



HKBN Ltd.
香港寬頻有限公司

(Incorporated in the Cayman Islands with limited liability)
Stock Code : 1310



*EMPOWERING LIVES
RESHAPING BUSINESSES
INSPIRING INNOVATIONS*



EMPOWERING LIVES RESHAPING BUSINESSES INSPIRING INNOVATION

The world is changing fast — at HKBN, we see change as an opportunity to redefine what's possible. The future will be shaped by the most-connected companies: those driven by technological innovation, a clear sense of purpose, and the ability to simplify complexity.

That's why we continue to strengthen our foundation and focus on our core. We move forward with conviction and agility — offering our customers sharp insights, cutting-edge technology, and strategic foresight. For our teams, we build meaningful careers with tangible impact. And for our shareholders, we deliver sustainable growth driven by innovation.



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Shareholder Letter

Dear Shareholders,

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

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

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

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

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

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

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

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

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

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

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

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

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

Three Growth Strategies

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

- **Strengthening Network Capabilities:** with greater resources and more proactive investment, we are actively expanding our network footprint across Hong Kong
- **Enhancing Customer Service:** driving the “Fibre In, Copper Out” initiative and upgrading fibre equipment to enhance service quality and improve the user experience
- **Enriching Smart Services:** deepening our system integration capabilities and embedding AI into more scenarios, delivering smarter, more efficient digital solutions for both enterprise and residential customers

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

Rooted in Hong Kong, Reaching the World

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

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

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

Sincerely yours,

LING Hao
Chairman and Executive Director

Hong Kong, 24 April 2026

Key Financial and Operational Summary

Table 1: Financial Highlights

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

Key Financial and Operational Summary

Table 2: Operational Highlights

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

Notes:

- (1) EBITDA and AFF are not measures of performance under HKFRS Accounting Standards. These measures do not represent, and should not be used as substitutes for, net income or cash flows from operations as determined in accordance with HKFRS Accounting Standards. These measures are not necessarily an indication of whether cash flow will be sufficient to fund our cash requirements. In addition, our definitions of these measures may not be comparable to other similarly titled measures used by other companies.
- (2) EBITDA means profit for the period plus amortisation of customer acquisition and retention costs, amortisation of intangible assets (net of direct cost incurred in corresponding period), depreciation, finance costs, and income tax expense, less interest income.
- (3) AFF means EBITDA less capital expenditure, customer acquisition and retention costs, income tax paid, lease payments in relation to right-of-use assets, net interest paid and changes in working capital. Working capital includes other non-current assets, inventories, trade receivables, other receivables, deposits and prepayments, contract assets, amount due from/to a joint venture, trade payables (including amount utilised for supply chain financing), other payables and accrued charges (trade related only), contract liabilities, and deposits received.

Management Discussion and Analysis

Business Review

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

Enterprise Solutions

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

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

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

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

Residential Solutions

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

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

Management Discussion and Analysis

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

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

Financial Performance

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

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

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

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

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

Outlook

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

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

Management Discussion and Analysis

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

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

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

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

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

Liquidity and Capital Resources

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

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

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

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

Hedging

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

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

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

Charge on Group Assets

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

Contingent Liabilities

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

Exchange Rates

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

Significant Investments, Acquisitions and Disposals

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

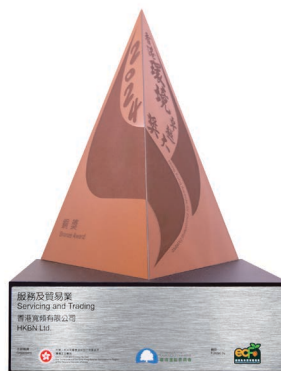
Staff Remuneration

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

Key Awards and Recognitions

During the reporting period, HKBN was honoured to receive several prestigious awards and recognitions, underscoring our notable achievements.

01 Corporate Excellence Awards 2025
— Outstanding Broadband Service
Provider Award
HK01



Hong Kong Awards for Environmental
Excellence (Servicing and Trading Sector)
— Bronze Award
Environmental Campaign Committee,
the Environment and Ecology Bureau

Sustainable NEXUS Award 2025
— Best Sustainable Solution Leadership
Hong Kong Smart Catering Association



ESG Awards 2025
— Best in ESG Practices and Best in
ESG Report
Television Broadcasts Limited

Key Awards and Recognitions



**Tithe Ethical Consumption Movement
2025 Award Ceremony**
— Social Enterprise Supporter Award
Fullness Social Enterprises Society

**Cyber Security Staff Awareness
Recognition Scheme**
— Platinum Certification
Hong Kong Internet Registration
Limited and ISACA Hong Kong Chapter



**Managed Service Provider
(MSP) of the Year 2025**
Alibaba Cloud



HRLead Employer Branding Award
Human Resources Management Committee of the
China Chamber of International Commerce Commercial
Industry Committee, HRLead & Guangdong Human
Resources Management Association

Innovating for Customers

Customers First

Our customers are at the heart of everything we do. As a leading ICT provider, HKBN empowers businesses across Hong Kong, Macao, the Chinese Mainland, and beyond — through innovative technology, strong partnerships, and deep insight into the key challenges in driving enterprise success. In the residential market, our Infinite-play strategy continues to redefine value by offering households richer, more personalised services and packages.

Integrating AI into Daily Business Operations

To help enterprises significantly improve efficiency, we partnered with Lark, a globally recognised productivity innovator and member of the HKBN InnoTech Ecosystem Alliance (iTEA). Lark's solutions replace fragmented tools with a unified workspace, embedding AI directly into everyday workflows — automating meeting summaries, streamlining approvals processes, and integrating systems seamlessly. As a result, teams can focus on higher-value work, driving greater agility and competitive advantage for businesses in Hong Kong and Macao.



“ HKBN’s deep enterprise customer base and extensive local service expertise will help Lark accelerate our market penetration in Hong Kong and Macao. Through HKBN’s service network, we will empower more Hong Kong and Macao businesses with growth-driven, AI-powered all-in-one collaboration tools to foster innovation and strengthen competitiveness. ”

Xiong Fei

Lark Business Team of South China/GBA General Manager

Strategic Partnership with Beijing Research Institute of Telemetry

In October 2025, we established a strategic partnership with the Beijing Research Institute of Telemetry (BRIT), bridging aerospace innovation with digital infrastructure to unlock new revenue opportunities and long-term growth potential for our business.

BRIT brings decades of expertise in aerospace telemetry, while HKBN contributes our established network infrastructure and digital capabilities. Together, we are exploring commercial applications across three high-growth areas — the low-altitude economy, smart cities, and the Internet of Things. Key initiatives include the integration of “Satellite + 5G” networks, remote sensing services, and next-generation communication solutions tailored for the Greater Bay Area.

By leveraging Hong Kong’s unique advantages as an international hub, this collaboration fosters deeper synergies between our nation’s aerospace sector and Hong Kong’s telecom industry — driving cross-sector innovation at the intersection of space, technology, communications, and urban development.

