Hutchison Telecom
Hong Kong Holdings

2018 Interim Report

Hutchison Telecommunications Hong Kong Holdings Limited
和記電訊香港控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code : 215)

A member of CK Hutchison Holdings

Corporate Information

BOARD OF DIRECTORS

Chairman and Non-executive Director

FOK Kin Ning, Canning, BA, DFM, FCA (ANZ)

Deputy Chairman and Non-executive Director

LUI Dennis Pok Man(1), BSc

Executive Director

WOO Chiu Man, Cliff(2), BSc
Chief Executive Officer

Non-executive Directors

LAI Kai Ming, Dominic, BSc, MBA
(also Alternate to FOK Kin Ning, Canning and Edith SHIH)

Edith SHIH, BSE, MA, MA, EdM, Solicitor, FCIS, FCS(PE)

MA Lai Chee, Gerald, BCom, MA
(Alternate to LAI Kai Ming, Dominic)

Independent Non-executive Directors

CHEONG Ying Chew, Henry, BSc, MSc
(also Alternate to WONG Yick Ming, Rosanna)

LAN Hong Tsung, David, GBS, ISO, JP

WONG Yick Ming, Rosanna, PhD, DBE, JP

AUDIT COMMITTEE

CHEONG Ying Chew, Henry *(Chairman)*

LAN Hong Tsung, David

WONG Yick Ming, Rosanna

REMUNERATION COMMITTEE

LAN Hong Tsung, David *(Chairman)*

FOK Kin Ning, Canning

CHEONG Ying Chew, Henry

COMPANY SECRETARY

Edith SHIH, BSE, MA, MA, EdM, Solicitor, FCIS, FCS(PE)

AUDITOR

PricewaterhouseCoopers

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited

Standard Chartered Bank (Hong Kong) Limited

Notes:

(1) Re-designated as Co-Deputy Chairman and Non-executive Director on 1 August 2018

(2) Re-designated as Co-Deputy Chairman and Non-executive Director on 1 August 2018 and accordingly Mr Koo Sing Fai be appointed as Executive Director and Chief Executive Officer on 1 August 2018

Contents

•	Corporate Information
2	Highlights
3	Chairman's Statement
5	Management Discussion and Analysis
9	Group Capital Resources and Other Information
12	Disclosure of Interests
16	Share Option Scheme
17	Corporate Governance
18	Changes in Information of Directors
19	Report on Review of Condensed Consolidated Interim Financial Statements
20	Condensed Consolidated Income Statement
21	Condensed Consolidated Statement of Comprehensive Income
22	Condensed Consolidated Statement of Financial Position
23	Condensed Consolidated Statement of Changes in Equity
24	Condensed Consolidated Statement of Cash Flows
25	Notes to the Condensed Consolidated Interim Financial Statements
43	Glossary
•	Information for Shareholders

Highlights

	For the six months ended 30 June 2018 HK$ million	For the six months ended 30 June 2017 HK$ million	1H 2018 vs 1H 2017 Change
Revenue	4,021	3,117	+29%
Service revenue	1,843	1,944	-5%
Hardware revenue	2,178	1,173	+86%
EBITDA	601	644	-7%
EBIT	195	215	-9%
Profit attributable to shareholders from continuing operations	198	112	+77%
Earnings per share from continuing operations (in HK cents)	4.11	2.32	+77%
Interim dividend per share (in HK cents)	3.10	3.90	-21%

- Revenue increased 29% to HK$4,021 million, mainly as a result of increase in hardware revenue.
- EBITDA decreased 7% to HK$601 million. The decrease was mainly as a result of lower local service margin in a competitive environment. This was partially offset by lower overall operating expenses with capitalisation of certain variable costs, after adoption of the IFRS 15 accounting standard[1] from the beginning of 2018.
- Profit attributable to shareholders from continuing operations increased 77% to HK$198 million mainly because of the above mentioned reasons together with savings in fixed assets depreciation expense following an accelerated depreciation exercise in 2017 plus higher interest income from cash proceeds in October 2017, subsequent to disposal of the fixed-line business.
- Earnings per share from continuing operations was 4.11 HK cents.
- Interim dividend per share is 3.10 HK cents.

Note 1: The Group has adopted IFRS 15 Revenue from Contracts with Customers from 1 January 2018 which resulted in changes in accounting policies. In previous reporting periods, the incremental costs of obtaining telecommunications service contracts were recognised in the consolidated income statement when incurred. Under IFRS 15, certain of these incremental costs are required to be capitalised as an asset when incurred, and amortised over the contract period. Please refer to Note 4 of this interim report for further details.

Chairman's Statement

Hutchison Telecommunications Hong Kong Holdings Limited ("the Company") and its subsidiaries (together referred to as "the Group") reported financial results for the first half of 2018 after operating in a competitive mobile market. The Group focuses on developing innovative products and services to meet ever-changing market needs, while constantly enhancing the overall customer experience and stimulating service revenue growth.

Results

Revenue increased 29% to HK$4,021 million for the first half of 2018 from HK$3,117 million in the first half of 2017. Profit attributable to shareholders from continuing operations for the first half of 2018 amounted to HK$198 million, an improvement of 77% compared with HK$112 million in the first half of 2017.

Basic earnings per share from continuing operations for the first half of 2018 was 4.11 HK cents, compared with 2.32 HK cents for the first half of 2017.

Dividend

The Board has declared payment of an interim dividend of 3.10 HK cents (30 June 2017: 3.90 HK cents) per share for the first half of 2018, payable on Monday, 3 September 2018 to shareholders whose names appear on the Register of Members of the Company at the close of business on Thursday, 23 August 2018, being the record date for determining shareholders' entitlement to the interim dividend. The Board expects total full-year dividend payout to be equivalent to 75% of annual profit attributable to shareholders.

The Board decided not to declare any special dividend for the present, and will continue to evaluate opportunities to utilise cash proceeds from disposal of the fixed-line business in order to enhance shareholder value. If no such opportunity is identified, a special dividend will be considered by the Board for the year ending 31 December 2018.

Business Review

Revenue for the first half of 2018 was HK$4,021 million, a 29% increase compared with HK$3,117 million for the first half of 2017. The increase was mainly attributable to an 86% increase in hardware revenue to HK$2,178 million for the first half of 2018 from HK$1,173 million for the first half of 2017. This was the result of greater demand for the latest smartphones rolling over from the last quarter of 2017.

Service revenue for the first half of 2018 was HK$1,843 million, a decrease of 5% compared with HK$1,944 million in the first half of 2017. The decrease was mainly due to a 7% drop in local service revenue and a 16% drop in Macau roaming service revenue, partially offset by a 9% increase in Hong Kong roaming service revenue. The strategy of developing leisure roaming services was well executed and has produced encouraging results since the second quarter of 2017. Roaming revenue amounted to 19% of service revenue for the first half of 2018. Net customer service margin was stablised at 91%.

EBITDA for the first half of 2018 was HK$601 million, a 7% decrease compared with HK$644 million in the first half of 2017. The decrease was mainly the result of lower local service margin as mentioned earlier, partially offset by lower overall operating expenses with capitalisation of certain variable costs, following adoption of the IFRS 15 accounting standard from the beginning of 2018. Service EBITDA margin for the first half of 2018 was maintained at approximately 31%.

EBIT for the first half of 2018 was HK$195 million, a 9% decrease compared with HK$215 million in the first half of 2017, mainly the result of above-mentioned reasons plus additional amortisation of capitalised variable costs after adoption of the IFRS 15 accounting standard. This was partially offset by saving in fixed assets depreciation expense following an accelerated depreciation exercise in 2017.

As of 30 June 2018, the total number of customers being served in Hong Kong and Macau was approximately 3.4 million (31 December 2017: approximately 3.3 million), with growth mainly came from the Hong Kong market. Postpaid customers accounted for 44% (31 December 2017: 45%) of the total customers. Monthly churn rate of postpaid customers was kept at 1.2% during the first half of 2018 (1H 2017: 1.2%), while blended postpaid gross ARPU decreased 4% to HK$222 for the first half of 2018 from HK$232 in the first half of 2017. This was a result of fierce market competition in local data tariff packages.

Outlook

The telecommunications industry is navigating a period of change and complexity brought about by the imminent arrival of new 5G era. The industry is therefore focusing on identifying and capitalising on new service and revenue opportunities, while boosting efficiency. It is against this backdrop that the Group has embarked on a journey of digital transformation to streamline and automate internal processes and IT – all with the overarching aim of preparing the Group for the new 5G era.

Despite the fierce market competition, the Group is well placed to enhance every aspect of its mobile business. Continued collaboration with carriers within the CKHH Group, along with IoT and big data solution vendors, content providers and top-tier global and regional operators, will help create yet more revenue opportunities and higher returns for shareholders. Proceeds from disposal of the fixed-line business places the Group in a strong financial position to pursue expansion and investment opportunities that promise to enhance shareholder value.

With effect from 1 August 2018, Mr Woo Chiu Man, Cliff, the Company Chief Executive Officer, will take up the post of President Director at PT. Hutchison 3 Indonesia, a mobile telecommunications subsidiary of CKHH. Mr Koo Sing Fai will be appointed as Chief Executive Officer of the Company as replacement. The Board would like to express its appreciation to Mr Woo for his contributions to the Group over the years and extend a warm welcome to Mr Koo.

On behalf of the Group, I would like to thank the Board and all staff members for their dedication, professionalism and contributions.

