measures.

Finance costs increased by 3% to $379 million, mainly reflecting non-recurring refinancing-related items, including a $129 million loss from the write-off of unamortised transaction fees arising from early retirement of banking facilities, and a $24 million decrease in the fair value gain on interest rate swap contracts. This impact was partially offset by a $137 million reduction in interests and finance charges on bank loans, benefiting from lower HIBOR and interest rate spread.

Income tax increased from $6 million to $72 million, primarily attributable to a reduction in the recognition of deferred tax assets arising from unused tax losses of the Group's subsidiary.

As a result of the above factors, profit attributable to equity shareholders remained stable. EBITDA increased by 4% to $1,257 million, attributable to strategic initiatives aimed at driving growth and benefiting from strong operational performance.

Adjusted free cash flow increased by 24% to $157 million, primarily due to a $50 million increase in EBITDA, a $106 million reduction in net interest paid, and a $12 million decrease in income tax paid, partially offset by a $31 million increase in capital expenditure and a $109 million increase in working capital outflow.

OUTLOOK

Over the past six months, the Group delivered solid performance, reaffirming HKBN's competitive advantage anchored in our unique network infrastructure. With AI becoming increasingly prevalent in both personal and enterprise applications, we stand at the forefront of technology and are confident in our future business development. We will continue to strengthen our dual-growth engine model of "Network + AI" to capture market opportunities presented by AI.

In terms of infrastructure development, we will fully leverage our network infrastructure and service capabilities — including GigaFast broadband services of up to 25Gbps and MetroNet services of up to 100Gbps — to provide a robust technical support platform for the digital transformation of enterprise and residential customers.

In FY26, we will focus on driving adoption of GigaFast high-speed broadband services in the household and SME markets, continuing to expand our GigaFast subscriber base. At the same time, we will advance our "Fibre In, Copper out" network experience upgrade programme, prioritising customer upgrades to 2.5Gbps fibre networks. This will not only significantly enhance customer satisfaction but also effectively reduce network maintenance costs.

Turning to our Enterprise business, through the HKBN iTEA, we are deeply integrating core network connectivity services with cutting-edge cybersecurity, cloud, and AI solutions. This enables us to provide enterprise customers with end-to-end digital transformation services that support their business growth. As more enterprises expand overseas, demand is notably increasing in areas such as cross-border network connectivity, data centre hosting, and system integration services. Leveraging the over 60 years of industry experience accumulated by JOS, which we acquired in 2019, HKBN has built robust enterprise-grade system integration capabilities that are highly recognised by our core customer base. We will address key challenges enterprises face during overseas expansion — including network infrastructure deployment and cross-border business coordination — by offering one-stop solutions to fully support their global market expansion.

In our Residential business, we will continue to deepen our "Infinite-Play" strategy, integrating technological innovation with lifestyle and entertainment to create smarter, more convenient living experiences for residential customers. The "Infinite-Play" offering will continue to expand into new areas such as gerontechnology, insurance, healthcare, and smart living, further embedding itself into customers' daily lives and enhancing user loyalty.

Finally, through our strong and complementary partnership with China Mobile, we are committed to delivering an even better network experience, superior customer service, and a richer product portfolio, thereby strengthening our market leadership and creating greater customer value.

We will continue to solidify our operational foundation and build a more resilient business model, combining steady progress with innovative momentum to lead the Company towards sustainable long-term growth.

LIQUIDITY AND CAPITAL RESOURCES

As at 28 February 2026, the Group had total cash and cash equivalents of $995 million (31 August 2025: $1,192 million) and gross debt of $11,271 million (31 August 2025: $11,416 million), which led to a net debt position of $10,276 million (31 August 2025: $10,224 million). Lease liabilities of $329 million (31 August 2025: $392 million) was included as debt as at 28 February 2026 in accordance with the term of the Group's various loan facilities. The Group's gearing ratio, which was expressed as a ratio of the gross debt over total equity, was 5.3x as at 28 February 2026 (31 August 2025: 5.0x).