// BRIT’s research and technological capabilities will substantially enhance our service offering in satellite communications and remote sensing. This collaboration will not only enable us to deliver more advanced integrated solutions and greater commercial value to our customers, but also allow us to jointly explore emerging areas such as the low-altitude economy and smart city development — accelerating digital transformation and infrastructure upgrades across the Guangdong-Hong Kong-Macao Greater Bay Area. //

Dr. Denis Yip

President and Group Chief Operating Officer, HKBN



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This partnership marks a significant step in bridging aerospace technology with civilian applications. We look forward to leveraging HKBN’s network and service capabilities to accelerate the commercialisation of our innovative technologies, and to provide next-generation infrastructure support for the development of smart cities and the growth of the low-altitude economy. //

Peng Yongqing

Deputy Director, BRIT

Innovating for Customers

Redefining Data Security with AI

As cyberattacks grow more sophisticated, security measures must become smarter and more agile. In response to growing market demand, HKBNES partnered with River Security, becoming the exclusive Hong Kong distributor for its AI-driven Data Detection and Response (DDR) System. River Security also joined HKBN iTEA, further strengthening our ability to deliver advanced data security solutions to local businesses.

This partnership adds high-value, differentiated capabilities to our security services portfolio. Built on a “data-plane” architecture, River Security’s AI-powered DDR solution detects, analyses, and prevents ransomware attacks and data breaches — without disrupting normal business operations.

// By combining River Security’s technological strengths with HKBN’s resources, we can continuously deliver diverse, multi-layered, industry-leading AI-driven next-generation application and data security solutions to enterprises across Hong Kong. This allows us to better meet the challenges of technological innovation, seize opportunities presented by the global digital wave, and provide reliable security for Hong Kong’s technology and digital economic development.

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Leon Yu
CEO and Co-founder, River Security



Intelligent Networking Solutions for SMEs

Small and medium enterprises are the backbone of Hong Kong’s economy, yet many still lack access to enterprise-grade networking solutions tailored to their needs. To bridge this gap, HKBNES entered into a strategic partnership with H3C, becoming the exclusive channel partner for its Aolynk product series in Hong Kong and Macao.

This partnership combines H3C’s advanced technology with HKBNES’s market reach to deliver intelligent, high-performance networking solutions. Small and medium-sized businesses can now enjoy an enterprise-grade network experience — without the complexity of deployment or prohibitive costs.

Full Spectrum Data Intelligence

Data is generated continuously, but the real challenge lies in extracting value from it. Fragmented systems, siloed views, and overwhelming data velocity have made actionable intelligence increasingly difficult to obtain. To address this, we partnered with Sensors Data, the Chinese Mainland's leading big data analytics and marketing technology provider. As the exclusive telecom distribution partner in Hong Kong and Macao, HKBNES is empowered to deliver end-to-end data intelligence solutions — including Customer Journey Analytics, Customer Data Platforms, and AI-driven marketing automation.

Together with Sensors Data, we can help businesses unify their customer data, generate precise insights, and turn fragmented information into a strategic advantage — serving industries ranging from internet and finance to retail and beyond.



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HKBN possesses deep expertise and outstanding market credibility in enterprise digitalisation. This collaboration allows Sensors Data to better address local market needs. We look forward to working with HKBN to foster a customer-centric data operations culture through AI and data-driven solutions, enabling continuous business growth.

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Welf Sang

Founder and Chief Executive Officer, Sensors Data

Innovating for Customers

Seamless Security, Built for Business

Cyber threats are evolving rapidly, and businesses need security that keeps pace. But with so many solutions on the market, the real challenge for customers is choosing products that they can trust. HKBN partnered with Venustech, a seasoned cybersecurity provider in the Chinese Mainland, to bring its core solution — Venus Firewall — to the Hong Kong market. Purpose-built for businesses that handle sensitive data and cannot afford interruptions, Venus Firewall integrates directly into network infrastructure. It monitors traffic for threats in real time, intercepts attacks before they cause damage, and safeguards data during transmission — all without disrupting daily operations.



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As global data security and compliance requirements grow increasingly stringent, enterprises need more resilient security architectures. We will continue to leverage innovative technologies and expertise to help businesses achieve secure and sustainable development in an interconnected world. Moving forward, HKBN and Venustech will deepen our collaboration in cloud security and security operations. We will jointly build a stronger and more intelligent protection system for enterprises.

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Pan Zhuting

Deputy General Manager and Chief Strategy Officer, Venustech Group

Empowering Customers Through Expert-Led Events

Throughout the year, our Enterprise Solutions team hosts and co-hosts a series of seminars and workshops with leading technology partners. These exclusive events are designed to equip enterprise clients with the knowledge and tools they need to master emerging technologies and apply them strategically to their business operations. From deep-dive workshops on AI and cloud applications in the financial services industry to technical seminars on private cloud network resilience, our year-round programmes deliver actionable insights, practical strategies, and valuable networking opportunities to connect with industry peers and experts.

Making Healthcare More Accessible

Health should not be a luxury — it is a necessity. Yet for most families, access to professional healthcare remains limited due to busy schedules, high costs, and fragmented services.

To bridge this gap, we partnered with EC Healthcare, one of Hong Kong’s largest non-hospital medical service providers, to launch the “Comprehensive Pain Management Service Plan”. For just \$99 per month, customers receive professional pain relief services targeting common issues such as cervical, lumbar, and knee discomfort, delivering sustained and affordable care. Subscribers may also upgrade to chiropractic treatment, traditional Chinese medical consultations, physiotherapy, or professional imaging, enabling more comprehensive health support.

“Chronic pain is one of the most prevalent health concerns among urbanites. EC Healthcare’s multi-disciplinary team — encompassing traditional Chinese medicine, chiropractic, physiotherapy, and medical imaging specialists — develops comprehensive, personalised treatment plans. Our one-stop medical platform integrates diagnosis, treatment, and follow-up care. Teaming up with HKBN will enhance the accessibility and consistency of pain management for the community, while promoting a broader shift towards innovative and accessible local healthcare service models.”

Dr. Julie Chow
 Chief Proposition Officer (Healthcare), EC Healthcare



OpenClaw AI Application Solution

In March 2026, HKBN became Hong Kong’s first telecommunications service provider to launch an OpenClaw AI application solution, helping customers install an autonomous AI assistant on their personal devices. This marks a fundamental shift in AI development — from cloud-based AI tools to locally operated intelligent agents (also known as Agentic AI). Agentic AI represents the next frontier in computing. Unlike traditional Large Language Model chatbots, it acts independently, executes workflows, manages tasks, and makes decisions on behalf of users.

Through an ongoing series of workshops, we are helping our enterprise and residential customers install, configure, and safely use OpenClaw on their personal devices — progressing from simple commands to complex, multi-step instructions placing the power of autonomous AI directly into customers’ hands.





A Look at 1H2026

The first half of FY26 brought its share of complexity. Through it all, HKBN executed with discipline — turning challenges into clarity and commitments into measurable progress. Across employee engagement, customer experience, climate action, community partnership, and supply chain optimisation, we achieved tangible results across key areas.

Our People

At HKBN, our people are not only the foundation of our success but also the driving force behind what we can achieve. We continuously encourage creativity, a spirit of determination, and teamwork among our employees. That's why we're committed to making HKBN the best in our industry at attracting and nurturing the brightest and most diverse talent.

Residential Solutions FY26 Kick-off Meeting

Every new fiscal year presents a critical opportunity for the team to regroup and achieve outstanding results. This year, we gathered over 1,000 Residential Solutions team members for our FY26 strategy rollout — highlighting core priorities, market offerings, and our Infinite-play approach to deepen customer engagement. The event energised our teams with bold growth targets and clear execution momentum for the year ahead.