FOK Kin Ning, Canning
Chairman

Hong Kong, 25 July 2018

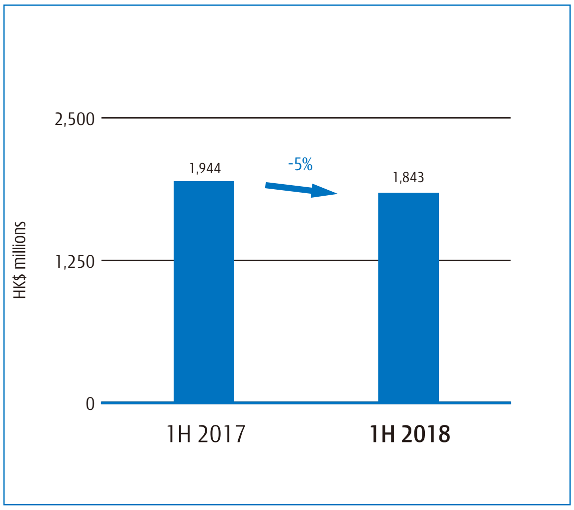
Management Discussion and Analysis

Business Highlights

	For the six months ended 30 June 2018 HK$ million	For the six months ended 30 June 2017 HK$ million	Favourable/ (unfavourable) Change
Revenue	4,021	3,117	+29%
- Net customer service revenue	1,843	1,944	-5%
- Local service revenue	1,494	1,615	-7%
- Roaming service revenue	349	329	+6%
- Hardware revenue	2,178	1,173	+86%
- Bundled sales revenue	339	339	-
- Standalone handset sales revenue	1,839	834	+121%
Net customer service margin	1,681	1,815	-7%
Net customer service margin %	*91%*	*93%*	*-2% points*
Standalone handset sales margin	22	17	+29%
Total CACs	(412)	(468)	+12%
Less: Bundled sales revenue	339	339	-
Total CACs (net of handset revenue)	(73)	(129)	+43%
Operating expenses and staff costs	(1,065)	(1,090)	+2%
Operating expenses and staff costs as a % of net customer service margin	*63%*	*60%*	*-3% points*
EBITDA	601	644	-7%
Service EBITDA	579	627	-8%
Service EBITDA margin %	*31%*	*32%*	*-1% point*
Depreciation and amortisation	(381)	(407)	+6%
EBIT	195	215	-9%
Service EBIT	173	198	-13%
CAPEX	(282)	(197)	-43%
EBITDA less CAPEX	319	447	-29%

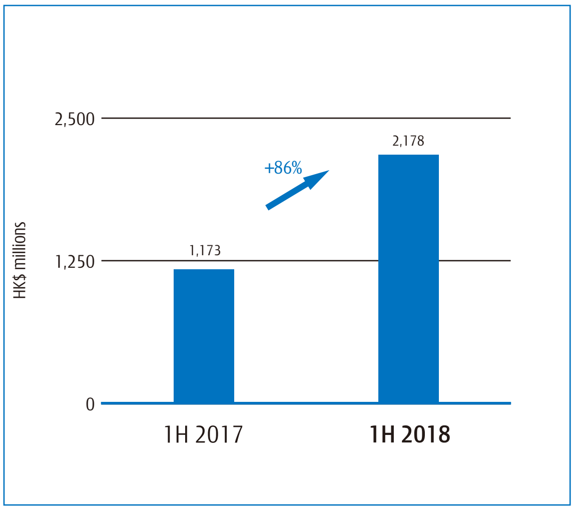
Revenue for the first half of 2018 was HK$4,021 million, a 29% increase compared with HK$3,117 million for the same period in 2017. This was attributable to higher hardware revenue generated by greater demand for new smartphones rolling over from the last quarter of 2017. Service revenue for the first half of 2018 was HK$1,843 million, a 5% decrease compared with HK$1,944 million in the first half of the previous year. Local service revenue for the first half of 2018 recorded a decrease of 7% at a time of intense market competition. Roaming revenue rallied in the first half of 2018 and improved 6% compared with that of the first half of 2017, following launch of innovative roaming packages during the period.

Service revenue



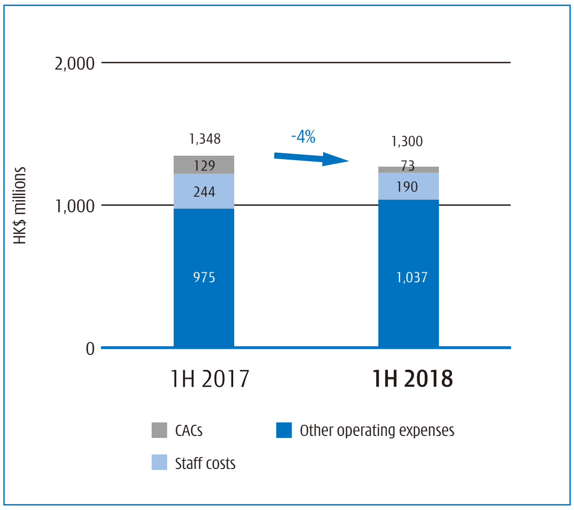
Hardware revenue for the first half of 2018 was HK$2,178 million, an increase of 86% from HK$1,173 million in the first half of 2017, resulting from greater demand for the latest smartphones rolling over from the last quarter of 2017.

Hardware revenue



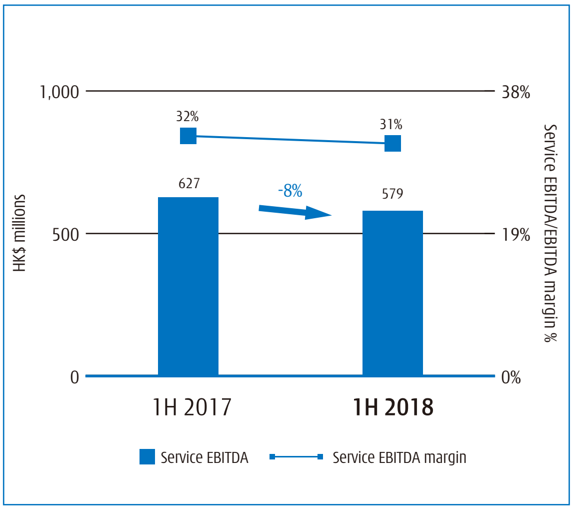
Total CACs, staff costs and other operating expenses for the first half of 2018 amounted to HK$1,300 million, a decrease of 4% from HK$1,348 million in the first half of 2017. The decrease was mainly a result of capitalisation of certain variable costs after adoption of IFRS 15 as well as continued efficiency enhancement and stringent expenditure control.

Key cost items



Service EBITDA for the first half of 2018 was HK$579 million, an 8% decrease compared with HK$627 million for the same period in 2017. This reflected keen market competition in local data tariff packages. Service EBITDA margin was 31%.

Service EBITDA



Depreciation and amortisation for the first half of 2018 amounted to HK$381 million compared with HK$407 million in the first half of 2017. This decrease was mainly the result of savings of HK$137 million from depreciation of mobile fixed assets after an accelerated depreciation exercise involving certain 2G and 3G fixed assets in 2017, partially offset by additional amortisation charges of capitalised variable costs after adoption of the IFRS 15 accounting standard.

EBIT for the first half of 2018 was HK$195 million, 9% lower than the HK$215 million reported for the first half of 2017.

Key Performance Indicators

	For the six months ended 30 June 2018	For the six months ended 30 June 2017	Favourable/ (unfavourable) Change
Number of postpaid customers ('000)	1,499	1,486	+1%
Number of prepaid customers ('000)	1,915	1,782	+7%
Total customers ('000)	3,414	3,268	+4%
Postpaid customers to the total customer base (%)	44%	45%	-1% point
Postpaid customers' contribution to the net customer service revenue (%)	91%	91%	-
Monthly churn rate of postpaid customers (%)	1.2%	1.2%	-
Postpaid gross ARPU (HK$)	222	232	-4%
Postpaid net ARPU (HK$)	188	198	-5%
Postpaid net AMPU (HK$)	172	184	-7%

As of 30 June 2018, the total number of customers being served in Hong Kong and Macau was approximately 3.4 million (31 December 2017: approximately 3.3 million), with growth mainly came from the Hong Kong market. Postpaid customers accounted for 44% (31 December 2017: 45%) of the total customers. Monthly churn rate of postpaid customers was kept at 1.2% during the first half of 2018 (1H 2017: 1.2%), while blended postpaid gross ARPU decreased 4% to HK$222 for the first half of 2018 from HK$232 in the first half of 2017. This was a result of fierce market competition in local data tariff packages.

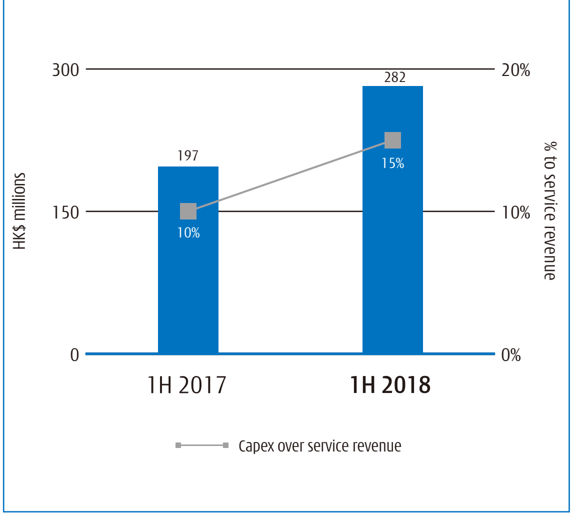
Net Interest and Other Finance Income

Net interest and other finance income amounted to HK$79 million for the first half of 2018 compared with expenses of HK$37 million for the same period in 2017. The increase in net interest and other finance income was the result of interest income generated from the cash proceeds subsequent to disposal of the fixed-line business together with savings from interest and other finance costs after repayment of bank borrowings in early 2018. As of 30 June 2018, the Group recorded a net cash position of HK$9,491 million.

