

# 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”) are engaged in 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.

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 8 August 2025.

## 2 Basis of Preparation

These interim financial statements for the six months ended 30 June 2025 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 2024, which have been prepared in accordance with IFRS Accounting Standards.

These interim financial statements have been prepared under the historical cost convention, except that defined benefit plans plan assets are measured at fair values, and on a going concern basis.

### 3 Material Accounting Policies

The material accounting policies applied and methods of computation used in the preparation of these interim financial statements are consistent with those used in the 2024 annual financial statements except as described in (a) below.

#### (a) Amendments to existing standard adopted by the Group

During the six months ended 30 June 2025, the Group has adopted the following amendments to existing standard which are relevant to the Group's operations and are mandatory for accounting periods beginning on 1 January 2025:

IAS 21 (Amendments)	Lack of Exchangeability
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The adoption of these amendments to existing standard did not have a material impact to the Group's results of operations or financial position.

#### (b) New standards and amendments to existing standards that are not yet effective and have not been early adopted by the Group

The following new standards and amendments to existing standards have been issued but are not yet effective for the six months ended 30 June 2025:

Annual Improvement Projects <sup>(i)</sup>	Annual Improvements – Volume 11
IFRS 7 and IFRS 9 (Amendments) <sup>(i)</sup>	Classification and Measurement of Financial Instruments
IFRS 7 and IFRS 9 (Amendments) <sup>(i)</sup>	Contracts Referencing Nature-dependent Electricity
IFRS 10 and IAS 28 (Amendments) <sup>(iii)</sup>	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
IFRS 18 <sup>(ii)</sup>	Presentation and Disclosures in Financial Statements
IFRS 19 <sup>(ii)</sup>	Subsidiaries without Public Accountability: Disclosures

(i) Effective for annual periods beginning on or after 1 January 2026

(ii) Effective for annual periods beginning on or after 1 January 2027

(iii) The original effective date of 1 January 2016 has been postponed until future announcement by the International Accounting Standards Board

The Group is in the process of making an assessment of the impact of these new standards and amendments to existing standards upon initial application.

## 4 Revenue

Revenue comprises revenues from the provisions of mobile telecommunications and other related services and the sales of telecommunications hardware and other products. An analysis of revenue is as follows:

	Six months ended 30 June	
	2025 HK\$ million	2024 HK\$ million
Mobile telecommunications and other related services	1,822	1,760
Telecommunications hardware and other products	394	298
	<b>2,216</b>	<b>2,058</b>

### Disaggregation of revenue

The Group's revenue from the provisions of services and delivery of goods by timing of satisfaction of performance obligations is as follows:

	Six months ended 30 June	
	2025 HK\$ million	2024 HK\$ million
Timing of revenue recognition:		
Over time	1,822	1,760
At a point in time	394	298
	<b>2,216</b>	<b>2,058</b>

## 5 Segment Information

In a manner consistent with the way in which information is reported internally to the Group's chief operating decision maker for the purpose of resource allocation and performance assessment, the Group has identified only one reporting segment, which is mobile telecommunications business.

## 6 Other Operating Expenses

	Six months ended 30 June	
	2025 HK\$ million	2024 HK\$ million
Cost of services provided <sup>(i)</sup>	779	767
General administrative and distribution costs	49	46
Expenses for short-term leases	13	16
Loss on disposals of property, plant and equipment	2	-
Auditors' remuneration	3	4
Loss allowance provision	8	-
Employment and other subsidies <sup>(ii)</sup>	(1)	(3)
<b>Total</b>	<b>853</b>	<b>830</b>

(i) Include interconnection charges, roaming costs and other network operating costs.

(ii) Benefits received from governments and other companies under employment and other support schemes.