Enterprise Solutions FY26 Kick-off Meeting

With AI and other emerging technologies unlocking vast possibilities, 2026 is set to be another pivotal year for business transformation. Over 500 Enterprise Solutions team members came together as leadership unveiled our FY26 strategic roadmap, anchored by a full range of GigaFast-powered solutions and world-class partnerships. With ambitious goals in place, our teams are now ready to turn vision into measurable market success.

Employee Engagement & Wellness

A dynamic, energised workforce is our competitive edge. We understand that when employees feel valued, they give their best. That's why we lead with fairness, respect, and benefits that actually matter. The result? Teams work closely together and grow as one.

Festive & Cultural Celebrations

A great corporate culture isn't just about work — it's about life, connection, and celebrating important moments. Across HKBN, we bring our teams together through various themed activities that build a sense of community, spark joy, and strengthen the bonds among employees.

Christmas and Chinese New Year Bazaar

During the Christmas season, we organised a Christmas Bazaar with various vendors where colleagues could select gifts for themselves and their families. Following the Chinese New Year festivities, we hosted a marketplace at our offices, where employees could enjoy exclusive discounts while shopping for the holiday season.

Chinese New Year Celebrations

In February, we welcomed the Chinese New Year with celebrations across our Hong Kong and Guangzhou offices. These festivities brought our teams together to share the season's joy, filling our workplaces with energy and warmth. Employees connected with one another, built stronger relationships, and entered the new year with renewed spirit and a sense of shared purpose.

The lion dance troupe brought good fortune to every floor, strengthening team cohesion and boosting morale — setting a powerful and positive tone for the year ahead. Through these activities, colleagues deepened their connections and moved forward together with a fresh outlook and collective determination.



A Look at 1H2026

All-Staff Annual Dinner

To express our gratitude to employees for their hard work and dedication over the past year, we hosted the “2026 HKBN Annual Dinner”. Our dinner in Hong Kong welcomed over 1,800 colleagues, while the Guangzhou gathering brought together more than 1,700 attendees. The evening not only showcased our team’s energy and unity but also strengthened our resolve to achieve new milestones together.

At the same time, over 300 colleagues in Beijing, Shanghai, Zhuhai, Shenzhen, Jiangmen and Macao held their own events, sharing in the collective joy of this special occasion.



Long Service Award Ceremony

This year, we honoured a total of 184 employees from Hong Kong and the Chinese Mainland who have reached remarkable milestones — ten, twenty, and even thirty years of service at HKBN. Celebrating dedication, growth, and shared success, our Long Service Awards are a tribute to every team member who has been part of our remarkable journey.



“A Week of Gratitude”

True connection goes beyond high-speed networks — it lies in the bonds we build with one another. Held at our Hong Kong office, “A Week of Gratitude” encouraged colleagues to step away from their work and express gratitude to each other in simple yet heartfelt ways. Whether sharing a cup of coffee, a few warm words, or a handwritten note, these small gestures created ripples of positivity across our teams. Every message served as a powerful reminder: behind every achievement stands a team that truly cares and supports one another.

Your Voice

We gather employee feedback through multiple channels. This year, we continued to champion “Your Voice”, a digital platform that empowers employees to share feedback, concerns, and creative ideas in real time. Through open communication, this powerful tool enables employees to speak directly. For our leaders, it’s an invaluable ear to the ground — helping us spot emerging trends, identify potential hidden challenges, and act on employee insights swiftly before small issues escalate. The results are clear: Stronger engagement across all levels, smarter decisions, and a workplace culture shaped by continuous participation and improvement.

Health Check-up Consultation & Report Interpretation

In September, we provided annual health check-up consultation and report interpretation services for our Chinese Mainland-based employees. Too often, medical reports are filled with numbers and jargon that can be hard to understand. So we brought in experts to walk our colleagues through the results — highlighting key findings, answering questions, and helping them gain a clear understanding of their own wellness.

A Look at 1H2026

Outdoor Hiking Events

Fresh air, open views, and forest trails — that's where connections deepen and ease stress. In November, we organised hiking activities in both Hong Kong and Guangzhou to promote the physical and mental well-being of our employees and their families. The Hong Kong event brought together 22 employees and their loved ones along an 8.8-kilometre route from To Tei Wan to Siu Sai Wan, where participants immersed in the autumn scenery of mountains and sea while enjoying the beauty of nature. Meanwhile, our Guangzhou employees and their families completed a 5.5-kilometre hike along the Qingyuan Beijiang Little Three Gorges. These activities fostered family bonds and team cohesion amid a relaxed and joyful atmosphere.



Professional Physiotherapy Consultation Experience Day

In January, our Hong Kong office hosted a “Unlock Health, Full Energy” professional physiotherapy consultation experience day. The event provided one-on-one consultation services, offering personalised relief solutions for common issues such as shoulder and neck stiffness, sports injuries, and women’s health concerns. Physiotherapy treatments were also available on-site, effectively alleviating discomfort and receiving unanimous praise from participants.

New Employee Roundtable Discussions

Starting a new job is always filled with anticipation and challenges. This year, we continued to hold roundtable discussions for new hires during the onboarding journey in Guangzhou. These structured conversations allow our Human Resources team to:

Identify immediate opportunities to enhance the employee experience

Address potential challenges before they become obstacles

Demonstrate that we value and act on employee input

eMPF Platform Briefings

When Hong Kong announced the transition to the new eMPF platform, we understood that employees might have questions — and we wanted to ensure they received clear, reliable answers. To facilitate a smooth transition, we invited our MPF service providers to conduct comprehensive briefings. These sessions aimed to familiarise employees with the new system, address various concerns, and provide hands-on guidance for smooth usage. The goal was to enable every employee to confidently manage their MPF accounts and adjust contribution according to their financial goals, life stage, and risk tolerance for long-term growth.

Learning & Development

At HKBN, we are committed to cultivating a corporate culture where employees can master the skills and expertise needed to excel in a fast-evolving industry. From essential job-specific skills and leadership development to tailored programmes for high-potential talent, we ensure every employee has access to the resources necessary for success.

Training

In an industry that never stands still, up-to-date knowledge and sharper skills are essential. For all staff, we provide annual refresher training in critical areas such as customer engagement and professional ethics. For new joiners, we mandate systematic training that integrates our corporate culture, policies, and hands-on skills, ranging from IT fundamentals to information security — ensuring they quickly adapt to job requirements. During the reporting period, we provided a total of 32,273 hours of training.

New eLearning Videos

To keep our teams agile in a dynamic market, we introduced a series of short videos focused on business negotiation strategies, timely sales triggers drawn from current events, and peer success cases. The goal is clear: equip our people with actionable knowledge that can be directly applied to customer interactions and converted into business results.

Departmental Development

Tailored training programmes help employees master the skills to respond to market changes and cultivate the knowledge needed for innovation. Continuous learning opportunities not only support individual career growth but also foster a culture of adaptability and resilience across the organisation.

HKBN Academy

In a constantly shifting world, HKBN Academy provides our teams with a robust collection of online learning resources — covering everything from specialised job skills to practical tips for personal and team efficiency. These resources are designed for flexibility, presented in short, focused modules that can fit into busy schedules. Whether mastering a new tool, refining a process, or acquiring new skills, our employees can engage anytime — keeping their skills sharp and relevant.

Learning & Development Sponsorship

When our people get smarter, our company gets stronger. With this in mind, we offer a 100% subsidy for full-time employees to pursue knowledge beyond their daily job scope — deepening expertise, enhancing engagement, and strengthening our talent pipeline.