Capital Expenditure

Capital expenditure on property, plant and equipment for the first half of 2018 amounted to HK$282 million (1H 2017: HK$197 million), focusing on long-term investment in quality enhancement and capacity expansion on our advanced 4.5G mobile network. Expenditure during the first half of 2018 accounted for 15% (1H 2017: 10%) of service revenue. The Group scrutinises capital expenditure carefully to ensure all spending is revenue driven.

Capex



Summary of spectrum investment as of 30 June 2018

Spectrum band	Bandwidth	Year of expiry
Hong Kong		
900 MHz	10 MHz	2026
900 MHz	16.6 MHz	2020
1800 MHz	23.2 MHz	2021
2100 MHz	29.6 MHz	2031
2300 MHz	30 MHz	2027
2600 MHz	30 MHz*	2024
2600 MHz	10 MHz*	2028
Macau		
900 MHz	15.6 MHz	2023
1800 MHz	28.8 MHz	2023
2100 MHz	10 MHz	2023

** Shared under 50/50 joint venture – Genius Brand Limited*

Group Capital Resources and Other Information

Treasury Management

The Group's treasury function sets financial risk management policies in accordance with policies and procedures that are approved by the Executive Director, and which are also subject to periodic review by the Group's internal audit function. The Group's treasury policies are designed to mitigate the impact of fluctuations in interest rates and exchange rates on the Group's overall financial position and to minimise the Group's financial risks. The Group's treasury function operates as a centralised service for managing financial risks, including interest rate and foreign exchange risks, and for providing cost-efficient funding to the Group and its companies. It manages the majority of the Group's funding needs, interest rate, foreign currency and credit risk exposures. The Group uses interest rate and foreign currency swaps and forward contracts as appropriate for risk management purposes only, for hedging transactions and for managing the Group's assets and liabilities' exposure to interest rate and foreign exchange rate fluctuations. It is the Group's policy not to enter into derivative transactions for speculative purposes. It is also the Group's policy not to invest liquidity in financial products, including hedge funds or similar vehicles.

Cash management and funding

The Group operates a central cash management system for all of its subsidiaries. In general, financing is mainly derived from operating income to meet funding requirements of the operating subsidiaries of the Group. The Group regularly and closely monitors its overall cash position and determines when external source of finance is needed.

Foreign currency exposure

The Group runs telecommunications operations principally in Hong Kong, with transactions denominated in Hong Kong dollars. The Group is exposed to other currency movements, primarily in terms of certain trade receivables or payables and bank deposits denominated in United States dollars, Macau Patacas, Renminbi, Euros and British pounds.

Credit exposure

The Group's holdings of surplus funds with financial institutions expose the Group to credit risk of counterparties. The Group controls its credit risk to non-performance by its counterparties through monitoring their share price movements and credit ratings as well as setting approved counterparty credit limits that are regularly reviewed.

Capital and Net Debt

As at 30 June 2018, the Group recorded share capital of HK$1,205 million and total equity of HK$16,082 million.

The cash and cash equivalents of the Group amounted to HK$9,491 million as at 30 June 2018 (31 December 2017: HK$13,717 million), 99% of which were denominated in Hong Kong dollars with remaining in various other currencies. The bank loan of HK$3,900 million under loan facilities maturing in 2019 was fully prepaid in January 2018.

As at 30 June 2018, the consolidated net cash of the Group was HK$9,491 million (31 December 2017: HK$9,817 million).

Charges on Group Assets

As at 30 June 2018 and 31 December 2017, except for all of the shares of a joint venture owned by the Group which were pledged as security in favour of the joint venture partner under a cross share pledge arrangement, no material asset of the Group was under any charge.

Borrowing Facilities Available

The Group has no committed borrowing facilities as at 30 June 2018 (31 December 2017: HK$900 million available but not drawn).

Contingent Liabilities

As at 30 June 2018, the Group provided performance and other guarantees of HK$5 million (31 December 2017: HK$5 million).

Commitments

As at 30 June 2018, the Group had total capital commitments of property, plant and equipment amounting to HK$266 million (31 December 2017: HK$444 million).

As at 30 June 2018, the Group had total operating lease commitments for building and other assets amounting to HK$264 million (31 December 2017: HK$335 million).

A subsidiary of the Group acquired various blocks of spectrum bands for the provision of telecommunications services in Hong Kong, certain of which over various assignment years up to year 2021. The licence fee for certain spectrum bands was charged on 5% of the network revenue or the Appropriate Fee (as defined in the Unified Carrier Licence), whichever is greater. The net present value of the Appropriate Fee has already been recorded as licence fee liabilities.

Corporate Strategy

The strategy of the Group is to deliver sustainable returns with solid financial fundamentals, so as to enhance long-term total return for shareholders. Please refer to the Chairman's Statement and Management Discussion and Analysis for discussions and analyses of the performance of the Group and the basis on which the Group generates or preserves value over the longer term and the strategy for delivering the objectives of the Group.

Past Performance and Forward-looking Statements

The performance and the results of operations of the Group contained in this interim report are historical in nature, and past performance is no guarantee for the future results of the Group. Any forward-looking statements and opinions contained in this interim report are based on current plans, estimates and projections, and therefore involve risks and uncertainties. Actual results may differ materially from expectations presented in such forward-looking statements and opinions. The Group, the Directors, employees and agents of the Group assume (a) no obligation to correct or update the forward-looking statements or opinions contained in this interim report; and (b) no liability in the event that any of the forward-looking statements or opinions do not materialise.

Human Resources

As at 30 June 2018, the Group employed 1,158 (31 December 2017: 1,099) full-time mobile staff members and on average 1,165 (30 June 2017: 1,308) mobile staff members during the six months ended 30 June 2018. Staff costs during the six months ended 30 June 2018, including directors' emoluments, totalled HK$190 million (30 June 2017: HK$244 million).

The Group fully recognises the importance of high-quality human resources in sustaining market leadership. Salary and benefits are kept at competitive levels, while individual performance is rewarded within the general framework of the salary, bonus and incentive system of the Group, which is reviewed annually. Employees are provided with a wide range of benefits that include medical coverage, provident funds and retirement plans, long-service awards and a share option plan. The Group stresses the importance of staff development and provides training programmes on an ongoing basis. Employees are also encouraged to play an active role in community care activities.

Environmental, Social and Governance Responsibility

The Group is committed to the long-term sustainability of its businesses and the communities with which it engages. It delivers quality products and services to its customers by managing its businesses prudently, while executing management decisions with due care and attention. The Group demonstrates a strong sense of corporate social responsibility and believes such a commitment helps strengthen its relationship with the community. Operating as a sound corporate citizen through sponsorship and supporting socially-responsible projects at company level, the Group is committed to bringing positive impact to the general welfare of the community.

Review of Interim Financial Statements

The unaudited condensed consolidated interim financial statements of the Group for the six months ended 30 June 2018 have been reviewed by the auditor of the Company, PricewaterhouseCoopers, in accordance with International Standard on Review Engagements 2410 – "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the International Auditing and Assurance Standards Board. The independent review report of the auditor will be included in the Interim Report to shareholders. The unaudited condensed consolidated interim financial statements of the Group for the six months ended 30 June 2018 has also been reviewed by the Audit Committee of the Company.

Record Date for Interim Dividend

The record date for the purpose of determining shareholders' entitlement to the interim dividend is Thursday, 23 August 2018. In order to qualify for the interim dividend payable on Monday, 3 September 2018, all transfers, accompanied by the relevant share certificates, must be lodged with the Hong Kong Share Registrar of the Company (Computershare Hong Kong Investor Services Limited at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong) for registration no later than 4:30 pm on Thursday, 23 August 2018.

Purchase, Sale or Redemption of Listed Securities

During the six months ended 30 June 2018, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the listed securities of the Company.

Disclosure of Interests

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures

As at 30 June 2018, the interests and short positions of the Directors and Chief Executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which had been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the HTHKH Securities Code were as follows:

(I) Interests and short positions in the shares, underlying shares and debentures of the Company

Long positions in the shares and underlying shares of the Company

Directors	Capacity	Nature of interests	Number of shares held	Approximate % of shareholding
Fok Kin Ning, Canning	Interest of a controlled corporation	Corporate interest	1,202,380 *(Note)*	0.0250%
Lui Dennis Pok Man	Beneficial owner	Personal interest	9,100,000	0.1888%
Woo Chiu Man, Cliff	Beneficial owner	Personal interest	2,001,333	0.0415%

Note:

Such ordinary shares were held by a company which is equally controlled by Mr Fok Kin Ning, Canning and his spouse.

(II) Interests and short positions in the shares, underlying shares and debentures of the associated corporations of the Company

Long positions in the shares, underlying shares and debentures of the associated corporations of the Company

Mr Fok Kin Ning, Canning had, as at 30 June 2018, the following interests:

(i) corporate interests in 5,111,438 ordinary shares, representing approximately 0.13% of the issued voting shares, in CKHH;

(ii) 5,100,000 ordinary shares, representing approximately 0.03% of the issued voting shares, in Hutchison Telecommunications (Australia) Limited comprising personal and corporate interests in 4,100,000 ordinary shares and 1,000,000 ordinary shares respectively; and

(iii) family interests in 26,740 ordinary shares, representing approximately 0.04% of the issued voting shares, in Hutchison China MediTech Limited ("Chi-Med"), held by his spouse.