The Group's net debt to EBITDA ratio as computed in accordance with the term of the Group's various loan facilities was approximately 4.6x as at 28 February 2026 (31 August 2025: 4.7x). The average finance cost calculated as the interest and coupon charges over the average borrowing balance was 5.1% (31 August 2025: 6.2%). The average weighted maturity of the Group's borrowings was 4.7 years as at 28 February 2026 (31 August 2025: 3.0 years).

Cash and cash equivalents consisted of cash at bank and in hand. There was no pledged bank deposit as at 28 February 2026 and 31 August 2025. As at 28 February 2026, the Group had an undrawn revolving credit facility of $1,574 million (31 August 2025: $1,470 million).

Under the liquidity and capital resources condition as at 28 February 2026, the Group can fund its capital expenditures and working capital requirements for the year with internal resources and the available banking facilities.

HEDGING

The Group's policy is to partially hedge the interest rate risk arising from the variable interest rates of the debt instruments and facilities by entering into interest-rate swaps. The Group Chief Executive Officer and Chief Financial Officer are primarily responsible for overseeing the hedging activities. Under their guidance, the Group's finance team is responsible for planning, executing and monitoring the hedging activities.

The Group would not enter into hedging arrangements for speculative purposes. The Group entered into an interest-rate swap arrangement in the principal amount of $5,250 million with an international financial institution for a term of 2.5 years from 1 June 2023 to 24 November 2025. Benefiting from the hedging arrangement, the Group fixed the HIBOR interest rate exposure at 3.95% per annum up to November 2025. As at 28 February 2026, the Group had not entered into any new hedging arrangements.

The interest-rate swap arrangement is recognised initially at fair value and remeasured at the end of each reporting period. Neither of the financial instruments qualify for hedge accounting under HKFRS 9, *Financial instruments*, and therefore, it is accounted for as held for trading and measured at fair value through profit or loss.

CHARGE ON GROUP ASSETS

As at 28 February 2026, the Group pledged assets to secure the other borrowings of $66 million (31 August 2025: $38 million).

CONTINGENT LIABILITIES

As at 28 February 2026, the Group had total contingent liabilities of $279 million (31 August 2025: $271 million) in respect of bank guarantees provided to suppliers and customers and utility vendors in lieu of payment of utility deposits. The increase of $8 million was mainly due to an increase in performance guarantee issued to the Group's suppliers and customers.

EXCHANGE RATES

All the Group's monetary assets and liabilities are primarily denominated in either Hong Kong dollars ("**HKD**") or United States dollars ("**USD**"). Given the exchange rate of the HKD to the USD has remained close to the current pegged rate of HKD7.80 = USD1.00 since 1983, management does not expect significant foreign exchange gains or losses between the two currencies. The Group is also exposed to a certain amount of foreign exchange risk based on fluctuations between HKD and Renminbi arising from its operations. In order to limit this foreign currency risk exposure, the Group ensures that the net exposure is kept to an acceptable level of buying or selling foreign currencies at spot rates where necessary to address it.

SIGNIFICANT INVESTMENTS, ACQUISITIONS AND DISPOSALS

The Group did not make any significant investments, acquisitions or disposals in relation to its subsidiaries and associated companies during the six months ended 28 February 2026.

STAFF REMUNERATION

As at 28 February 2026, the Group had 3,636 permanent full-time staff (31 August 2025: 3,670 staff). The Group provides a remuneration package consisting of basic salary, bonus and other benefits. Bonus payments are discretionary and dependent on both the Group's and individual performances. The Group also provides comprehensive medical insurance coverage, competitive retirement benefits schemes, and staff training programmes.

INTERIM DIVIDEND

The Company seeks to provide stable and sustainable returns to the shareholders of the Company (the "**Shareholders**"). In determining the dividend amount, the Board will follow the Company's dividend policy and take into account the Group's financial performance, investment and funding requirements, early debt repayment, prevailing economic and market conditions, and other factors that the Board may consider relevant and appropriate. In general, the Company targets to pay dividends in an amount of not less than 75% of the adjusted free cash flow. The Board will review the dividend policy and payout ratio as appropriate from time to time.