A Look at 1H2026

Diversity & Inclusion

At HKBN, we are a mosaic of unique backgrounds, skills, and ways of thinking. This rich diversity isn't just celebrated — it's strategically harnessed to enable us to challenge conventional thinking and come up with the market-centric solutions that customers desire.

Women's Empowerment Initiatives

Supporting women's development is a priority — woven into the fabric of our people-centric corporate culture. Throughout the year, we regularly organised activities designed specifically for women. From yoga and Pilates sessions to dedicated consultation booths on women's health and pain management, we're committed to fostering a work environment where female employees feel valued, heard, and supported.

Women's Yoga Workshop

Stress. Stiff shoulders. Poor posture. For many women in the workplace, these annoyances are daily realities. In November of last year, we launched the "Women's Empowerment Series: Yoga Healing" workshop in both Hong Kong and Guangzhou, bringing in professional instructors familiar with the pressures faced by working women. The solution was gentle yet powerful — exercises designed to relieve muscle tension, improve posture, and reduce stress, delivering tangible benefits to participants.



Women's Pain Management Consultation Booth

Women's health concerns are too often dismissed or overlooked. During our "Unlock Health, Full Energy" professional physiotherapy consultation experience day at our Hong Kong office in January, we set up a dedicated consultation booth focused on women's pain management. Professional therapists provided one-on-one consultations, offering tailored relief advice and on-site guidance for common yet sensitive health issues faced by women.

Employee Health & Safety

Ensuring that every employee returns home safely every single day is our most important mission. To strengthen safety awareness, we conduct regular workplace inspections to identify potential hazards, ensure compliance, and promote a safe working environment. Our approach includes thorough area checks, active encouragement of risk reporting, and clear communication with timely follow-up. These efforts support a proactive safety culture and reduce non-compliance across the board.

Integration of Pre-Work Assessments

We've implemented "Pre-Work Risk Assessment Mechanism" to identify risks before anyone steps onto the job site — particularly for staff working in confined spaces or with electrical equipment. The digital format allows our team members to complete assessments and report risks promptly from any location, enabling them to truly take charge of health and safety on the frontlines.

Safety Knowledge Updates

During the reporting period, we updated our safety guidelines to meet current regulatory standards and ensure our staff stay informed of the latest safety practices. We also introduced mandatory "Safety 100" training, requiring all frontline staff to complete at least 100 minutes of dedicated safety training.

Enhancing Our Business

At HKBN, progress isn't about incremental adjustments — it's about making meaningful improvements across every facet of our business. From greener operations to stronger cybersecurity and superior customer experience, we are building a company that delivers lasting value for all our stakeholders.

Delivering Better Network Experiences

To cement our lead in performance, reliability, and coverage, we continued to invest substantially in our network technology infrastructure. We have also implemented rigorous monitoring mechanisms and clear escalation procedures to ensure our service platforms remain reliable and responsive at all times.

Network Performance

Our Network Operation Centre (NOC) operates 24/7 to monitor and maintain optimal network performance. Utilising advanced network monitoring tools and automation technologies, our NOC conducts regular health checks to ensure network reliability and expedite issue resolution. Our NOC continuously monitors WAN link utilisation dynamically adjusting routing and capacity in real time to ensure smoother broadband service delivery. To prevent potential service interruptions, our Network Services team collaborates with world-class partners to conduct regular assessments of all service platforms and infrastructure components. This rigorous approach maintains system integrity, with established protocols for equipment replacement whenever anomalies are detected.

Residential Solutions



Availability of Core Network

100%

Availability of Access Network

99.9961%

Enterprise Solutions



Availability of Core Network

100%

Availability of Access Network

99.99983%

A Look at 1H2026

Network Coverage

Steady expansion has been a hallmark of our strategy over the past several years. We've grown our residential and enterprise network coverage methodically, with a sharp focus on supporting mobile network operators' 5G base stations through state-of-the-art fibre services that leverage our superior network capacity. At the same time, we're prioritising newly developed residential and commercial buildings, ensuring fibre services are ready and available as soon as occupants move in.

A significant area of emphasis has been the government's Northern Metropolis Development — an ambitious plan to transform the northern part of Hong Kong into a thriving metropolitan area. This includes the Lok Ma Chau Loop (Hong Kong-Shenzhen Innovation and Technology Park), scheduled for development from 2024 to 2033. The new land in the Northern Metropolis is expected to provide over 500,000 new residential units, becoming a crucial contributor to Hong Kong's future housing supply. Once fully developed, the area is projected to house 2.5 million people — approximately one-third of Hong Kong's current population.

As part of our infrastructure strategy, we are accelerating network deployment across Hong Kong's rural areas, prioritising villages near our existing fibre coverage. During the reporting period, our fibre network extended to an additional 16,606 homes, including 1,047 in rural locations.

As of the reporting period, our entire fibre network reached approximately 2,658,579 residential homes and 8,266 commercial buildings and facilities in Hong Kong.



Expand network coverage to over **500,000** new residential units within the Northern Metropolis



Fibre network reaches around **2.66** million residential homes and **8,266** commercial buildings and facilities in Hong Kong

Customer Experience

Residential Solutions

When customers need assistance, they deserve fast, easy, and effective service. Our customers can reach us through multiple channels, including our customer service hotline, online platforms, email, and social media. We utilise online chatbots to provide instant responses to general enquiries and offer self-service tools for customer convenience.

During the reporting period, we achieved an average answer response rate of 85% across our enquiry channels (hotline, online, and email). Speed is reflected not only in our internet services but also in installation and maintenance. With adequate manpower, we ensure that customers can schedule installation appointments within three calendar days.



99% of maintenance appointments arranged within two calendar days

The average lead time from receiving a customer request to completing installation was 2.79 days, with 99% of maintenance appointments arranged within two calendar days. When an on-premise inspection is required, we arrange maintenance services for customers immediately.

Enterprise Solutions

In addition to our customer service hotline and online platforms, dedicated managers and account-serving relationship executives are assigned to serve each Enterprise Solutions customer. Enterprise customers can reach us through various channels, including customer service hotline, online platforms, and email.

During the reporting period, we achieved an average response rate of 92% for our customer service hotline.

Excellence in Every Customer Interaction

Each customer interaction shapes public perception of our brand. With a focused effort to enhance the customer journey, we are committed to enhancing our self-service support. Across Residential Solutions and Enterprise Solutions, we continuously roll out service upgrades to strengthen customer engagement. By harnessing digital breakthroughs, we streamline the customer experience, making interactions with HKBN smoother and smarter.

All customer-facing materials undergo thorough review and approval by our legal and senior management before use. We invest heavily in training our frontline teams, equipping them with the latest best practices in sales, marketing, and ethics. New sales hires undergo mandatory training on the Personal Data (Privacy) Ordinance, Trade Descriptions Ordinance, and Code of Practices on Marketing Calls. Regular refreshers and quality enhancement programmes help maintain consistently high standards across all our customer-facing teams.

Residential Solutions

During the reporting period, 2,677 hours were allocated for product knowledge training for new joiner sales representatives. Specifically, new product knowledge training totalled 3,172 hours, and updated sales and marketing training totalled 12,607 hours.

Enterprise Solutions

During the reporting period, we provided 4,016 hours of training for new sales and customer service representatives. An additional 8,992 hours were dedicated to upskilling our colleagues covering new product knowledge, product refresher courses, and quality improvement.