## 7 Interest and Other Finance Income, Net

	Six months ended 30 June	
	2025 HK\$ million	2024 HK\$ million
Interest and other finance income:		
Bank interest income	82	93
Interest income from a joint venture	6	6
	<b>88</b>	<b>99</b>
Interest and other finance costs:		
Notional interest accretion <sup>(i)</sup>	(35)	(36)
Guarantee and other finance fees	(5)	(5)
	<b>(40)</b>	<b>(41)</b>
<b>Interest and other finance income, net</b>	<b>48</b>	<b>58</b>

(i) Notional 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 lease liabilities, licence fees liabilities and assets 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					
	2025			2024		
	Current taxation HK\$ million	Deferred taxation HK\$ million	Total HK\$ million	Current taxation HK\$ million	Deferred taxation HK\$ million	Total HK\$ million
Hong Kong	47	(7)	40	1	30	31

Hong Kong profits tax has been provided at the rate of 16.5% (30 June 2024: 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.

CK Hutchison Holdings Limited, the ultimate holding company of the Company, is within the scope of the Pillar Two Model Rules published by the Organisation for Economic Co-operation and Development. The Group applies the IAS 12 exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes. Pillar Two legislation was enacted in Hong Kong, and came into effect from 1 January 2025. Based on the assessment for the period ended 30 June 2025 and the information currently available, the overall impact of these rules on the Group's income tax position (including current tax) is not expected to be material.

## 9 Earnings/(loss) per Share

The calculation of basic earnings/(loss) per share is based on profit attributable to shareholders of the Company of HK\$6 million (30 June 2024: loss of HK\$12 million) and on the weighted average number of 4,819,096,208 (30 June 2024: Same) ordinary shares in issue during the period.

The diluted earnings/(loss) per share for the six months ended 30 June 2025 is the same as basic earnings/(loss) per share as there were no potential dilutive shares during the period (30 June 2024: Same).

## 10 Dividends

	Six months ended 30 June	
	2025	2024
Interim dividend (HK\$ million)	110	110
Interim dividend per share (HK cents)	2.28	2.28

In addition, final dividend in respect of year 2024 of 5.21 HK cents per share (year 2023: 5.21 HK cents per share) totalling HK\$251 million (30 June 2024: HK\$251 million) was approved and paid during the six months ended 30 June 2025.

## 11 Property, Plant and Equipment

During the period, the Group acquired property, plant and equipment with a cost of HK\$174 million (30 June 2024: HK\$166 million). Property, plant and equipment with a net book value of HK\$3 million (30 June 2024: HK\$0.1 million) was disposed of during the period, resulting in loss on disposals of HK\$2 million (30 June 2024: insignificant gain).

## 12 Other Non-Current Assets

	30 June 2025 HK\$ million	31 December 2024 HK\$ million
Prepayments	306	282
Non-current deposits	22	34
Pension assets	75	75
	403	391

## 13 Cash and Bank Balances

	30 June 2025 HK\$ million	31 December 2024 HK\$ million
Cash at banks and in hand	128	61
Short-term bank deposits with original maturity within 3 months	507	3,107
Cash and cash equivalents	635	3,168
Short-term bank deposits with original maturity beyond 3 months	3,119	511
	3,754	3,679

The carrying values of cash and bank balances approximate their fair values.

## 14 Trade Receivables and Other Current Assets

	30 June 2025 HK\$ million	31 December 2024 HK\$ million
Trade receivables <sup>(a)</sup>	354	375
Less: Loss allowance provision	(37)	(31)
Trade receivables, net of provision	317	344
Other receivables	92	75
Prepayments and deposits	428	389
	837	808

The carrying values of trade receivables, other receivables and deposits approximate their fair values. The Group has established credit policies for customers. The credit periods granted for trade receivables range from 14 to 45 days, or a longer period for corporate or carrier customers based on the 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

	30 June 2025 HK\$ million	31 December 2024 HK\$ million
The ageing analysis of trade receivables presented based on the invoice date is as follows:		
0 - 30 days	170	174
31 - 60 days	47	66
61 - 180 days	38	62
Over 180 days	99	73
	354	375

## 15 Trade and Other Payables

	30 June 2025 HK\$ million	31 December 2024 HK\$ million
Trade payables <sup>(a)</sup>	167	137
Other payables and accruals <sup>(b)</sup>	875	985
Receipts in advance	129	132
Current portion of licence fees liabilities	190	188
	<b>1,361</b>	<b>1,442</b>

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

### (a) Trade payables

	30 June 2025 HK\$ million	31 December 2024 HK\$ million
The ageing analysis of trade payables is as follows:		
0 – 30 days	50	61
31 – 60 days	46	28
61 – 90 days	15	20
Over 90 days	56	28
	<b>167</b>	<b>137</b>

### (b) Other payables and accruals

Other payables and accruals mainly represent payables and accruals for capital expenditures and network-related cost payables.