Consistent with the Company's dividend policy stated above, the Board has resolved to declare the payment of an interim dividend of 15.5 cents per share for the six months ended 28 February 2026 (28 February 2025: 15.5 cents per share) to the Shareholders whose names appear on the register of members of the Company on Tuesday, 2 June 2026. The interim dividend will be payable in cash on or around Wednesday, 10 June 2026.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to the interim dividend, the register of members of the Company will be closed from Friday, 29 May 2026 to Tuesday, 2 June 2026, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the interim dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration no later than 4:30 p.m. on Thursday, 28 May 2026.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the six months ended 28 February 2026, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares, if any).

REVIEW OF INTERIM FINANCIAL INFORMATION

The Audit Committee of the Company has reviewed with the management and the external auditor the unaudited interim results of the Group for the six months ended 28 February 2026, the accounting principles and practices adopted by the Group, as well as discussion on auditing, internal control and financial reporting matters of the Group.

The unaudited interim financial information of the Group for the six months ended 28 February 2026 has been reviewed by the Company's external auditor 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 and reviewed by the Audit Committee of the Company.

CORPORATE GOVERNANCE

The Company has complied with all the code provisions contained in the "Corporate Governance Code" set out in Appendix C1 to the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") during the six months ended 28 February 2026.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the "Model Code for Securities Transactions by Directors of Listed Issuers" (the "**Model Code**") set out in Appendix C3 to the Listing Rules as its code of conduct regarding securities transactions by the Directors.

Having made specific enquiries with the Directors, they confirmed that they had complied with the Model Code throughout the six months ended 28 February 2026.

SUBSEQUENT EVENT

No significant events occurred after the end of the reporting period.

PUBLICATION OF INTERIM RESULTS ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.hkbnltd.net). The interim report of the Company for the six months ended 28 February 2026 will be despatched to the Shareholders and made available on the same websites in due course.

By order of the Board
HKBN Ltd.
LING Hao
Chairman

Hong Kong, 24 April 2026

As at the date of this announcement, the Board comprises:

Executive Directors
Mr. LING Hao *(Chairman)*
Mr. LI Xin
Mr. LEI Liqun

Independent Non-executive Directors
Ms. CHEUNG Ming Ming Anna
Ms. CHUNG Cordelia
Ms. CHUNG Kit Yi Kitty

Non-executive Director
Mr. LUO Weimin

Where the English and the Chinese texts conflict, the English text prevails.

CONSOLIDATED INCOME STATEMENT

FOR THE SIX MONTHS ENDED 28 FEBRUARY 2026

		Six months ended	
		28 February	28 February
		2026	2025
	Note	***$'000***	*$'000*
Revenue	*3*	**6,029,202**	5,734,269
Other net income	*4(a)*	**2,149**	5,801
Network costs and costs of sales		**(3,973,896)**	(3,719,688)
Other operating expenses	*4(b)*	**(1,498,556)**	(1,541,292)
Finance costs	*4(d)*	**(378,831)**	(366,024)
Profit before taxation	*4*	**180,068**	113,066
Income tax expense	*5*	**(72,396)**	(5,506)
Profit for the period attributable to equity shareholders of the Company		**107,672**	107,560
Earnings per share			
Basic	*6*	**7.3 cents**	8.2 cents
Diluted	*6*	**7.3 cents**	7.3 cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 28 FEBRUARY 2026

	Six months ended	
	28 February 2026	28 February 2025
	$'000	*$'000*
Profit for the period	**107,672**	107,560
Other comprehensive income for the period		
Item that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements of subsidiaries outside Hong Kong, with nil tax effect	**3,615**	(11,716)
Other comprehensive income for the period	**3,615**	(11,716)
Total comprehensive income for the period attributable to equity shareholders of the Company	**111,287**	95,844

