

Chairman's Statement

For the six months ended 30 June 2026, the Group remained prudent in navigating an evolving economic environment. Supported by a resilient business foundation and the disposal of its Macau operations, the Group delivered improved profitability.

During the period, the Group's profit attributable to shareholders was HK\$11 million, representing an improvement compared with the same period last year, mainly attributable to the elimination of losses previously arising from the Macau operations.

Dividend

The Board declared an interim dividend of 2.28 HK cents per share for the six months ended 30 June 2026 (2025 interim dividend: 2.28 HK cents per share), in line with the same period the previous year, payable on Wednesday, 16 September 2026, to shareholders (except for holders of treasury shares) whose names appear on the Register of Members of the Company at the close of business on Monday, 7 September 2026, being the record date for determining shareholders' entitlement to the interim dividend. Currently, there are no treasury shares held by the Company (whether held or deposited in CCASS, or otherwise).

Business Highlights for Hong Kong Operations

Net customer service revenue increased by HK\$107 million, or 6% year-on-year, to HK\$1,866 million, mainly driven by stable local service revenue and continued growth in roaming service revenue. During the first half of 2026, the Group upgraded its flagship World Plan with new travelling benefits and introduced a secondary SIM feature, enabling more flexible sharing of global data. In parallel, new 5G monthly plans and a suite of AI-driven products and services were launched across the consumer and enterprise markets, while integrating evolving family-centric services such as home cybersecurity care, pet healthcare and grooming, and health checkup for seniors. These initiatives reflect the Group's focus on deepening customer engagement, advancing digital lifestyle tailored for different segment needs of the market, and showcasing the "3 for You" brand value.

Hardware revenue amounted to HK\$980 million, supported by continued demand for flagship mobile devices. Overall, total revenue from Hong Kong operations increased by HK\$695 million, or 32% year-on-year, to HK\$2,846 million. Total margin decreased slightly by HK\$43 million, or 3% year-on-year, to HK\$1,422 million, primarily reflecting a higher mix of low margin revenue streams, partially offset by improved hardware margin.

EBITDA from Hong Kong operations remained stable at HK\$763 million, underpinned by ongoing cost-saving initiatives and efficiency gains from digitalisation and AI-assisted workplace tools, which partially offset the impact of the lower total margin. Operating expenses decreased by 8% year-on-year, reflecting the Group's continued commitment to cost discipline.

EBIT from Hong Kong operations was HK\$18 million, representing an increase of HK\$1 million or 6%, compared with the corresponding period in 2025, primarily attributable to lower depreciation and amortisation expenses. As a result of lower bank deposit interest rates, net interest income from Hong Kong operations amounted to HK\$34 million, representing a decrease of HK\$8 million compared to the same period last year.

As at 30 June 2026, the Group's customer base reached approximately 3.2 million. The Group's 5G penetration rate reached 64% (30 June 2025: 57%), underscoring the robust appeal of its service offerings and network infrastructure. The monthly postpaid churn rate stood at 0.9% (1H 2025: 0.9%), demonstrating effective customer engagement and retention in a competitive market landscape. Postpaid net ARPU decreased by 2% to HK\$173 compared to the same period last year, primarily due to continued market competition.

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Outlook

Although Hong Kong's economic outlook continues to improve, consumer spending remains prudent. The Group will remain focused on cost discipline and operational efficiency, while pursuing growth opportunities in adjacent services and further diversifying its revenue streams through AI-driven and segmented solutions. Given the Group's strong cash position and improving profitability, the Board will continue to review the utilisation of cash to further enhance shareholder value as part of its review of the Group's 2026 full year results.

The Group remains committed to advancing its sustainability priorities, including enhancing energy efficiency, optimising resource utilisation and strengthening employee engagement, to support long-term resilience and value creation.

I would like to thank the Board and all staff members for their valuable contributions, ongoing dedication, hard work, professionalism to the Group and dedication to customers.

FOK Kin Ning, Canning

Chairman

Hong Kong, 10 August 2026