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 telecommunications business in Hong Kong and Macau. After the disposal of its mobile telecommunications business in Macau in January 2026 (Note 19), the Group is now principally engaged in the mobile telecommunications business in Hong Kong.

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 10 August 2026.

2 Basis of Preparation

These interim financial statements for the six months ended 30 June 2026 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 2025, 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 disposal group classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell, and on a going concern basis.

(i) Discontinued operations

In December 2025, the Board of Directors approved the Group to enter into a sale and purchase agreement with the purchaser, an independent third party, to sell its entire interests in a subsidiary which engages in the mobile telecommunications business in Macau. The sale and purchase agreement was subsequently entered into on 12 January 2026 and the disposal was completed on the same day.

Consequently, the entire mobile telecommunications business in Macau is reported as discontinued operations (the "discontinued operations") in the Group's interim financial statements during the periods ended 30 June 2026 and 2025. The respective assets and liabilities were classified as held for sale as at 31 December 2025.

In accordance with IFRS 5, the financial results of the discontinued operations for the periods ended 30 June 2026 and 2025 are presented as a profit/(loss) from discontinued operations in the Group's condensed consolidated statement of comprehensive income. Certain comparative amounts of the discontinued operations have been restated to conform with current period presentation.

Financial information relating to the discontinued operations is set out in Note 19.

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 2025 annual financial statements except as described in (a) below.

(a) Amendments to existing standards adopted by the Group

During the six months ended 30 June 2026, the Group has adopted the following amendments to existing standards which are relevant to the Group's operations and are mandatory for accounting periods beginning on 1 January 2026:

Annual Improvement Projects	Annual Improvements – Volume 11
IFRS 7 and IFRS 9 (Amendments)	Classification and Measurement of Financial Instruments

The adoption of these amendments to existing standards 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 2026:

IAS 21 (Amendments) [(i)]	Translation to a Hyperinflationary Presentation Currency
IAS 28 (Amendments) [(i)]	Fair Value Option for Investments in Associates and Joint Ventures
IFRS 10 and IAS 28 (Amendments) [(iii)]	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
IFRS 18 [(i)]	Presentation and Disclosures in Financial Statements
IFRS 19 [(i)]	Subsidiaries without Public Accountability: Disclosures
IFRS 20 [(ii)]	Regulatory Assets and Regulatory Liabilities

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

(ii) Effective for annual periods beginning on or after 1 January 2029

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

3 Material Accounting Policies (Continued)

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

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 will replace IAS 1 Presentation of Financial Statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss with defined subtotals;
- requirement to determine the most useful structure summary for presenting expenses in the statement of profit or loss;
- required disclosures in a single note within the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

The Group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with IFRS 18.

The Group is in the process of making an assessment of the impact of other 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	
	2026 **HK$ million**	(Restated) 2025 HK$ million
Mobile telecommunications and other related services	**1,866**	1,759
Telecommunications hardware and other products	**980**	392
	2,846	2,151

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	
	2026 **HK$ million**	(Restated) 2025 HK$ million
Timing of revenue recognition:		
Over time	**1,866**	1,759
At a point in time	**980**	392
	2,846	2,151

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	
	2026 **HK$ million**	(Restated) 2025 HK$ million
Cost of services provided (i)	**868**	741
General administrative and distribution costs	**47**	45
Expenses for short-term leases	**7**	12
Loss on disposals of property, plant and equipment	**1**	2
Auditors' remuneration	**3**	3
Loss allowance provision	**16**	7
Employment and other subsidies (ii)	**-**	(1)
Total	**942**	809

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

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

7 Interest and Other Finance Income, Net

	Six months ended 30 June	
	2026 **HK$ million**	2025 HK$ million
Interest and other finance income:		
Bank interest income	**72**	82
Interest income from a joint venture	**5**	6
	77	88
Interest and other finance costs:		
Notional interest accretion (i)	**(33)**	(35)
Guarantee and other finance fees	**(4)**	(5)
	(37)	(40)
Interest and other finance income, net	**40**	48

(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					
	2026			2025		
	Current taxation HK$ million	Deferred taxation HK$ million	Total HK$ million	Current taxation HK$ million	Deferred taxation HK$ million	Total HK$ million
Continuing operations	50	(9)	41	47	(7)	40
Discontinued operations	-	-	-	-	-	-
	50	(9)	41	47	(7)	40

Hong Kong profits tax has been provided at the rate of 16.5% (30 June 2025: 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. As at 30 June 2026, Pillar Two legislation has been enacted and is in effect in Hong Kong where the Group operates. Based on the Group's assessment for the period ended 30 June 2026 and the information currently available, the overall impact of Pillar Two rules on the Group's income tax position, including current tax, is not material. The Group will continue to monitor developments in Pillar Two legislation in Hong Kong and assess the potential future impact on its financial statements.