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 28 FEBRUARY 2026

	Note	**At 28 February 2026 *$'000***	At 31 August 2025 *$'000*
Non-current assets			
Goodwill		**7,816,507**	7,816,507
Intangible assets		**1,861,244**	2,012,209
Property, plant and equipment		**3,092,998**	3,154,104
Right-of-use assets		**472,672**	534,464
Customer acquisition and retention costs		**423,954**	434,919
Deferred tax assets		**127,875**	181,437
Other non-current assets		**52,803**	52,585
		13,848,053	14,186,225
Current assets			
Inventories		**134,782**	92,861
Trade receivables	*7*	**1,048,552**	976,438
Other receivables, deposits and prepayments		**442,993**	440,253
Contract assets		**381,928**	364,580
Amount due from a joint venture		**255**	230
Cash and cash equivalents		**994,698**	1,192,160
		3,003,208	3,066,522
Current liabilities			
Trade payables, other payables and accrued charges	*8*	**2,029,853**	2,078,745
Contract liabilities		**572,886**	583,301
Deposits received		**138,298**	136,796
Amount due to a joint venture		**6,074**	15,744
Bank and other borrowings		**151,175**	4,239,769
Lease liabilities		**144,896**	144,813
Tax payable		**41,333**	124,942
Financial liabilities at fair value through profit or loss		**–**	14,071
		3,084,515	7,338,181
Net current liabilities		**(81,307)**	(4,271,659)
Total assets less current liabilities		**13,766,746**	9,914,566

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

AT 28 FEBRUARY 2026

	Note	**At 28 February 2026** **$'000**	At 31 August 2025 *$'000*
Non-current liabilities			
Contract liabilities		**157,670**	153,583
Deferred tax liabilities		**465,806**	514,418
Lease liabilities		**184,240**	246,897
Provision for reinstatement costs		**67,148**	67,997
Bank and other borrowings		**10,774,360**	6,645,920
		11,649,224	7,628,815
NET ASSETS		**2,117,522**	2,285,751
CAPITAL AND RESERVES			
Share capital		**149**	149
Reserves		**2,117,373**	2,285,602
TOTAL EQUITY		**2,117,522**	2,285,751

NOTES TO THE UNAUDITED CONSOLIDATED INTERIM FINANCIAL INFORMATION:

1 BASIS OF PREPARATION

The unaudited consolidated interim financial information set out in this announcement does not constitute the Group's interim financial report for the six months ended 28 February 2026 but is extracted from that interim financial report which 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 24 April 2026.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the annual financial statements of the Group for the year ended 31 August 2025, 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 an 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 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 annual financial statements for the year ended 31 August 2025. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with HKFRS Accounting Standards.

The interim financial report is unaudited, but has been reviewed by 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.

2 CHANGES IN ACCOUNTING POLICIES

The Group has applied the amendments to HKAS 21, *The effects of changes in foreign exchange rates — Lack of exchangeability*, issued by the HKICPA to these financial statements for the current accounting period. The amendments do not have a material impact on these financial statements as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

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

3 REVENUE AND SEGMENT REPORTING

The principal activities of the Group are (i) provision of fixed telecommunications network services, international telecommunications services and mobile services to residential and enterprise customers in Hong Kong, (ii) system integration services, (iii) product sales and (iv) marketing and distribution of computer hardware and software, telecommunication products, office automation products and the provision of related services.

(a) Disaggregation of revenue

Revenue represents revenue from (i) fixed telecommunications network services, international telecommunications services and mobile services to residential and enterprise customers in Hong Kong, (ii) system integration services, (iii) product sales and (iv) marketing and distribution of computer hardware and software, telecommunication products, office automation products and the provision of related services.

Disaggregation of revenue from contracts with customers by major categories is as follows:

	Six months ended	
	28 February 2026	28 February 2025
	$'000	*$'000*
Disaggregated by major products or service lines:		
Fixed telecommunications network services	**2,368,365**	2,321,022
International telecommunications services	**755,767**	590,071
Other services	**141,046**	155,168
Fees from provision of telecommunications services	**3,265,178**	3,066,261
Product revenue	**2,063,394**	2,019,167
Technology solution and consultancy services	**700,630**	648,841
Revenue from contracts with customers within the scope of HKFRS 15	**6,029,202**	5,734,269

3 REVENUE AND SEGMENT REPORTING (CONTINUED)

(a) Disaggregation of revenue (Continued)

	Six months ended	
	28 February 2026	28 February 2025
	$'000	*$'000*
Disaggregated by major categories:		
Residential Solutions revenue	**1,158,200**	1,165,568
Enterprise Solutions revenue	**2,807,608**	2,549,534
Enterprise Solutions related products revenue	**1,012,202**	892,191
Handsets and other products revenue	**1,051,192**	1,126,976
	6,029,202	5,734,269

During the six months ended 28 February 2026 and 28 February 2025, product revenue is recognised at a point in time and revenue from the provision of telecommunications services is substantially recognised over time.