Mr Fok Kin Ning, Canning held the above personal interests in his capacity as a beneficial owner and held the above corporate interests through a company which is equally controlled by Mr Fok and his spouse.

Mr Woo Chiu Man, Cliff had, as at 30 June 2018, 8,892 ordinary shares, representing approximately 0.0002% of the issued voting shares, in CKHH, comprising personal interests in 3,420 ordinary shares held in his capacity as a beneficial owner and family interests in 5,472 ordinary shares held by his spouse.

Mr Lai Kai Ming, Dominic in his capacity as a beneficial owner had, as at 30 June 2018, personal interests in 34,200 ordinary shares, representing approximately 0.0008% of the issued voting shares, in CKHH.

Ms Edith Shih had, as at 30 June 2018, the following interests:

(i) 57,187 ordinary shares, representing approximately 0.0014% of the issued voting shares, in CKHH, comprising personal interests in 52,125 ordinary shares held in her capacity as a beneficial owner and family interests in 5,062 ordinary shares held by her spouse;

(ii) personal interests in 70,000 ordinary shares and 100,000 American depositary shares (each representing 0.5 ordinary shares), in aggregate representing approximately 0.18% of the issued voting shares, in Chi-Med held in her capacity as a beneficial owner; and

(iii) personal interests in (a) a nominal amount of US$300,000 in the 7.625% Notes due 2019 issued by Hutchison Whampoa International (09) Limited; and (b) a nominal amount of US$250,000 in the 4.625% Notes due 2022 issued by Hutchison Whampoa International (11) Limited held in her capacity as a beneficial owner.

Dr Lan Hong Tsung, David in his capacity as a beneficial owner had, as at 30 June 2018, personal interests in 13,680 ordinary shares, representing approximately 0.0003% of the issued voting shares, in CKHH.

Save as disclosed above, as at 30 June 2018, none of the Directors or Chief Executive of the Company and their respective associates had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which had to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she was taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required, pursuant to the HTHKH Securities Code, to be notified to the Company and the Stock Exchange.

Interests and Short Positions of Shareholders Discloseable under the SFO

So far as the Directors and Chief Executive of the Company are aware, as at 30 June 2018, other than the interests and short positions of the Directors and Chief Executive of the Company as disclosed above, the following persons had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange:

(I) Interests and short positions of substantial shareholders in the shares and underlying shares of the Company

Long positions in the shares of the Company

Names	Capacity	Number of shares held	Approximate % of shareholding
Hutchison Telecommunications Holdings Limited ("HTHL")	Beneficial owner	512,961,149 (1)	10.64%
Hutchison Telecommunications Investment Holdings Limited ("HTIHL")	Beneficial owner	2,619,929,104 (1)	65.01%
	Interest of a controlled corporation	512,961,149 (1)	
CK Hutchison Global Investments Limited ("CKHGI")	Interest of controlled corporations	3,132,890,253 (1)	65.01%
CKHH	Interest of controlled corporations	3,184,982,840 (1)(2)	66.09%

(II) Interests and short positions of other persons in the shares and underlying shares of the Company

Long positions in the shares of the Company

Names	Capacity	Number of shares held	Approximate % of shareholding
Yuda Limited ("Yuda")	Beneficial owner	350,527,953 (3)	7.27%
Mayspin Management Limited ("Mayspin")	Interest of controlled corporations	403,979,499 (4)	8.38%
Li Ka-shing ("Mr Li")	Founder of discretionary trusts	153,280 (5))	
	Interest of controlled corporations	403,979,499 (4))	8.38%

Notes:

(1) HTHL is a direct wholly-owned subsidiary of HTIHL, and its interests in the share capital of the Company are duplicated in the interests of HTIHL. HTIHL in turn is a direct subsidiary of CKHGI, which in turn is a direct wholly-owned subsidiary of CKHH. By virtue of the SFO, CKHH and CKHGI were deemed to be interested in the 2,619,929,104 ordinary shares of the Company held by HTIHL and the 512,961,149 ordinary shares of the Company held by HTHL.

(2) Certain wholly-owned subsidiaries of Cheung Kong (Holdings) Limited ("Cheung Kong (Holdings)") hold 52,092,587 ordinary shares of the Company. Cheung Kong (Holdings) is a direct wholly-owned subsidiary of CKHH. By virtue of the SFO, CKHH and Cheung Kong (Holdings) were deemed to be interested in the 52,092,587 ordinary shares of the Company held by certain wholly-owned subsidiaries of Cheung Kong (Holdings).

(3) Yuda is a direct wholly-owned subsidiary of Mayspin, which in turn is a company wholly-controlled by Mr Li. The interests held by Yuda are duplicated in the interests of Mayspin.

(4) Mayspin is a company wholly-controlled by Mr Li and is interested in 53,451,546 ordinary shares of the Company which are held through certain of its direct wholly-owned subsidiaries and 350,527,953 ordinary shares of the Company which are held by Yuda. Such interests held by Mayspin are duplicated in the interests of Mr Li.

(5) Mr Li is the settlor of each of two discretionary trusts ("DT3"and "DT4"). Each of Li Ka-Shing Castle Trustee Corporation Limited ("TDT3", which is the trustee of DT3) and Li Ka-Shing Castle Trustcorp Limited ("TDT4", which is the trustee of DT4) holds units in The Li Ka-Shing Castle Trust ("UT3") but is not entitled to any interest or share in any particular property comprising the trust assets of the said unit trust. The discretionary beneficiaries of each of DT3 and DT4 are, inter alia, Mr Li Tzar Kuoi, Victor, his wife and children, and Mr Li Tzar Kai, Richard. Li Ka-Shing Castle Trustee Company Limited ("TUT3") as trustee of UT3 holds 153,280 ordinary shares of the Company.

The entire issued share capital of TUT3 and the trustees of DT3 and DT4 are owned by Li Ka-Shing Castle Holdings Limited ("Castle Holdco"). Mr Li and Mr Li Tzar Kuoi, Victor are respectively interested in one-third and two-thirds of the entire issued share capital of Castle Holdco, TUT3 is interested in the shares of the Company by reason only of its obligation and power to hold interests in those shares in its ordinary course of business as trustee and, when performing its functions as trustee, exercises its power to hold interests in the shares of the Company independently without any reference to Castle Holdco or any of Mr Li and Mr Li Tzar Kuoi, Victor as a holder of the shares of Castle Holdco as aforesaid. Each of the trustee of DT3 and DT4 holds units in UT3 but is not entitled to any interest or share in any shares of the Company comprising the trust assets of UT3.

As Mr Li may be regarded as a founder of each of DT3 and DT4 for the purpose of the SFO, and by virtue of the above, Mr Li is taken to have a duty of disclosure in relation to the 153,280 ordinary shares of the Company held by TUT3 as trustee of UT3 under the SFO as a substantial shareholder of the Company.

Save as disclosed above, as at 30 June 2018, there was no other person (other than the Directors and Chief Executive of the Company) who had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange.

Share Option Scheme

On 6 April 2009, the Company conditionally adopted a share option scheme (the "Share Option Scheme") for the grant of options to acquire ordinary shares in the share capital of the Company. The Share Option Scheme is valid and effective during the period commencing on 21 May 2009 and ending on 20 May 2019, being the date falling 10 years from the date on which the Share Option Scheme became unconditional.

Particulars of share options outstanding under the Share Option Scheme at the beginning and at the end of the financial period for the six months ended 30 June 2018 and share options granted, exercised, cancelled or lapsed under the Share Option Scheme during such period were as follows:

Category of participants	Date of grant of share options[1]	Number of share options held as at 1 January 2018	Granted during the six months ended 30 June 2018	Exercised during the six months ended 30 June 2018	Lapsed/ cancelled during the six months ended 30 June 2018	Number of share options held as at 30 June 2018	Exercise period of share options	Exercise price of share options[2] HK$	Price of share of the Company prior to the grant date of share options[3] HK$	Price of share of the Company prior to the exercise date of share options HK$
Employees in aggregate	1.6.2009	200,000	-	-	-	200,000	1.6.2009 to 31.5.2019 (both dates inclusive)	1.00	0.96	N/A
Total		200,000	-	-	-	200,000				

Notes:

(1) *The share options were vested in three tranches, approximately one-third each on 1 June 2009, 23 November 2009 and 23 November 2010 respectively, so long as the grantee remained an Eligible Participant (as defined in the Share Option Scheme) on each vesting date.*

(2) *The exercise price of the share options is subject to adjustment in accordance with the provisions of the Share Option Scheme.*

(3) *The stated price was the closing price of the shares of the Company on the Stock Exchange on the trading day immediately prior to the date of the grant of the share options.*

As at 30 June 2018, the Company had 200,000 share options outstanding under the Share Option Scheme.

No share option was granted under the Share Option Scheme during the six months ended 30 June 2018.

Corporate Governance

The Company strives to attain and maintain high standards of corporate governance best suited to the needs and interests of the Group as it believes that an effective corporate governance framework is fundamental to promoting and safeguarding interests of shareholders and other stakeholders and enhancing shareholder value. Accordingly, the Company has adopted and applied corporate governance principles and practices that emphasise a quality Board, effective risk management and internal controls systems, stringent disclosure practices, transparency and accountability. It is, in addition, committed to continuously improving these practices and inculcating an ethical corporate culture.