Data Privacy

Protecting customers' data is our top priority. As cyber threats become more sophisticated, we continue to strengthen our security measures, integrating industry-leading data protection across our operations to safeguard the trust of our stakeholders.

Strengthening Our Information Security Capabilities

Raising employee awareness of information security is paramount to safeguarding our operations from cyberattacks. All new frontline employees must complete mandatory training on the Personal Data (Privacy) Ordinance, reinforcing the importance of complying with our internal policies, procedures, and regulatory guidelines. Our Information Security team regularly provides relevant resources to all employees, including emails on smartphone vulnerabilities, security best practices, and news on recent cyberattacks.

During the reporting period, we further strengthened our defences by conducting surprise phishing assessments to heighten our vigilance against external threats. Our commitment extends beyond our workforce. We promote a culture of security by sharing awareness training with contractors and suppliers. Additionally, our volunteer team leads seminars for youths and the elderly — strengthening the community's resilience against risks.

A Look at 1H2026

Listening to Customers

As a leading industry player, we have always believed in listening to our customers and continuously improving based on their feedback — and this is the foundation of our success. The following highlights the ways we gather practical feedback for our Residential Solutions and Enterprise Solutions businesses.

Residential Solutions

After each interaction with our customer service team, customers are invited to rate their satisfaction on a scale of 1 to 6. If a score of 2 or below is given, our team leaders reach out to understand the situation and improve the service experience. During the reporting period, the average satisfaction score across our customer service channels (hotline, online platform, and email) was 5.81 out of 6.

Additionally, we conduct satisfaction surveys with new customers and follow-up surveys the day after installations or maintenance. During the reporting period, our new broadband customers rated their satisfaction at 4.7 out of 6, while installation and maintenance services received a score of 5.72 out of 6.

Customers visiting our HKBN retail locations rated their in-store experience at 5.3 out of 6. For scores of 3 or below, our team follows up with the customer. Besides surveys, we have implemented quality enhancement programmes, such as mystery shopper and promoter booth assessments, to evaluate the performance of our direct sales teams. During the reporting period, our mystery shopper assessment and promoter booth assessment scores were 79.6 and 95.1 out of 100, respectively.

Enterprise Solutions

To better understand customer expectations, we conduct monthly surveys to gather feedback on our products and services. During the reporting period, the average satisfaction score received was 4.97 out of 6. After customer service calls, we invite customers to rate their experience. During the reporting period, we received an average call satisfaction score of 5.5 out of 6, answering hotline calls at an average rate of 92%.

Selling Responsibly

We are committed to fairness, transparency, and compliance in all sales and marketing activities. Strict policies and procedures ensure that our marketing materials adhere to relevant laws and regulations.

Climate Action

Building a sustainable future is one of the defining challenges of our time. At HKBN, we are pursuing smarter ways to reduce our environmental footprint, and whenever possible, invite our employees, customers, partners, and communities to join us on this journey.

Advancing Climate Action Across Our Value Chain

To further reduce Scope 3 emissions across our value chain, we strengthened our sustainable procurement practices by joining DHL's "GoGreen Plus" programme. Through this initiative, DHL uses sustainable aviation fuel (SAF) for a portion of our shipments, enabling direct emissions reduction within our logistics supply chain.

Supporting Customers' Climate-Focused Initiatives

Climate change is a collective challenge, and we're showing up as a partner, not just a participant. HKBN actively participated in our enterprise customers' climate-focused initiatives, including the Harvest at Sky Farm event. By taking part in these collaborative platforms, we're helping advance carbon management practices and building a shared commitment to a low-carbon future.

Enhancing ESG Awareness Through Interactive Staff Engagement

During the Mid-Autumn Festival, we introduced ESG-themed lantern riddles displayed on lanterns hand-painted by elderly participants from a previous volunteering activity — helping our staff engage with sustainability commitments in a culturally meaningful way. Around Chinese New Year, we kept the momentum going with an interactive ESG Red-Packet Claw Game, which made exploring ESG topics and everyday sustainability tips fun and engaging. These gamified experiences boosted ESG literacy while bringing our teams closer together during festive seasons.

Promoting Waste-Responsible Event Practices

As part of our commitment under the Green Event Pledge, HKBN reinforced waste-reduction habits beyond daily office operations. Practical environmental tips were shared with our operations teams when planning activities involving food and beverage, helping to minimise unnecessary waste. For example, at our Annual Dinner, staff were encouraged to take home leftover food, while our venue partner arranged for remaining surplus to be processed through appropriate recycling channels.

Enhancement of Smart Fleet Management

Following the groundwork established in FY25, our fleet management platform has progressed into field testing with a sleek new user interface and real-time tracking powered by mobile-based GPS data. A limited trial with selected engineering teams is already underway, delivering early insights that are shaping data accuracy and driving broader user adoption. These upgrades are supporting more efficient deployment planning right now, but we're already looking ahead. The next phase will explore AI-driven analytics to further cut fuel consumption and operational emissions.

A Look at 1H2026

Community Empowerment

As a leader in technology and telecommunications, HKBN is committed to narrowing the digital divide in our communities. We are breaking down barriers through digital literacy initiatives, cyber wellness education, and accessible connectivity solutions — because everyone deserves equal opportunities in the digital age.

Digital Inclusion Broadband Gift Programme

HKBN has consistently leveraged our resources and technological strengths to advance digital inclusion. Last year, in partnership with eight social service organisations, we provided 1,000 eligible underprivileged individuals and families with two years of free 1Gbps home broadband service — helping to bridge the digital divide.

This year, we have continued the programme, reinforcing HKBN's firm commitment to digital inclusion.

HKBN Digital Café

Technology should empower, never exclude. That belief drives our commitment to building a digitally inclusive society for the communities we serve. During the reporting period, we organised two rounds of "HKBN Digital Café" specifically for the elderly. Our volunteer team invited senior guests to our office for a luncheon workshop centred on digital exploration. Through hands-on, interactive sessions, they learned practical skills such as ordering meals via mobile apps — experiencing firsthand how technology can simplify daily life.



AI Empowerment for the Community

In December, we brought AI into the kitchen. At the Kwun Tong Community Living Room, we hosted an AI Cooking Workshop for marginalised families, introducing participants to simple, practical uses of AI. Guided by our volunteers, these families learned how to generate creative recipes and understand the nutritional value of ingredients using AI tools. Then came the best part: they prepared their chosen dishes together, fostering teamwork, confidence, and creativity. The evening concluded with a warm community dinner where everyone shared their culinary creations and learnings.

Chinese New Year Reunion Dinner & Digital Empowerment for the Elderly

Ahead of the Chinese New Year, our HKBN volunteers teamed up with an NGO to host a reunion dinner for elderly participants and their caregivers. In addition to sharing a joyful evening, our volunteers equipped attendees with practical mobile phone skills, including safety settings and anti-fraud tips, helping them enhance their digital adaptability and stay informed about important community updates.



Tai Po Wang Fuk Court Fire — Community Support

Our thoughts are with all residents affected by the fire at Tai Po Wang Fuk Court in late November last year. We are committed to standing by the community during such a difficult time. When help was needed most, we did what we could.

Our team swiftly delivered emergency supplies to temporary shelters and provided on-site volunteer support. We fully waived fixed broadband and home telephone service fees for affected customers, while mobile service customers were upgraded to unlimited data and voice usage. We also provided free 5G mobile routers and local data SIM cards to help residents maintain essential communications and internet access.