One customer of the Group contributed 16.0% of the Group's total revenue for the six months ended 28 February 2026 (six months ended 28 February 2025: 19.0%).

(b) Segment reporting

The Group's most senior executive management reviews the Group's internal reporting for the purposes of assessing the performance and allocates the resources of the Group by geographical location. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purpose of resources allocation and performance assessment, the Group has presented the following two reportable segments. No operating segments have been aggregated to form the following reportable segments.

(i) Telecom and technology solutions (Hong Kong)

Include provision of fixed telecommunications network services, international telecommunications services, mobile services to residential and enterprise customers and technology-related services in Hong Kong.

(ii) Telecom and technology solutions (non-Hong Kong)

Include the provision of telecommunications and technology solutions and consultancy services in Chinese Mainland and Macau.

3 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting (Continued)

(iii) Segment results, assets and liabilities

The Group's senior executive management monitors the performance attributable to each reportable segment on the following basis:

The segment revenue of the Group is based on geographical location of customers. Income and expenses are allocated to the reportable segments with reference to revenue generated by those segments and expenses incurred by those segments or which otherwise arisen from the depreciation or amortisation of assets attributable to those segments. The inter-segment transactions are conducted on normal commercial terms and are priced with reference to prevailing market prices and in the ordinary course of business.

The performance measure used for reporting segment profit is earnings before finance costs, interest income, income tax, depreciation, amortisation of intangible assets (net of direct cost incurred) and amortisation of customer acquisition and retention costs.

In addition to receiving segment information concerning the reportable segment profit, management is provided with segment information concerning inter-segment sales, interest income and expense from cash balances and borrowings managed directly by the segments, depreciation, amortisation, capital expenditures and income tax.

Inter-segment sales are priced with reference to prices charged to external parties for similar orders.

Segment assets and liabilities of the Group are not reported to the Group's chief operating decision makers regularly. As a result, reportable assets and liabilities have not been presented in the financial statements.

3 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting (Continued)

(iii) Segment results, assets and liabilities (Continued)

Disaggregation of revenue from contracts with customers by timing of revenue recognition, as well as information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the period is set out below.

For the six months ended	Telecom and technology solutions (Hong Kong)		Telecom and technology solutions (non-Hong Kong)		Total	
	28 February 2026	28 February 2025	**28 February 2026**	28 February 2025	**28 February 2026**	28 February 2025
	$'000	*$'000*	***$'000***	*$'000*	***$'000***	*$'000*
Reportable segment revenue	**5,481,217**	5,229,561	**689,828**	639,487	**6,171,045**	5,869,048
Inter-segment revenue	**(19,363)**	(15,937)	**(122,480)**	(118,842)	**(141,843)**	(134,779)
Revenue from external customers	**5,461,854**	5,213,624	**567,348**	520,645	**6,029,202**	5,734,269
Disaggregated by timing of revenue recognition						
Point in time	**1,616,787**	1,604,198	**446,607**	414,969	**2,063,394**	2,019,167
Over time	**3,845,067**	3,609,426	**120,741**	105,676	**3,965,808**	3,715,102
Revenue from external customers	**5,461,854**	5,213,624	**567,348**	520,645	**6,029,202**	5,734,269
Reportable segment profit	**1,217,419**	1,169,223	**39,081**	36,899	**1,256,500**	1,206,122

(iv) Reconciliation between segment profit derived from Group's external customers and consolidated profit before taxation for the period