Compliance with the Corporate Governance Code

The Company has complied throughout the six months ended 30 June 2018 with all code provisions of the Corporate Governance Code contained in Appendix 14 of the Listing Rules, other than those in respect of the nomination committee. The Company has considered the merits of establishing a nomination committee but is of the view that it is in the best interests of the Company that the Board collectively reviews, determines and approves the structure, size and composition of the Board as well as the appointment of any new Director, as and when appropriate. The Board is tasked with ensuring that it has a balanced composition of skills and experience appropriate for the requirements of the businesses of the Group and that appropriate individuals with relevant expertise and leadership qualities are appointed to the Board to complement the capabilities of existing Directors. In addition, the Board as a whole is also responsible for reviewing the succession plan for Directors, including the Chairman of the Board and the Chief Executive Officer.

Compliance with the Model Code for Securities Transactions by Directors of the Company

The Board has adopted its own HTHKH Securities Code regulating Directors' dealings in securities (Group and otherwise), on terms no less exacting than the required standard of the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules. In response to specific enquiries made, all Directors confirmed that they have complied with the HTHKH Securities Code in their securities transactions throughout the accounting period covered by this interim report.

Changes in Information of Directors

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in information of Directors subsequent to the date of the 2017 Annual Report are set out below:

Directors	Details of changes
Lai Kai Ming, Dominic	Appointed as member of the Board of Commissioners of PT Duta Intidaya Tbk*(Note)* on 28 May 2018
Edith Shih	Appointed as member of the Board of Commissioners of PT Duta Intidaya Tbk*(Note)* on 28 May 2018
	Elected as International President and ceased to act as Senior Vice President of The Institute of Chartered Secretaries and Administrators in the United Kingdom effective from 1 July 2018

Note:

A company whose shares are listed on the Indonesia Stock Exchange.

Report on Review of Condensed Consolidated Interim Financial Statements

To the Board of Directors of
Hutchison Telecommunications Hong Kong Holdings Limited

(incorporated in the Cayman Islands with limited liability)

Introduction

We have reviewed the condensed consolidated interim financial statements set out on pages 20 to 42, which comprises the condensed consolidated statement of financial position of Hutchison Telecommunications Hong Kong Holdings Limited (the "Company") and its subsidiaries (together, the "Group") as at 30 June 2018 and the related condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial statements to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting". The directors of the Company are responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review 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 International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements 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 International 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 consolidated interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 25 July 2018

Condensed Consolidated Income Statement

For the six months ended 30 June 2018

	Note	Unaudited 2018 HK$ millions	(Restated) (Note 2) Unaudited 2017 HK$ millions
Continuing operations			
Revenue	5	**4,021**	3,117
Cost of inventories sold		**(2,156)**	(1,156)
Staff costs		**(190)**	(244)
Expensed customer acquisition and retention costs		**(73)**	(129)
Depreciation and amortisation		**(381)**	(407)
Other operating expenses		**(1,037)**	(975)
		184	206
Interest and other finance income	7	**89**	15
Interest and other finance costs	7	**(10)**	(52)
Share of result of a joint venture		**(2)**	(3)
Profit before taxation		**261**	166
Taxation	8	**(42)**	(35)
Profit for the period from continuing operations		**219**	131
Discontinued operations			
Profit for the period from discontinued operations	20	**-**	212
Profit for the period		**219**	343
Attributable to:			
Shareholders of the Company		**198**	324
Non-controlling interests		**21**	19
		219	343
Profit attributable to shareholders of the Company arises from:			
Continuing operations		**198**	112
Discontinued operations		**-**	212
		198	324
Earnings per share attributable to shareholders of the Company (expressed in HK cents per share):			
- Basic earnings per share arises from	9		
Continuing operations		**4.11**	2.32
Discontinued operations		**-**	4.40
		4.11	6.72
- Diluted earnings per share arises from	9		
Continuing operations		**4.11**	2.32
Discontinued operations		**-**	4.40
		4.11	6.72

Details of interim dividend payable to shareholders of the Company are set out in Note 10. The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2018

	Unaudited 2018 HK$ millions	(Restated) (Note 2) Unaudited 2017 HK$ millions
Profit for the period	**219**	343
Other comprehensive income		
Item that may be reclassified subsequently to income statement in subsequent periods:		
- Currency translation differences	**-**	1
Total comprehensive income for the period, net of tax	**219**	344
Total comprehensive income attributable to:		
Shareholders of the Company	**198**	325
Non-controlling interests	**21**	19
	219	344
Total comprehensive income attributable to shareholders of the Company arises from:		
Continuing operations	**198**	112
Discontinued operations	**-**	213
	198	325

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated Statement of Financial Position

At 30 June 2018

	Note	Unaudited 30 June 2018 HK$ millions	Audited 31 December 2017 HK$ millions
ASSETS			
Non-current assets			
Property, plant and equipment	11	2,134	2,017
Goodwill		2,155	2,155
Telecommunications licences		2,416	2,542
Customer acquisition and retention costs		141	-
Contract assets		186	-
Other non-current assets	12	251	214
Deferred tax assets		276	338
Investment in a joint venture		421	434
Total non-current assets		7,980	7,700
Current assets			
Cash and cash equivalents	13	9,491	13,717
Trade receivables and other current assets	14	535	950
Contract assets		221	-
Inventories		104	125
Total current assets		10,351	14,792
Current liabilities			
Borrowings	15	-	3,900
Trade and other payables	16	1,774	2,304
Contract liabilities		136	-
Current income tax liabilities		7	3
Total current liabilities		1,917	6,207
Non-current liabilities			
Other non-current liabilities	17	332	330
Total non-current liabilities		332	330
Net assets		16,082	15,955
CAPITAL AND RESERVES			
Share capital	18	1,205	1,205
Reserves		14,714	14,639
Total shareholders' funds		15,919	15,844
Non-controlling interests		163	111
Total equity		16,082	15,955

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated Statement of Changes In Equity

For the six months ended 30 June 2018

	Unaudited								
	Attributable to shareholders of the Company								
	Share capital HK$ millions	Share premium HK$ millions	Retained earnings/ (accumulated losses) HK$ millions	Cumulative translation adjustments HK$ millions	Pension reserve HK$ millions	Other reserves HK$ millions	Total HK$ millions	Non-controlling interests HK$ millions	Total equity HK$ millions
At 1 January 2018, previously reported	1,205	11,185	3,310	2	138	4	15,844	111	15,955
Changes in accounting policies (Note 4)	-	-	96	-	-	-	96	31	127
At 1 January 2018, restated	1,205	11,185	3,406	2	138	4	15,940	142	16,082
Profit for the period	-	-	198	-	-	-	198	21	219
Dividend relating to 2017 paid in 2018 (Note 10)	-	-	(219)	-	-	-	(219)	-	(219)
At 30 June 2018	1,205	11,185	3,385	2	138	4	15,919	163	16,082
At 1 January 2017	1,205	11,185	(886)	(13)	28	(41)	11,478	583	12,061
Profit for the period	-	-	324	-	-	-	324	19	343
Other comprehensive income									
Currency translation differences	-	-	-	1	-	-	1	-	1
Total comprehensive income, net of tax	-	-	324	1	-	-	325	19	344
Dividend relating to 2016 paid in 2017 (Note 10)	-	-	(332)	-	-	-	(332)	-	(332)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	(61)	(61)
At 30 June 2017	1,205	11,185	(894)	(12)	28	(41)	11,471	541	12,012

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2018

	Note	**Unaudited 2018 HK$ millions**	Unaudited 2017 HK$ millions
Cash flows from operating activities			
Cash generated from operations	19	**147**	1,098
Interest and other finance costs paid		**(4)**	(87)
Tax paid		**-**	(2)
Net cash generated from operating activities		**143**	1,009
Cash flows from investing activities			
Purchases of property, plant and equipment		**(282)**	(424)
Additions to other non-current assets		**-**	(1)
Interest received		**74**	-
Loan to a joint venture		**(42)**	(46)
Net cash used in investing activities		**(250)**	(471)
Cash flows from financing activities			
Proceeds from borrowings		**-**	800
Repayment of borrowings		**(3,900)**	(400)
Repayment of loan from a fellow subsidiary		**-**	(543)
Dividend paid to the shareholders of the Company	10	**(219)**	(332)
Dividend paid to non-controlling interests		**-**	(61)
Net cash used in financing activities		**(4,119)**	(536)
(Decrease)/increase in cash and cash equivalents		**(4,226)**	2
Cash and cash equivalents at 1 January		**13,717**	357
Cash and cash equivalents at 30 June		**9,491**	359

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Notes to the Condensed Consolidated Interim Financial Statements

1 General Information

Hutchison Telecommunications Hong Kong Holdings Limited (the "Company") was incorporated in the Cayman Islands on 3 August 2007 as a company with limited liability. Its registered office address is P.O. Box 31119, Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands.

The Company and its subsidiaries (together the "Group") used to be engaged in mobile and fixed-line telecommunications businesses. After the disposal of its fixed-line telecommunications business in October 2017 (Note 20), the Group is now principally engaged in the mobile telecommunications business in Hong Kong and Macau.

The shares of the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited and whose American depositary shares, each representing ownership of 15 shares, are eligible for trading in the United States of America only in the over-the-counter market.

These unaudited condensed consolidated interim financial statements (the "interim financial statements") are presented in Hong Kong dollars ("HK$"), unless otherwise stated. These interim financial statements were approved for issuance by the Board of Directors on 25 July 2018.

2 Basis of Preparation

These interim financial statements for the six months ended 30 June 2018 have been prepared in accordance with International Accounting Standard 34 "Interim financial reporting". These interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2017, which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

These interim financial statements have been prepared under the historical cost convention and on a going concern basis.