Supply Chain Management

At HKBN, we believe that corporate sustainability starts with strong supply chain management. By building enduring, trust-driven relationships with global and local partners and prioritising long-term collaboration, we are driving smarter, fairer practices that enhance our supply chain's efficiency and resilience.

Latest Enhancements

Being a responsible business means taking concrete action. During the reporting period, we revised our ESG questionnaire to cover critical climate risk areas, including carbon footprint tracking and decarbonisation strategies. Since November 2024, our Procurement team has required every tender bidder to complete an ESG initiative questionnaire.

Building on that foundation, we introduced a carbon footprint tracking questionnaire in February 2025 for our selected high-emission suppliers, enabling more comprehensive climate risk assessments. This enhanced evaluation looks at three critical areas: carbon footprint disclosure, decarbonisation roadmaps, and low-carbon product offerings. These insights allow us to make informed, responsible decisions for a more sustainable supply chain.

During the reporting period, we also rolled out an ESG questionnaire on carbon footprint tracking to our top 20 spending products, giving us better control and clearer visibility into supplier awareness across the market.

25 Years of Connectivity, 25 Years of Progress

Twenty-five years ago, connectivity was nothing short of revolutionary. Bridging oceans to connect people and ideas, it opened the door to a new digital frontier — and felt very much like the future arriving. Yet by today's standards, that era was strikingly basic — voice calls over copper wires and an internet so slow that sending even a few photos was a challenge.

Today, connectivity is indispensable. It powers how we work, learn, and live — from remote telemedicine and online classrooms to seamless 8K video streaming and globally distributed businesses operating with real-time precision. This transformation did not happen overnight. It was built by companies like HKBN that were willing to invest years ahead of demand — laying fibre when others saw no urgent need.



The Journey Begins

In 1999, HKBN started as an ambitious international long-distance telephone service provider, entering a market dominated by incumbents slow to innovate. Our early strategy was straightforward — offer better prices, capture market share, and build the brand. Yet even then, HKBN was looking much further ahead.

While competitors focused on squeezing margins from existing infrastructure, HKBN began building its own fibre network from the ground up. It was an ambitious venture — but the future, we believed, belonged to data.

That vision came to life in 2003, when HKBN launched Hong Kong's first fibre-to-the-home 100Mbps broadband service. A year later, in 2004, we followed with 1Gbps service — making Hong Kong the first city in the world where one-third of households had access to gigabit speeds.

At the time, 1Gbps fibre connectivity was unfathomable to most. But our thinking was forward-looking — build infrastructure so far ahead of demand that it would raise the baseline for an entire city. Hong Kong's emergence as a global connectivity hub did not happen by accident. It was built on investments like ours.

From Home Broadband to Infinite-Play to GigaFast Connectivity

That fibre backbone became the foundation for something broader. Having connected homes, we began empowering the lives inside them. Over time, we expanded our focus to include mobile services, entertainment, global roaming, home and travel insurance, and health and wellness — evolving from a connectivity provider into a household utility through our Infinite-Play strategy, serving not only the family's internet needs but also the individual lifestyles of each member.

Then came the next leap. Over the last several years, HKBN ushered Hong Kong into the GigaFast era — upgrading residential and enterprise connectivity to astonishing speeds of up to 25Gbps. At this scale, the network becomes a catalyst — moving massive datasets, supporting AI workloads without latency, and enabling experiences such as immersive virtual worlds and real-time collaboration from anywhere. This is infrastructure built to power the innovations that will define tomorrow.

Powering Enterprise Transformation

The same infrastructure that redefined home connectivity also laid the groundwork for our enterprise growth journey.

As businesses began shifting from physical servers to the cloud and from on-premises security to distributed networks, the need for reliable, high-capacity infrastructure became critical. HKBN Enterprise Solutions was there — not merely as a connectivity provider, but as a strategic partner helping organisations navigate that transition.

Today, HKBNES serves approximately one in every three active Hong Kong companies, with a portfolio spanning connectivity, security, cloud infrastructure, data centre services, and digital transformation solutions. For organisations with the most demanding networking requirements, our private dedicated MetroNet solution delivers 100Gbps.

As AI moves from aspiration to operational necessity, HKBNES is helping organisations make that leap — partnering with businesses to build long-term capabilities, whether that means an SME gaining access to enterprise-grade security, a school integrating AI-powered learning, or a manufacturer digitalising its entire supply chain.

Celebrating 25 Years

In late 2025, HKBN marked a quarter century of growth with a celebration at the Hong Kong Convention and Exhibition Centre, bringing together partners, customers, senior government officials, and other distinguished guests under the theme **“Forging a New Chapter Together: 25 Years of Connectivity”**.

The event was the centrepiece of a wider campaign that included a specially produced television commercial tracing our journey alongside the evolution of Hong Kong’s people and enterprises. The evening celebrated how far we have come — from dial-up, to fibre, to today’s GigaFast era.

We also looked ahead, with HKBN and HKBN Enterprise Solutions signing collaboration agreements with leading organisations across fintech, education, digital entertainment, and technology sectors — reinforcing our commitment to advancing Hong Kong’s digital ecosystem.

In addition to presenting awards to long-standing partners in recognition of their invaluable support, we showcased innovations from members of the HKBN InnoTech Ecosystem Alliance (iTEA) — a platform we established to bring together top industry partners in driving transformation.

Across both the event and our broader engagement efforts, we launched exclusive offers for residential and enterprise customers — a small way of saying thank you to the community that made it all possible.





The Next Chapter

With the strategic acquisition by China Mobile Hong Kong, we are entering an exciting new phase. The combination of local agility and mainland scale opens doors we have never had before — positioning us to help enterprises navigate the booming Greater Bay Area and beyond with seamless cross-border connectivity and technology solutions.

AI represents the next technological revolution in how we live and work. From personal AI assistants to autonomous systems making decisions in real time, we stand on the verge of a transformation that will redefine entire industries, reshape daily life, and unlock possibilities we are only beginning to imagine. HKBN is uniquely positioned to bring this change to households, businesses, and organisations across the region.

Our mission remains what it has always been — to empower lives, reshape businesses, and inspire innovation. For a company that started by investing big in fibre, the future is not something we wait for — it is something we are building toward.



Review report to the board of directors of HKBN Ltd.

(Incorporated in the Cayman Islands with limited liability)

Introduction

We have reviewed the interim financial report set out on pages 36 to 65 which comprises the consolidated statement of financial position of HKBN Ltd. (the "Company") as of 28 February 2026 and the related consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and condensed consolidated cash flow statement for the six months period then ended and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34, Interim financial reporting, issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of the interim financial report in accordance with Hong Kong Accounting Standard 34.

Our responsibility is to form a conclusion, based on our review, on the interim financial report 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 Hong Kong Standard on Review Engagements 2410, Review of interim financial information performed by the independent auditor of the entity, issued by the Hong Kong Institute of Certified Public Accountants. A review of the interim financial report consists of making enquiries, 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 Hong Kong 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 interim financial report as at 28 February 2026 is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34, Interim financial reporting.

KPMG

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

24 April 2026

Consolidated Income Statement

For the six months ended 28 February 2026 — unaudited (Expressed in Hong Kong dollars)

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

The notes on pages 43 to 65 form part of this interim financial report. Details of dividend payable to equity shareholders of the Company are set out in note 13(b).