	Six months ended	
	28 February 2026	28 February 2025
	$'000	*$'000*
Reportable segment profit derived from Group's external customers	**1,256,500**	1,206,122
Finance costs	**(378,831)**	(366,024)
Interest income	**6,426**	4,296
Depreciation	**(388,760)**	(411,210)
Amortisation of intangible assets	**(170,701)**	(177,859)
Amortisation of customer acquisition and retention costs	**(144,566)**	(142,259)
Consolidated profit before taxation	**180,068**	113,066

4 PROFIT BEFORE TAXATION

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

	Six months ended 28 February 2026	28 February 2025
	$'000	*$'000*
(a) Other net income		
Interest income	**(6,426)**	(4,296)
Net foreign exchange loss	**11,585**	2,788
Gain on disposal of property, plant and equipment, net	**(6,251)**	(887)
Gain on disposal of right-of-use assets, net	**(154)**	(77)
Other income	**(903)**	(3,329)
	(2,149)	(5,801)
(b) Other operating expenses		
Advertising and marketing expenses	**19,002**	16,132
Depreciation		
– Property, plant and equipment	**313,842**	331,200
– Right-of-use assets	**74,918**	79,936
Recognition of loss allowance on trade receivables and contract assets	**30,205**	27,618
Staff costs *(note 4(c))*	**499,248**	491,095
Amortisation of intangible assets	**170,701**	177,859
Amortisation of customer acquisition and retention costs	**144,566**	142,259
Others	**246,074**	275,193
– Rental and utilities	**23,957**	30,713
– Site expenses	**43,332**	43,655
– Bank handling charges	**19,240**	17,661
– Maintenance	**35,739**	32,319
– Subscription and license fees	**49,928**	51,157
– Legal and professional fees	**9,309**	41,058
– Printing, telecommunication and logistics expenses	**17,249**	18,092
– Others	**47,320**	40,538
	1,498,556	1,541,292

4 PROFIT BEFORE TAXATION (CONTINUED)

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

(c) Staff costs

	Six months ended	
	28 February 2026	28 February 2025
	$'000	*$'000*
Salaries, wages and other benefits	**681,307**	670,893
Contributions to defined contribution retirement plan	**64,962**	56,845
	746,269	727,738
Less: Staff costs capitalised as property, plant and equipment	**(36,812)**	(40,896)
Staff costs capitalised as intangible assets	**(19,732)**	–
Staff costs capitalised as customer acquisition and retention costs	**(92,743)**	(89,797)
Staff costs included in network costs and cost of sales	**(97,734)**	(105,950)
	499,248	491,095

Staff costs include all compensation and benefits paid to and accrued for all individuals employed by the Group, including directors.

(d) Finance costs

	Six months ended	
	28 February 2026	28 February 2025
	$'000	*$'000*
Interest and finance charges on bank loans	**245,019**	382,501
Interest on other borrowings	**469**	515
Interest on lease liabilities	**9,858**	12,260
Interest on other liabilities	**–**	95
Fair value gain on interest-rate swap	**(5,252)**	(29,347)
Loss on early retirement of banking facilities	**128,737**	–
	378,831	366,024

4 PROFIT BEFORE TAXATION (CONTINUED)

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

(e) Other items

	Six months ended	
	28 February 2026	28 February 2025
	$'000	*$'000*
Amortisation of intangible assets#	**170,701**	198,899
Depreciation		
– Property, plant and equipment#	**313,842**	331,200
– Right-of-use assets#	**74,918**	80,010
Rental charges on telecommunications facilities and computer equipment	**301,143**	291,709
Expenses relating to short-term leases and leases of low-value assets	**5,380**	3,965
Recognition of loss allowance on trade receivables and contract assets#	**30,205**	27,618
Cost of inventories	**1,944,438**	1,938,433
Write-down of inventories	**906**	4,060

Include amounts disclosed separately in note 4(b) above.