On 3 October 2017, the Group completed its disposal of the entire interests in subsidiaries which operate the fixed-line telecommunications business (the "discontinued operations") to Asia Cube Global Communications Limited, a company wholly-owned by a fund managed by I Squared Capital (the "Disposal"). Since then, the Group is principally engaged in the mobile telecommunications business in Hong Kong and Macau. These interim financial statements and the comparative figures have been prepared to reflect the results of the discontinued operations separately. Further details of the Disposal and discontinued operations are set out in Note 20.

3 Significant Accounting Policies

The accounting policies applied and methods of computation used in the preparation of these interim financial statements are consistent with those used in 2017 annual financial statements, except for the adoption of new or revised standards, amendments and interpretations which are relevant to the operations of the Group and mandatory for annual periods beginning 1 January 2018. Save as disclosed in Note 4, the effect of the adoption of other new or revised standards, amendments and interpretations was not material to the results of operations or financial position of the Group.

(a) New/revised standards, amendments to existing standards and interpretations that are not yet effective and have not been early adopted by the Group

IFRS 16 *Leases*

IFRS 16 specifies how an entity will recognise, measure, present and disclose leases. IFRS 16 is mandatory for the Group's financial statements for annual periods beginning on or after 1 January 2019. The Group currently plans to adopt this new standard from 1 January 2019.

The new standard provides a single, on statement of financial position lease accounting model for lessees. It will result in almost all leases being recognised by the lessee on the statement of financial position, as the distinction between operating and finance leases is removed. Under IFRS 16, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. In addition, the nature of expenses related to those leases will now change as IFRS 16 replaces the straight-line operating lease expense with a depreciation charge for right-of-use assets and interest expense on lease liabilities. With all other variables remain unchanged, the new accounting treatment will lead to a higher EBITDA and EBIT. The combination of a straight-line depreciation of the right-of-use asset and effective interest rate method applied to the lease liability results in a decreasing "total lease expense" over the lease term. In the initial years of a lease, the new standard will result in an income statement expense which is higher than the straight-line operating lease expense typically recognised under the current standard, and a lower expense after the mid-term of the lease as the interest expense reduces. The Group's profit after tax for a particular year may be affected negatively or positively depending on the maturity of the Group's overall lease portfolio in that year.

As a lessee, the Group can either apply the standard using a full retrospective approach, or a modified retrospective approach with optional practical expedients.

The transition accounting under the full retrospective approach requires entities to retrospectively apply the new standard to each prior reporting period presented. Under this transition approach, an entity will require extensive information about its leasing transactions in order to apply the standard retrospectively. This will include historical information about lease payments and discount rates. It will also include the historical information that the entity would have used in order to make the various judgements and estimates that are necessary to apply the lessee accounting model. The information will be required as at lease commencement, and also as at each date on which an entity would have been required to recalculate lease assets and liabilities on a reassessment or modification of the lease.

3 Significant Accounting Policies (Continued)

(a) New/revised standards, amendments to existing standards and interpretations that are not yet effective and have not been early adopted by the Group (Continued)

IFRS 16 *Leases* (Continued)

In view of the costs and massive complexity involved of applying the full retrospective approach, the Group is considering to adopt the modified retrospective approach. Under the modified retrospective approach, (i) comparative information for prior periods is not restated; (ii) the date of the initial application of IFRS 16 is the first day of the annual reporting period in which the Group first applies the requirement of IFRS 16, i.e. 1 January 2019; and (iii) the Group recognises the cumulative effect of initially applying the guidance as an adjustment to the opening balance of retained profit (or other component of equity, as appropriate) in the year of adoption, i.e. as at 1 January 2019.

The new standard will affect primarily the accounting for the Group's operating leases. The Group has not yet quantified to what extent these changes will result in the recognition of an asset and a liability for future payments and how this will affect the Group's profit and classification of cash flows on adoption of IFRS 16. The quantitative effect will depend on, inter alia, the transition method chosen, the extent to which the Group uses the practical expedients and recognition exemptions, and any additional leases that the Group enters into.

4 Changes in Accounting Policies

This note discloses the new accounting policies that have been applied from 1 January 2018, where they are different to those applied in prior periods, and also explains the impact of the adoption of IFRS 9 *Financial Instruments* and IFRS 15 *Revenue from Contracts with Customers* on the Group's interim financial statements.

(a) IFRS 9 *Financial Instruments*

IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

The adoption of IFRS 9 from 1 January 2018 does not have material impact to the Group, except for the methodology of impairment of financial assets. The new accounting policies in relation to impairment of financial assets are set out in below.

Impairment of financial assets

The Group has three types of financial assets that are subject to IFRS 9's new expected credit loss model:

- trade receivables from the provision of mobile telecommunications services and from the provision of bundled transactions under contract (Note 4(b)(iii));
- contract assets relating to bundled transactions under contract (Note 4(b)(v)); and
- other financial assets at amortised cost.

4 Changes in Accounting Policies (Continued)

(a) IFRS 9 *Financial Instruments* (Continued)

The Group is required to revise its impairment methodology under IFRS 9 for each of these classes of assets. The provision for doubtful debts for these financial assets is based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

(i) Trade receivables and contract assets

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected provision for doubtful debts for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The Group considers the lifetime expected loss for contract assets relating to unbilled bundled transactions under contract to be substantially the same as the trade receivables.

(ii) Other financial assets at amortised cost

Other financial assets at amortised cost include loan to a joint venture and other receivables. Applying the expected credit risk model resulted in immaterial impact on the provision for doubtful debts for these financial assets.

(b) IFRS 15 *Revenue from Contracts with Customers*

The Group has adopted IFRS 15 from 1 January 2018 which resulted in changes in accounting policies. In accordance with the transition provisions in IFRS 15, the Group has adopted the modified retrospective approach for transition to the new revenue standard. Under this transition approach, (i) comparative information for prior periods is not restated; (ii) the date of the initial application of IFRS 15 is the first day of the annual reporting period in which the Group first applies the requirement of IFRS 15, i.e. 1 January 2018; (iii) the Group recognises the cumulative effect of initial application of IFRS 15 as an adjustment to the opening balance of retained profit (or other component of equity, as appropriate) in the year of adoption, i.e. as at 1 January 2018; and (iv) the Group elects to apply the new standard only to contracts that are not completed contracts at 1 January 2018.

4 Changes in Accounting Policies (Continued)

(b) IFRS 15 *Revenue from Contracts with Customers* (Continued)

Accounting policies

(i) Sales of services

The Group provides mobile telecommunications and other service to customers. Revenue is recognised in the accounting period in which the services are rendered.

The credit period granted by the Group to customers generally ranges from 14 to 45 days, or a longer period for corporate or carrier customers based on the individual commercial terms.

(ii) Sales of hardware

The Group sells telecommunications hardware to customers. Revenue is recognised upon delivery of hardware to customers and the payment is due immediately.

(iii) Bundled transactions under contracts comprising provision of mobile telecommunications services and sale of a handset device

The amount of revenue recognised for each performance obligation is determined by considering the standalone selling prices or estimated fair values of each of the services element and handset device element provided within the bundled contracts.

(iv) Customer acquisition and retention costs eligible for capitalisation

The incremental costs of obtaining telecommunications service contracts are those costs that would not have been incurred if the contract had not been obtained. These incremental costs are required to be capitalised as an asset when incurred, and amortised on a straight-line basis in the consolidated income statement over the minimum enforceable contractual period.

Acquisition costs related to contracts with durations less than one year are expensed as incurred.

In previous reporting periods, incremental costs of obtaining telecommunications services contracts were recognised in the consolidated income statement as incurred.

(v) Contract assets

Contract assets relating to bundled transaction under contracts are recognised when the Group has performed the service or transferred the hardware to the customer before the customer pays consideration or before payment is due.

(vi) Contract liabilities

The Group recognises contract liabilities when a customer pays consideration, or the Group has a right to an amount of consideration that is unconditional, before the Group performs a service or transfers a hardware to the customer.

4 Changes in Accounting Policies (Continued)

(c) Impact of adoption to the interim financial statements

The following tables illustrate the amounts by each financial statements line item affected in current period by the application of IFRS 15 as compared to IAS 18 and IAS 11 that were previously in effect before the adoption of IFRS 15 as follows:

	Six months ended 30 June 2018		
Condensed Consolidated Income Statement	Reported under current accounting policies HK$ millions	Effect of IFRS 15 HK$ millions	Balance without the adoption of IFRS 15 HK$ millions
Revenue	4,021	-	4,021
Cost of inventories sold	(2,156)	-	(2,156)
Staff costs	(190)	(29)	(219)
Expensed customer acquisition and retention costs	(73)	(51)	(124)
Depreciation and amortisation	(381)	90	(291)
Other operating expenses	(1,037)	-	(1,037)
	184	10	194
Interest and other finance income	89	-	89
Interest and other finance costs	(10)	-	(10)
Share of result of a joint venture	(2)	-	(2)
Profit before taxation	261	10	271
Taxation	(42)	(2)	(44)
Profit for the period	219	8	227
Attributable to:			
Shareholders of the Company	198	6	204
Non-controlling interests	21	2	23
	219	8	227

4 Changes in Accounting Policies (Continued)

(c) Impact of adoption to the interim financial statements (Continued)