Consolidated Statement of Comprehensive Income

For the six months ended 28 February 2026 — unaudited (Expressed in Hong Kong dollars)

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

The notes on pages 43 to 65 form part of this interim financial report.

Consolidated Statement of Financial Position

At 28 February 2026 — unaudited (Expressed in Hong Kong dollars)

	Note	At 28 February 2026 \$'000	At 31 August 2025 \$'000
Non-current assets			
Goodwill		7,816,507	7,816,507
Intangible assets		1,861,244	2,012,209
Property, plant and equipment	7	3,092,998	3,154,104
Right-of-use assets	8	472,672	534,464
Customer acquisition and retention costs		423,954	434,919
Deferred tax assets		127,875	181,437
Other non-current assets		52,803	52,585
		13,848,053	14,186,225
Current assets			
Inventories		134,782	92,861
Trade receivables	9	1,048,552	976,438
Other receivables, deposits and prepayments	9	442,993	440,253
Contract assets		381,928	364,580
Amount due from a joint venture		255	230
Cash and cash equivalents	10	994,698	1,192,160
		3,003,208	3,066,522
Current liabilities			
Trade payables, other payables and accrued charges	11	2,029,853	2,078,745
Contract liabilities		572,886	583,301
Deposits received		138,298	136,796
Amount due to a joint venture		6,074	15,744
Bank and other borrowings	12	151,175	4,239,769
Lease liabilities		144,896	144,813
Tax payable		41,333	124,942
Financial liabilities at fair value through profit or loss		—	14,071
		3,084,515	7,338,181
Net current liabilities		(81,307)	(4,271,659)
Total assets less current liabilities		13,766,746	9,914,566

Consolidated Statement of Financial Position

At 28 February 2026 — unaudited (Expressed in Hong Kong dollars)

	Note	At 28 February 2026 \$'000	At 31 August 2025 \$'000
Non-current liabilities			
Contract liabilities		157,670	153,583
Deferred tax liabilities		465,806	514,418
Lease liabilities		184,240	246,897
Provision for reinstatement costs		67,148	67,997
Bank and other borrowings	12	10,774,360	6,645,920
		11,649,224	7,628,815
NET ASSETS			
		2,117,522	2,285,751
CAPITAL AND RESERVES			
	13		
Share capital		149	149
Reserves		2,117,373	2,285,602
TOTAL EQUITY			
		2,117,522	2,285,751

The notes on pages 43 to 65 form part of this interim financial report.

Consolidated Statement of Changes in Equity

For the six months ended 28 February 2026 — unaudited (Expressed in Hong Kong dollars)

	Attributable to equity shareholders of the Company							Total \$'000
	Note	Share	Vendor	Capital	Other	Accumulated	Exchange	
		capital \$'000	Loan Notes (note 14) \$'000	reserve \$'000	reserve \$'000	losses \$'000	reserve \$'000	
Balance at 1 September 2024		132	2,349,204	40,803	596,420	(410,918)	(21,377)	2,554,264
Changes in equity for the six months ended								
28 February 2025:								
Profit for the period		-	-	-	-	107,560	-	107,560
Exchange differences on translation of financial statements of subsidiaries outside Hong Kong, with nil tax effect		-	-	-	-	-	(11,716)	(11,716)
Total comprehensive income		-	-	-	-	107,560	(11,716)	95,844
Dividend approved to equity shareholders of the Company in respect of the previous year		-	-	-	-	(216,414)	-	(216,414)
Distribution to holders of the Vendor Loan Notes		-	-	-	-	(27,608)	-	(27,608)
Balance at 28 February 2025		132	2,349,204	40,803	596,420	(547,380)	(33,093)	2,406,086

	Attributable to equity shareholders of the Company							Total \$'000	
	Note	Share	Share	Vendor	Capital	Other	Accumulated		Exchange
		capital \$'000	premium \$'000	Loan Notes (note 14) \$'000	reserve \$'000	reserve \$'000	losses \$'000		reserve \$'000
Balance at 1 March 2025		132	-	2,349,204	40,803	596,420	(547,380)	(33,093)	2,406,086
Changes in equity for the six months ended									
31 August 2025:									
Profit for the period		-	-	-	-	-	99,304	-	99,304
Exchange differences on translation of financial statements of subsidiaries outside Hong Kong, with nil tax effect		-	-	-	-	-	-	9,594	9,594
Total comprehensive income		-	-	-	-	-	99,304	9,594	108,898
Issue of shares for conversion of the Vendor Loan Notes	14	17	2,349,187	(2,349,204)	-	-	-	-	-
Dividend declared to equity shareholders of the Company in respect of the current year		-	-	-	-	-	(229,233)	-	(229,233)
Balance at 31 August 2025		149	2,349,187	-	40,803	596,420	(677,309)	(23,499)	2,285,751

Consolidated Statement of Changes in Equity

For the six months ended 28 February 2026 — unaudited (Expressed in Hong Kong dollars)

	Note	Attributable to equity shareholders of the Company						Total \$'000
		Share capital \$'000	Share premium \$'000	Capital reserve \$'000	Other reserve \$'000	Accumulated losses \$'000	Exchange reserve \$'000	
Balance at 1 September 2025		149	2,349,187	40,803	596,420	(677,309)	(23,499)	2,285,751
Changes in equity for the six months ended 28 February 2026:								
Profit for the period		-	-	-	-	107,672	-	107,672
Exchange differences on translation of financial statements of subsidiaries outside Hong Kong, with nil tax effect		-	-	-	-	-	3,615	3,615
Total comprehensive income		-	-	-	-	107,672	3,615	111,287
Dividend approved to equity shareholders of the Company in respect of the previous year		-	-	-	-	(279,516)	-	(279,516)
Balance at 28 February 2026		149	2,349,187	40,803	596,420	(849,153)	(19,884)	2,117,522

The notes on pages 43 to 65 form part of this interim financial report.

Condensed Consolidated Cash Flow Statement

For the six months ended 28 February 2026 — unaudited (Expressed in Hong Kong dollars)

	Six months ended	
	28 February 2026 \$'000	28 February 2025 \$'000
Operating activities		
Cash generated from operations	932,251	1,015,863
Tax paid:		
— Hong Kong Profits Tax paid	(144,527)	(156,930)
— Tax paid outside Hong Kong	(6,506)	(5,673)
Net cash generated from operating activities	781,218	853,260
Investing activities		
Payment for the purchase of property, plant and equipment	(250,012)	(238,513)
Payment for the purchase of intangible assets	(19,732)	—
Proceeds from sale of property, plant and equipment	7,202	1,376
Interest received	6,426	4,296
Net cash used in investing activities	(256,116)	(232,841)
Financing activities		
Capital element of lease rentals paid	(75,361)	(79,343)
Interest element of lease rentals paid	(9,858)	(12,260)
Proceeds from bank loans	10,858,568	206,860
Proceeds from other borrowings	42,245	6,536
Repayment of bank loans	(10,986,729)	(247,074)
Repayment of other borrowings	(13,981)	(19,789)
Repayment of other liabilities	—	(7,021)
Interest paid on bank and other borrowings and interest-rate swap	(257,158)	(360,629)
Dividend paid to the equity shareholders of the Company	(279,516)	(216,414)
Distribution to the holders of the Vendor Loan Notes	—	(27,608)
Net cash used in financing activities	(721,790)	(756,742)
Net decrease in cash and cash equivalents	(196,688)	(136,323)
Cash and cash equivalents at the beginning of the period	1,192,160	1,217,406
Effect of foreign exchange rate changes	(774)	(3,114)
Cash and cash equivalents at the end of the period	994,698	1,077,969

The notes on pages 43 to 65 form part of this interim financial report.