Furthermore, in accordance with the IAS 12, the Group applies the mandatory exception from recognising, and disclosing deferred tax assets and liabilities related to Pillar Two income taxes.

9 Earnings/(loss) per Share

The calculation of basic earnings/(loss) per share is based on profit/(loss) 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	
	2026 HK$ million	(Restated) 2025 HK$ million
Profit/(loss) attributable to shareholders of the Company arises from:		
– Continuing operations	**9**	17
– Discontinued operations	**2**	(11)
	11	6

	Six months ended 30 June	
	2026	(Restated) 2025
Weighted average number of ordinary shares in issue	**4,819,096,208**	4,819,096,208
Basic earnings/(loss) per share (HK cents):		
– Continuing operations	**0.19**	0.35
– Discontinued operations	**0.04**	(0.23)
	0.23	0.12

The diluted earnings/(loss) per share for the six months ended 30 June 2026 is the same as basic earnings/(loss) per share as there were no potential dilutive shares during the period (30 June 2025: Same).

10 Dividends

	Six months ended 30 June	
	2026	2025
Interim dividend (HK$ million)	**110**	110
Interim dividend per share (HK cents)	**2.28**	2.28

In addition, final dividend in respect of year 2025 of 5.21 HK cents per share (year 2024: 5.21 HK cents per share) totalling HK$251 million (30 June 2025: HK$251 million) was approved and paid during the six months ended 30 June 2026.

11 Property, Plant and Equipment

During the period, the Group acquired property, plant and equipment with a cost of HK$169 million (30 June 2025: HK$174 million). Property, plant and equipment with a net book value of HK$2 million (30 June 2025: HK$3 million) was disposed of during the period, resulting in loss on disposals of HK$1 million (30 June 2025: HK$2 million).

12 Other Non-Current Assets

	30 June 2026 HK$ million	31 December 2025 HK$ million
Prepayments	**441**	311
Non-current deposits	**21**	19
Pension assets	**75**	77
	537	407

13 Cash and Bank Balances

	30 June 2026 HK$ million	31 December 2025 HK$ million
Cash at banks and in hand	**29**	28
Short-term bank deposits with original maturity within 3 months	**326**	566
Cash and cash equivalents	**355**	594
Short-term bank deposits with original maturity beyond 3 months	**3,393**	3,153
	3,748	3,747

Reconciliation of cash and cash equivalents shown in the condensed consolidated statement of cash flows is as follows:

	30 June 2026 HK$ million	31 December 2025 HK$ million
Cash and cash equivalents mentioned above	**355**	594
Cash and cash equivalents included in assets classified as held for sale (Note 19(d))	**-**	11
Cash and cash equivalents shown in the condensed consolidated statement of cash flows	**355**	605

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

14 Trade Receivables and Other Current Assets

	30 June 2026 HK$ million	31 December 2025 HK$ million
Trade receivables [a]	**404**	355
Less: Loss allowance provision	**(51)**	(37)
Trade receivables, net of provision	**353**	318
Other receivables	**157**	79
Prepayments and deposits	**437**	409
	947	806

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 2026 HK$ million	31 December 2025 HK$ million
The ageing analysis of trade receivables presented based on the invoice date is as follows:		
0 – 30 days	**189**	169
31 – 60 days	**73**	65
61 – 180 days	**56**	41
Over 180 days	**86**	80
	404	355

15 Trade and Other Payables

	30 June 2026 HK$ million	31 December 2025 HK$ million
Trade payables [(a)]	219	149
Other payables and accruals [(b)]	930	855
Receipts in advance	133	116
Current portion of licence fees liabilities	210	193
	1,492	1,313

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

(a) Trade payables

	30 June 2026 HK$ million	31 December 2025 HK$ million
The ageing analysis of trade payables is as follows:		
0 – 30 days	68	39
31 – 60 days	63	40
61 – 90 days	23	12
Over 90 days	65	58
	219	149

(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 2026 HK$ million	31 December 2025 HK$ million
Non-current licence fees liabilities	1,847	1,696
Assets retirement obligations	262	261
Long service payments liabilities	6	6
	2,115	1,963

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 2025: 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 2025, 31 December 2025, 1 January 2026 and 30 June 2026	4,819,096,208	1,205