Condensed Consolidated Statement of Financial Position	At 30 June 2018 Reported under current accounting policies HK$ millions	Effect under IFRS 15 HK$ millions	Balance without the adoption of IFRS 15 HK$ millions
ASSETS			
Non-current assets			
Property, plant and equipment	2,134	-	2,134
Goodwill	2,155	-	2,155
Telecommunications licences	2,416	-	2,416
Customer acquisition and retention costs	141	(141)	-
Contract assets	186	(186)	-
Other non-current assets	251	-	251
Deferred tax assets	276	22	298
Investment in a joint venture	421	-	421
Total non-current assets	7,980	(305)	7,675
Current assets			
Cash and cash equivalents	9,491	-	9,491
Trade receivables and other current assets	535	407	942
Contract assets	221	(221)	-
Inventories	104	-	104
Total current assets	10,351	186	10,537
Current liabilities			
Trade and other payables	1,774	136	1,910
Contract liabilities	136	(136)	-
Current income tax liabilities	7	-	7
Total current liabilities	1,917	-	1,917
Non-current liabilities			
Other non-current liabilities	332	-	332
Total non-current liabilities	332	-	332
Net assets	16,082	(119)	15,963
CAPITAL AND RESERVES			
Share capital	1,205	-	1,205
Reserves	14,714	(90)	14,624
Total shareholders' funds	15,919	(90)	15,829
Non-controlling interests	163	(29)	134
Total equity	16,082	(119)	15,963

4 Changes in Accounting Policies (Continued)

(c) Impact of adoption to the interim financial statements (Continued)

Condensed Consolidated Statement of Financial Position	31 December 2017 As previously reported HK$ millions	Effect under IFRS 15 HK$ millions	1 January 2018 HK$ millions
ASSETS			
Non-current assets			
Property, plant and equipment	2,017	-	2,017
Goodwill	2,155	-	2,155
Telecommunications licences	2,542	-	2,542
Customer acquisition and retention costs	-	151	151
Contract assets	-	157	157
Other non-current assets	214	-	214
Deferred tax assets	338	(24)	314
Investment in a joint venture	434	-	434
Total non-current assets	7,700	284	7,984
Current assets			
Cash and cash equivalents	13,717	-	13,717
Trade receivables and other current assets	950	(337)	613
Contract assets	-	180	180
Inventories	125	-	125
Total current assets	14,792	(157)	14,635
Current liabilities			
Borrowings	3,900	-	3,900
Trade and other payables	2,304	(162)	2,142
Contract liabilities	-	162	162
Current income tax liabilities	3	-	3
Total current liabilities	6,207	-	6,207
Non-current liabilities			
Other non-current liabilities	330	-	330
Total non-current liabilities	330	-	330
Net assets	15,955	127	16,082
CAPITAL AND RESERVES			
Share capital	1,205	-	1,205
Reserves	14,639	96	14,735
Total shareholders' funds	15,844	96	15,940
Non-controlling interests	111	31	142
Total equity	15,955	127	16,082

5 Revenue

Revenue comprises revenues from provision of mobile telecommunications and other service as well as sales of telecommunications hardware. An analysis of revenue is as follows:

	Six months ended 30 June	
	2018 **HK$ millions**	(Restated) 2017 HK$ millions
Mobile telecommunications and other service	**1,843**	1,944
Telecommunications hardware	**2,178**	1,173
	4,021	3,117
Timing of revenue recognition:		
Over time	**1,843**	1,944
At a point in time	**2,178**	1,173
	4,021	3,117

6 Segment Information

No segmental information for the six months ended 30 June 2018 is presented as the Group's revenue and operation results for the period were generated solely from its mobile telecommunications business. The Group's chief operating decision maker reviews the consolidated profit before taxation of the Group for the purposes of resource allocation and performance assessment.

7 Interest and Other Finance Income/(Costs), Net

	Six months ended 30 June	
	2018 **HK$ millions**	(Restated) 2017 HK$ millions
Interest and other finance income:		
Bank interest income	**79**	-
Interest income from a joint venture	**10**	8
Interest and other finance income from discontinued operations	**-**	7
	89	15
Interest and other finance costs:		
Bank loans	**(1)**	(35)
Notional non-cash interest accretion [(a)]	**(6)**	(6)
Guarantee and other finance fees	**(3)**	(13)
	(10)	(54)
Less: Amounts capitalised on qualifying assets	**-**	2
	(10)	(52)
Interest and other finance income/(costs), net	**79**	(37)

(a) Notional non-cash interest accretion represents the notional adjustments to accrete the carrying amount of certain obligations recognised in the condensed consolidated statement of financial position such as licence fees liabilities and asset retirement obligations to the present value of the estimated future cash flows expected to be required for their settlement in the future.

8 Taxation

	Six months ended 30 June					
	2018			2017 (Restated)		
	Current taxation HK$ millions	**Deferred taxation HK$ millions**	**Total HK$ millions**	Current taxation HK$ millions	Deferred taxation HK$ millions	Total HK$ millions
Hong Kong	**3**	**39**	**42**	-	34	34
Outside Hong Kong	**1**	**(1)**	**-**	1	-	1
	4	**38**	**42**	1	34	35

Hong Kong profits tax has been provided at the rate of 16.5% (30 June 2017: 16.5%) on the estimated assessable profits less available tax losses. Taxation outside Hong Kong has been provided at the applicable current rates of taxation ruling in the relevant countries on the estimated assessable profits less available tax losses.

Deferred taxation has been provided at the relevant rates on timing differences.

9 Earnings per Share

	Six months ended 30 June	
	2018 **HK$ millions**	(Restated) 2017 HK$ millions
Profit attributable to shareholders of the Company arises from:		
– Continuing operations	**198**	112
– Discontinued operations	**-**	212
	198	324

The calculation of basic earnings per share is based on profit attributable to shareholders of the Company and on the weighted average number of ordinary shares in issue during the period as follows:

	Six months ended 30 June	
	2018	(Restated) 2017
Weighted average number of ordinary shares in issue	**4,818,896,208**	4,818,896,208
Basic earnings per share (HK cents):		
– Continuing operations	**4.11**	2.32
– Discontinued operations	**-**	4.40
	4.11	6.72

The diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares in issue with the weighted average number of ordinary shares deemed to be issued assuming the exercise of the share options as follows:

	Six months ended 30 June	
	2018	(Restated) 2017
Weighted average number of ordinary shares in issue	**4,818,896,208**	4,818,896,208
Adjustments on share options	**131,973**	117,695
	4,819,028,181	4,819,013,903
Diluted earnings per share (HK cents):		
– Continuing operations	**4.11**	2.32
– Discontinued operations	**-**	4.40
	4.11	6.72

10 Dividend

	Six months ended 30 June	
	2018	2017
Interim dividend (HK$ millions)	**149**	188
Interim dividend per share (HK cents)	**3.10**	3.90

In addition, final dividend in respect of year 2017 of 4.55 HK cents per share (30 June 2017: 6.90 HK cents per share) totalling HK$219 million (30 June 2017: HK$332 million) was approved and paid during the six months ended 30 June 2018.

11 Property, Plant and Equipment

During the period, the Group acquired property, plant and equipment with a cost of HK$282 million (30 June 2017: HK$427 million). Property, plant and equipment with a net book value of HK$0.1 million (30 June 2017: HK$0.4 million) was disposed of during the period, resulting in an insignificant gain (30 June 2017: insignificant loss).

12 Other Non-Current Assets

	30 June 2018 HK$ millions	31 December 2017 HK$ millions
Prepayments	**205**	162
Non-current deposits	**36**	37
Pension assets	**10**	15
	251	214

13 Cash and Cash Equivalents

	30 June 2018 HK$ millions	31 December 2017 HK$ millions
Cash at banks and in hand	**146**	134
Short-term bank deposits	**9,345**	13,583
	9,491	13,717

The carrying values of cash and cash equivalents approximate their fair values.

14 Trade Receivables and Other Current Assets

	30 June 2018 HK$ millions	31 December 2017 HK$ millions
Trade receivables	**299**	620
Less: Provision for doubtful debts	**(42)**	(47)
Trade receivables, net of provision [(a)]	**257**	573
Other receivables	**152**	253
Prepayments and deposits	**126**	124
	535	950

The carrying values of trade receivables and other receivables approximate their fair values. The Group has established credit policies for customers. The average credit period granted for trade receivables ranges from 14 to 45 days, or a longer period for corporate or carrier customers based on individual commercial terms. There is no concentration of credit risk with respect to trade receivables as the Group has a large number of customers.

(a) Trade receivables, net of provision

	30 June 2018 HK$ millions	31 December 2017 HK$ millions
The ageing analysis of trade receivables, net of provision for doubtful debts is as follows:		
0 - 30 days	**137**	480
31 - 60 days	**39**	35
61 - 90 days	**22**	10
Over 90 days	**59**	48
	257	573

15 Borrowings

	30 June 2018 HK$ millions	31 December 2017 HK$ millions
Unsecured bank loans		
Repayable between 1 and 2 years	**-**	3,900

The carrying values of the Group's total borrowings as at 31 December 2017 approximated their fair values which were based on cash flows discounted using the effective interest rates of the Group's total borrowings of 2.5% per annum and were within level 2 of the fair value hierarchy. These borrowings were fully repaid on 5 January 2018.

16 Trade and Other Payables

	30 June 2018 HK$ millions	31 December 2017 HK$ millions
Trade payables[(a)]	**250**	406
Other payables and accruals	**1,310**	1,537
Deferred revenue	**157**	305
Current portion of licence fees liabilities	**57**	56
	1,774	2,304

The carrying values of trade and other payables approximate their fair values.