## 16 Other Non-Current Liabilities

	30 June 2025 HK\$ million	31 December 2024 HK\$ million
Non-current licence fees liabilities	1,803	1,843
Assets retirement obligations	272	271
Long service payments liabilities	4	4
	<b>2,079</b>	<b>2,118</b>



## 17 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 2024: Same).

### (b) Issued share capital of the Company

	Ordinary share of HK\$0.25 each	
	Number of shares	Issued and fully paid HK\$ million
At 1 January 2024, 31 December 2024, 1 January 2025 and 30 June 2025	4,819,096,208	1,205

## 18 Cash Generated from Operations

	Six months ended 30 June	
	2025 HK\$ million	2024 HK\$ million
<b>Cash flows from operating activities</b>		
Profit before taxation	46	19
Adjustments for:		
- Interest and other finance income	(88)	(99)
- Interest and other finance costs	40	41
- Depreciation and amortisation	746	737
- Capitalisation of customer acquisition and retention costs	(69)	(67)
- Share of result of a joint venture	2	2
- Loss on disposals of property, plant and equipment	2	-
- Decrease/(increase) in trade receivables and other assets	3	(30)
- Decrease in inventories	101	31
- Decrease in trade and other payables, and licence fees liabilities	(100)	(91)
Cash generated from operations	683	543

### Non-cash transactions from investing activities

Save as disclosed elsewhere in the interim financial statements, the non-cash transactions during the six months ended 30 June 2025 include (i) the network access fee payable to a joint venture of HK\$47 million (30 June 2024: HK\$56 million) and (ii) the interest income from the loan to a joint venture of HK\$6 million (30 June 2024: HK\$6 million), which have been settled by offsetting the loan to a joint venture.

## 19 Contingent Liabilities

The Group had contingent liabilities in respect of the following:

	30 June 2025 HK\$ million	31 December 2024 HK\$ million
Performance guarantees	452	484
Financial guarantees	1,050	1,281
Others	4	4
	<b>1,506</b>	<b>1,769</b>

The contingent liabilities mainly comprise of the performance guarantees and financial guarantees provided to the Communications Authority of Hong Kong ("CA"). The Group is required to lodge a performance bond with the CA to guarantee (i) the network and service rollout requirement and (ii) to maintain at all times throughout the whole assignment term for payment of the Spectrum Utilisation Fee ("SUF") payable in the ensuing five years, or the SUF payable for the remaining duration of the assignment term if it is less than five years, in respect of those spectrums which the Group elected to pay annually in 15 instalments.

## 20 Capital Commitments

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

	30 June 2025 HK\$ million	31 December 2024 HK\$ million
Property, plant and equipment	173	129
Telecommunications licences <sup>(a)</sup>	617	617
	<b>790</b>	<b>746</b>

- (a) In 2024, a subsidiary of the Group, successfully bid (i) 10 MHz spectrum at the 900 MHz band and (ii) 20 MHz spectrum at the 2.3 GHz band (collectively, the "2024 Bidded Spectrums"), for a 15-year period (commencing June 2026 for the 900 MHz band and March 2027 for the 2.3 GHz band) at aggregate SUFs of HK\$617 million. SUFs for the 2024 Bidded Spectrums are payable either (i) in full as a lump sum payment upfront (by April 2026 for the 900 MHz band and by January 2027 for the 2.3 GHz band); or (ii) annually in 15 instalments with the first instalment equivalent to the lump sum amount divided by 15 and for each subsequent instalment an amount equal to the SUF payable in the immediately preceding instalment increased by 2.5%. As at 30 June 2025 and 31 December 2024, standby letters of credit of HK\$617 million that covered the aggregate SUFs for the 2024 Bidded Spectrums were issued in favour of the CA.

## 21 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 transaction has 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).