18 Cash Generated from Operations

	Six months ended 30 June	
	2026 HK$ million	2025 HK$ million
Cash flows from operating activities		
Profit before taxation including discontinued operations	**52**	46
Adjustments for:		
– Interest and other finance income	**(77)**	(88)
– Interest and other finance costs	**37**	40
– Depreciation and amortisation	**725**	746
– Capitalisation of customer acquisition and retention costs	**(85)**	(69)
– Share of result of a joint venture	**2**	2
– Loss on disposals of property, plant and equipment	**1**	2
– Net gain on disposal of a subsidiary	**(2)**	–
– (Increase)/decrease in trade receivables and other assets	**(200)**	3
– (Increase)/decrease in inventories	**(10)**	101
– Increase/(decrease) in trade and other payables, and licence fees liabilities	**326**	(100)
– Decrease in pension assets	**3**	–
Cash generated from operations	**772**	683

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 2026 include (i) the network access fee payable to a joint venture of HK$43 million (30 June 2025: HK$47 million) and (ii) the interest income from the loan to a joint venture of HK$5 million (30 June 2025: HK$6 million), which have been settled by offsetting the loan to a joint venture.

19 Discontinued Operations and Assets and Liabilities Classified as Held for Sale

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

	Note	Six months ended 30 June 2026 HK$ million	 2025 HK$ million
Discontinued operations			
Revenue		-	65
Cost of inventories sold		-	(2)
Staff costs		-	(11)
Expensed customer acquisition and retention costs		-	(3)
Depreciation and amortisation		-	(16)
Other operating expenses (i)		-	(44)
Loss before taxation of discontinued operations		-	(11)
Taxation	8	-	-
Loss after taxation of discontinued operations		-	(11)
Net gain on disposal of a subsidiary	19(c)	2	-
Profit/(loss) for the period from discontinued operations		2	(11)

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

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

	Six months ended 30 June 2026 HK$ million	 2025 HK$ million
Net cash (outflow)/inflow from operating activities	(8)	5
Net cash outflow from investing activities	-	(2)
Net cash outflow from financing activities	-	(5)
Net cash outflow from discontinued operations	(8)	(2)

19 Discontinued Operations and Assets and Liabilities Classified as Held for Sale (Continued)

(c) Assets and liabilities disposed of are as follows:

	12 January 2026 HK$ million
Cash consideration	110
Net assets disposed of:	
Property, plant and equipment	(151)
Right-of-use assets	(10)
Customer acquisition and retention costs	(1)
Other non-current assets	(2)
Deferred tax assets	(1)
Cash and cash equivalents	(3)
Trade receivables and other current assets	(22)
Inventories	(1)
Trade and other payables	49
Contract liabilities	8
Lease liabilities	9
Other non-current liabilities	17
Total net assets disposed of	(108)
Net gain on disposal of a subsidiary	2

An analysis of the net proceeds from disposal of a subsidiary is as follows:

	12 January 2026 HK$ million
Cash consideration	110
Cash and cash equivalents disposed of	(3)
Deferred consideration	(66)
Net proceeds from disposal of a subsidiary	41

19 Discontinued Operations and Assets and Liabilities Classified as Held for Sale (Continued)

(d) The assets and liabilities classified as held for sale as at 31 December 2025, which have been presented separately in the condensed consolidated statement of financial position, are as follows:

	Note	31 December 2025 HK$ million
Assets		
Property, plant and equipment		151
Right-of-use assets		10
Customer acquisition and retention costs		1
Other non-current assets		2
Deferred tax assets		1
Cash and cash equivalents	13	11
Trade receivables and other current assets		22
Inventories		1
Assets classified as held for sale		199
Liabilities		
Trade and other payables		79
Contract liabilities		8
Lease liabilities		9
Other non-current liabilities		17
Liabilities directly associated with assets classified as held for sale		113
Net assets directly associated with disposal group		86

20 Contingent Liabilities

The Group had contingent liabilities in respect of the following:

	30 June 2026 HK$ million	31 December 2025 HK$ million
Performance guarantees	**450**	452
Financial guarantees	**1,156**	1,067
Others	**4**	5
	1,610	1,524

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.

21 Capital Commitments

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

	30 June 2026 HK$ million	31 December 2025 HK$ million
Property, plant and equipment	260	132
Telecommunications licences [(a)]	393	617
	653	749

(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. As at 31 December 2025, 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.

During the six months ended 30 June 2026, telecommunications licences of HK$224 million were recognised for the 900 MHz band, being the net present value of the consideration payable for the licences acquired. Consequently, the standby letter of credit of HK$224 million issued in favour of the CA in respect of the 900 MHz band was released.

22 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).