(a) Trade payables

	30 June 2018 HK$ millions	31 December 2017 HK$ millions
The ageing analysis of trade payables is as follows:		
0 – 30 days	**214**	374
31 – 60 days	**12**	5
61 – 90 days	**3**	3
Over 90 days	**21**	24
	250	406

17 Other Non-Current Liabilities

	30 June 2018 HK$ millions	31 December 2017 HK$ millions
Non-current licence fees liabilities	**137**	135
Accrued expenses	**195**	195
	332	330

18 Share Capital

(a) Authorised share capital of the Company

The authorised share capital of the Company comprises 10 billion shares of HK$0.25 each (31 December 2017: Same).

(b) Issued share capital of the Company

	Ordinary share of HK$0.25 each	
	Number of shares	Issued and fully paid HK$ millions
At 1 January 2017, 31 December 2017, 1 January 2018 and 30 June 2018	4,818,896,208	1,205

(c) Share options of the Company

The Company's share option scheme was approved on 21 May 2009. The Board of Directors may, under the share option scheme, grant share options to directors, non-executive directors or employees of the Group.

The movements in the number of share options outstanding and their related weighted average exercise price are as follows:

	Weighted average exercise price per share HK$	Number of share options granted
At 1 January 2017, 31 December 2017, 1 January 2018 and 30 June 2018	1.00	200,000

The exercise price of the share options granted is equal to the market price of the shares on the date of grant. The share options are exercisable during a period, subject to the vesting schedule, commencing on the date on which the share options are deemed to have been granted and ending on the date falling ten years from the date of grant of the share options (subject to early termination thereof). No share option was exercised during the six months ended 30 June 2018 (year ended 31 December 2017: Nil).

As at 30 June 2018, 200,000 (31 December 2017: Same) share options were exercisable.

19 Cash Generated from Operations

	Six months ended 30 June	
	2018	2017
	HK$ millions	HK$ millions
Cash flows from operating activities		
Profit before taxation including discontinued operations	**261**	425
Adjustments for:		
– Interest income	**(89)**	(8)
– Interest and other finance costs	**10**	57
– Depreciation and amortisation	**381**	792
– Capitalisation of customer acquisition and retention costs	**(80)**	–
– Share of result of a joint venture	**2**	3
Changes in working capital		
– (Increase)/decrease in trade receivables and other assets	**(29)**	1
– Decrease/(increase) in inventories	**21**	(18)
– Decrease in trade and other payables	**(335)**	(162)
– Changes in retirement benefits	**5**	8
Cash generated from operations	**147**	1,098

20 Discontinued Operations

Upon the completion of the Disposal, the Group continues to be engaged in the mobile telecommunications business in Hong Kong and Macau. As the business disposed of was considered as a separate major line of business, the corresponding operations had been presented as discontinued operations.

(a) Analysis of the results of discontinued operations is as follows:

	Six months ended 30 June 2017 HK$ millions
Discontinued operations	
Revenue	1,952
Staff costs	(199)
Expensed customer acquisition and retention costs	(47)
Depreciation and amortisation	(385)
Other operating expenses	(1,050)
	271
Interest and other finance costs, net	(12)
Profit before taxation from discontinued operations	259
Taxation	(47)
Profit for the period from discontinued operations	212

20 Discontinued Operations (Continued)

(b) Analysis of the cash flows of discontinued operations is as follows:

	Six months ended 30 June 2017 HK$ millions
Net cash inflow from operating activities	525
Net cash outflow from investing activities	(230)
Net cash outflow from financing activities	(332)
Net cash outflow from discontinued operations	(37)

21 Contingent Liabilities

The Group had contingent liabilities in respect of the following:

	30 June 2018 HK$ millions	31 December 2017 HK$ millions
Performance guarantees	**4**	4
Others	**1**	1
	5	5

22 Commitments

Outstanding commitments of the Group not provided for in these interim financial statements are as follows:

(a) Capital commitments

The Group had capital commitments contracted but not provided for as follows:

	30 June 2018 HK$ millions	31 December 2017 HK$ millions
Property, plant and equipment	**266**	444

22 Commitments (Continued)

(b) Operating lease commitments

The Group had future aggregate minimum lease payments under non-cancellable operating leases as follows:

	Buildings		Other assets	
	30 June 2018 HK$ millions	31 December 2017 HK$ millions	**30 June 2018 HK$ millions**	31 December 2017 HK$ millions
Not later than one year	**184**	200	**-**	1
Later than one year but not later than five years	**80**	134	**-**	-
	264	334	**-**	1

(c) Telecommunications licence fees

A subsidiary of the Group acquired various blocks of spectrum bands for the provision of telecommunications services in Hong Kong, certain of which over various assignment periods up to year 2021. The variable licence fees for certain spectrum bands was charged on 5% of the network revenue or the Appropriate Fee (as defined in the Unified Carrier Licence), whichever is greater. The net present value of the Appropriate Fee has already been recorded as licence fee liabilities.

23 Related Parties Transactions

Transactions between the Company and its subsidiaries have been eliminated on consolidation. Save as disclosed elsewhere in the interim financial statements, transactions between the Group and other related parties during the period are not significant to the Group.

No transactions have been entered with the directors of the Company (being the key management personnel) during the period other than the emoluments paid to them (being the key management personnel remuneration).

Glossary

In this interim report, unless the context otherwise requires, the following expressions have the following meanings:

Terms	Definitions
"Board"	the board of Directors
"CACs"	expensed customer acquisition and retention costs in the income statement
"CKHH"	CK Hutchison Holdings Limited, a company incorporated in the Cayman Islands with limited liability, whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 1)
"CKHH Group"	CKHH and its subsidiaries
"Company" or "HTHKH"	Hutchison Telecommunications Hong Kong Holdings Limited, a company incorporated in the Cayman Islands with limited liability, whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 215) and whose American depositary shares are eligible for trading in the United States of America only in the over-the-counter market
"Director(s)"	director(s) of the Company
"EBIT"	earnings before interest and other finance income, interest and other finance costs, taxation, adjusted to include the Group's proportionate share of joint venture's EBIT
"EBITDA"	earnings before interest and other finance income, interest and other finance costs, taxation, depreciation and amortisation as well as after capitalisation of certain variable costs subsequent to adoption of IFRS 15, adjusted to include the Group's proportionate share of joint venture's EBITDA
"fixed-line"	fixed-line telecommunications business
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"HK" or "Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"HTHKH Securities Code"	Model Code for Securities Transactions by Directors
"IFRS"	International Financial Reporting Standards
"interim financial statements"	unaudited condensed consolidated interim financial statements
"IoT"	Internet-of-Things

Terms	Definitions
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"mobile"	mobile telecommunications business
"net customer service margin"	net customer service revenue less direct variable costs (including interconnection charges and roaming costs)
"Postpaid gross ARPU"	monthly average spending per postpaid user including a customer's contribution to mobile devices in a bundled plan
"Postpaid net AMPU"	average net margin per postpaid user; postpaid net AMPU equals postpaid net ARPU less direct variable costs (including interconnection charges and roaming costs)
"Postpaid net ARPU"	monthly average spending per postpaid user excluding revenue related to handset under the non-subsidised handset business model
"service EBITDA"	EBITDA excluding standalone handset sales margin
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

Information for Shareholders

Listing

The ordinary shares of the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited, and its American depositary shares (ADSs) are eligible for trading in the United States of America only in the over-the-counter market.

Stock Code

215

Financial Calendar

Record Date for 2018 Interim Dividend:	23 August 2018
Payment of 2018 Interim Dividend:	3 September 2018

Registered Office

P.O. Box 31119 Grand Pavilion, Hibiscus Way,
802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands

Head Office and Principal Place of Business

22nd Floor, Hutchison House, 10 Harcourt Road, Hong Kong
Telephone: +852 2128 1188
Facsimile: +852 2128 1778

Principal Executive Office

19th Floor, Hutchison Telecom Tower, 99 Cheung Fai Road,
Tsing Yi, Hong Kong
Telephone: +852 2128 2828
Facsimile: +852 2128 3388

Cayman Islands Share Registrar and Transfer Office

SMP Partners (Cayman) Limited
Royal Bank House - 3rd Floor,
24 Shedden Road, P.O. Box 1586,
Grand Cayman, KY1-1110, Cayman Islands
Telephone: +1 345 949 9107
Facsimile: +1 345 949 5777

Hong Kong Share Registrar and Transfer Office

Computershare Hong Kong Investor Services Limited
Rooms 1712-1716, 17th Floor, Hopewell Centre,
183 Queen's Road East, Wanchai, Hong Kong
Telephone: +852 2862 8628
Facsimile: +852 2865 0990

ADS Depositary

Citibank, N.A.
Citibank Shareholder Services
P.O. Box 43077, Providence, Rhode Island 02940-3077,
the United States of America
Telephone (toll free within USA): +1 877 248 4237
Telephone (outside USA): +1 781 575 4555
Facsimile: +1 201 324 3284
Email: citibank@shareholders-online.com

Investor Information

Corporate press releases, financial reports and other investor information are available online at the website of the Company.

Investor Relations Contact

Please direct enquiries to:
Telephone: +852 2128 6828
Facsimile: +852 3909 0966
Email: ir@hthkh.com

Website Address

www.hthkh.com

Hutchison Telecom
Hong Kong Holdings

Hutchison Telecommunications Hong Kong Holdings Limited

19/F, Hutchison Telecom Tower, 99 Cheung Fai Road, Tsing Yi, Hong Kong
Telephone: +852 2128 2828 Facsimile: +852 2128 3388

www.hthkh.com