5 INCOME TAX EXPENSE

(a) Taxation in the consolidated income statement represents:

	Six months ended	
	28 February 2026	28 February 2025
	$'000	*$'000*
Current tax — Hong Kong Profits Tax	**(62,270)**	(69,500)
Current tax — Outside Hong Kong	**(5,136)**	(5,205)
Deferred tax	**(4,990)**	69,199
	(72,396)	(5,506)

The provision for Hong Kong Profits Tax is calculated at 16.5% for the six months ended 28 February 2026 (six months ended 28 February 2025: 16.5%) of the estimated assessable profits for the period.

During the six months ended 28 February 2025, one subsidiary of the Group which was qualifying corporation under the two tiered profit tax rate regime. For this subsidiary, the first $2 million of assessable profits were taxed at 8.25% and the remaining assessable profits were taxed at 16.5%.

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

5 INCOME TAX EXPENSE (CONTINUED)

(b) Pillar Two income tax

The Group 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 liable 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 and certain other jurisdictions. Management assessed that the exposure arising from top-up tax to be immaterial.

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

6 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 $107,672,000 (six months ended 28 February 2025: $107,560,000) and the weighted average number of ordinary shares in issue calculated as follows:

	Six months ended	
	28 February 2026	28 February 2025
	'000	*'000*
Issued ordinary shares at 1 September	**1,478,921**	1,311,599
Less: lapsed/unvested shares held for the Co-Ownership Plan II Restricted Share Units	**(760)**	(760)
Weighted average number of ordinary shares in issue during the period	**1,478,161**	1,310,839

6 EARNINGS PER SHARE (CONTINUED)

(b) Diluted earnings per share

During the six months ended 28 February 2026, diluted earnings per share is calculated on the same basis as basic earnings per share as there is no dilutive potential ordinary shares in existence.

During the six months ended 28 February 2025, the calculation of diluted earnings per share was based on the profit attributable to ordinary equity shareholders of the Company of $107,560,000 and the weighted average number of ordinary shares in issue less shares held for the Co-Ownership Plan II after adjusting for the dilutive effect of the Vendor Loan Notes, calculated as follows:

	Six months ended 28 February 2025 *'000*
Weighted average number of ordinary shares less shares held for the Co-Ownership Plan II	1,310,839
Add: effect of the Vendor Loan Notes	167,322
Weighted average number of ordinary shares (diluted)	1,478,161

7 TRADE RECEIVABLES

As of the end of the reporting period, the ageing analysis of trade receivables, based on the invoice date and net of loss allowance, is as follows:

	At 28 February 2026 ***$'000***	At 31 August 2025 *$'000*
Within 30 days	**434,131**	425,766
31 to 60 days	**237,584**	229,529
61 to 90 days	**134,363**	98,551
Over 90 days	**242,474**	222,592
	1,048,552	976,438

The majority of the Group's trade receivables is due within 30-90 days from the date of billing.

8 TRADE PAYABLES, OTHER PAYABLES AND ACCRUED CHARGES

	At 28 February 2026	At 31 August 2025
	$'000	*$'000*
Trade payables and related accruals	**1,414,430**	1,364,638
Other payables and accrued charges	**615,423**	714,107
	2,029,853	2,078,745

As of the end of the reporting period, the ageing analysis of trade payables and related accruals, based on the invoice date, is as follows:

	At 28 February 2026	At 31 August 2025
	$'000	*$'000*
Within 30 days	**980,635**	857,152
31 to 60 days	**195,293**	184,870
61 to 90 days	**118,892**	145,713
Over 90 days	**119,610**	176,903
	1,414,430	1,364,638

9 DIVIDENDS

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

	Six months ended	
	28 February 2026	28 February 2025
	$'000	*$'000*
Interim dividend declared after the interim period of 15.5 cents per ordinary share (six months ended 28 February 2025: 15.5 cents per ordinary share) *(Note)*	**229,233**	229,233

Note: The amount of 2026 proposed interim dividend is based on the 1,478,921,568 (2025: 1,478,921,568) ordinary shares in issue as at the date of this interim result announcement.

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

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

	Six months ended	
	28 February 2026	28 February 2025
	$'000	*$'000*
Final dividend in respect of the previous financial year, approved and paid during the following interim period, of 18.9 cents per ordinary share (six months ended 28 February 2025: 16.5 cents per ordinary share)	**279,516**	216,414