Notes to the Unaudited Interim Financial Report

(Expressed in Hong Kong dollars unless otherwise indicated)

1 Basis of preparation

This interim financial report of HKBN Ltd. (the “Company”) and its subsidiaries (together the “Group”) has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard (“HKAS”) 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). It was authorised for issue on 24 April 2026.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the annual financial statements of the Group for the year ended 31 August 2025, except for the accounting policy changes that are expected to be reflected in the 2026 annual financial statements. Details of any changes in accounting policies are set out in note 2.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the annual financial statements for the year ended 31 August 2025. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with HKFRS Accounting Standards.

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the HKICPA. KPMG’s independent review report to the Board of Directors is included on page 35.

2 Changes in accounting policies

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

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

Notes to the Unaudited Interim Financial Report

(Expressed in Hong Kong dollars unless otherwise indicated)

3 Revenue and segment reporting

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

(a) Disaggregation of revenue

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

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

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

Notes to the Unaudited Interim Financial Report

(Expressed in Hong Kong dollars unless otherwise indicated)

3 Revenue and segment reporting (continued)

(a) Disaggregation of revenue (continued)

	Six months ended	
	28 February 2026 \$'000	28 February 2025 \$'000
Disaggregated by major categories:		
Residential Solutions revenue	1,158,200	1,165,568
Enterprise Solutions revenue	2,807,608	2,549,534
Enterprise Solutions related products revenue	1,012,202	892,191
Handsets and other products revenue	1,051,192	1,126,976
	6,029,202	5,734,269
Disaggregated by geographical location of customers:		
Hong Kong (place of domicile)	5,461,854	5,213,624
Chinese Mainland	352,124	277,202
Macao	215,224	243,443
	6,029,202	5,734,269

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

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

Disaggregation of revenue from contracts with customers by the timing of revenue recognition is disclosed in note 3(b).

(b) Segment reporting

Operating segments, and the amounts of each segment item reported in the interim financial report, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

Notes to the Unaudited Interim Financial Report

(Expressed in Hong Kong dollars unless otherwise indicated)

3 Revenue and segment reporting (continued)

(b) Segment reporting (continued)

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

(i) **Telecom and technology solutions (Hong Kong)**

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

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

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

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

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

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

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

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

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

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

Notes to the Unaudited Interim Financial Report

(Expressed in Hong Kong dollars unless otherwise indicated)

3 Revenue and segment reporting (continued)

(b) Segment reporting (continued)

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

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

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

Notes to the Unaudited Interim Financial Report

(Expressed in Hong Kong dollars unless otherwise indicated)

3 Revenue and segment reporting (continued)

(b) Segment reporting (continued)

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

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

4 Profit before taxation

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

	Six months ended	
	28 February 2026 \$'000	28 February 2025 \$'000
(a) Other net income		
Interest income	(6,426)	(4,296)
Net foreign exchange loss	11,585	2,788
Gain on disposal of property, plant and equipment, net	(6,251)	(887)
Gain on disposal of right-of-use assets, net	(154)	(77)
Other income	(903)	(3,329)
	(2,149)	(5,801)

Notes to the Unaudited Interim Financial Report

(Expressed in Hong Kong dollars unless otherwise indicated)

4 Profit before taxation (continued)

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

	Six months ended	
	28 February 2026 \$'000	28 February 2025 \$'000
(b) Other operating expenses		
Advertising and marketing expenses	19,002	16,132
Depreciation		
— Property, plant and equipment	313,842	331,200
— Right-of-use assets	74,918	79,936
Recognition of loss allowance on trade receivables and contract assets	30,205	27,618
Staff costs (note 4(c))	499,248	491,095
Amortisation of intangible assets	170,701	177,859
Amortisation of customer acquisition and retention costs	144,566	142,259
Others	246,074	275,193
— Rental and utilities	23,957	30,713
— Site expenses	43,332	43,655
— Bank handling charges	19,240	17,661
— Maintenance	35,739	32,319
— Subscription and license fees	49,928	51,157
— Legal and professional fees	9,309	41,058
— Printing, telecommunication and logistics expenses	17,249	18,092
— Others	47,320	40,538
	1,498,556	1,541,292

Notes to the Unaudited Interim Financial Report

(Expressed in Hong Kong dollars unless otherwise indicated)

4 Profit before taxation (continued)

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

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

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

Notes to the Unaudited Interim Financial Report

(Expressed in Hong Kong dollars unless otherwise indicated)

4 Profit before taxation (continued)

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

	Six months ended	
	28 February 2026 \$'000	28 February 2025 \$'000
(d) Finance costs		
Interest and finance charges on bank loans	245,019	382,501
Interest on other borrowings	469	515
Interest on lease liabilities	9,858	12,260
Interest on other liabilities	–	95
Fair value gain on the interest-rate swap	(5,252)	(29,347)
Loss on early retirement of banking facilities	128,737	–
	378,831	366,024
(e) Other items		
Amortisation of intangible assets #	170,701	198,899
Depreciation		
— Property, plant and equipment #	313,842	331,200
— Right-of-use assets #	74,918	80,010
Rental charges on telecommunications facilities and computer equipment	301,143	291,709
Expenses relating to short-term leases and leases of low-value assets	5,380	3,965
Recognition of loss allowance on trade receivables and contract assets #	30,205	27,618
Cost of inventories	1,944,438	1,938,433
Write-down of inventories	906	4,060

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

Notes to the Unaudited Interim Financial Report

(Expressed in Hong Kong dollars unless otherwise indicated)

5 Income tax expense

(a) Taxation in the consolidated income statement represents:

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

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

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

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

(b) Pillar Two income tax

The Group is subject to the Global Anti-Base Erosion Model Rules ("Pillar Two model rules") published by the Organisation for Economic Co-operation and Development.

The Group is liable to Pillar Two income taxes under the Hong Kong Inland Revenue (Amendment) (Minimum Tax for Multinational Enterprise Groups) Ordinance 2025 for its earnings in the Hong Kong and certain other jurisdictions. Management assessed that the exposure arising from top-up tax to be immaterial.

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

Notes to the Unaudited Interim Financial Report

(Expressed in Hong Kong dollars unless otherwise indicated)

6 Earnings per share

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of \$107,672,000 (six months ended 28 February 2025: \$107,560,000) and the weighted average number of ordinary shares in issue calculated as follows:

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

(b) Diluted earnings per share

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

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

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

Notes to the Unaudited Interim Financial Report

(Expressed in Hong Kong dollars unless otherwise indicated)

7 Property, plant and equipment

	At 28 February 2026 \$'000	At 31 August 2025 \$'000
Opening net book value	3,154,104	3,132,945
Exchange adjustments	195	(60)
Additions	253,489	687,902
Disposals (net carrying amount)	(948)	(1,759)
Depreciation charges for the period/year	(313,842)	(664,924)
Closing net book value	3,092,998	3,154,104

8 Right-of-use assets

	At 28 February 2026 \$'000	At 31 August 2025 \$'000
Opening net book value	534,464	628,457
Exchange adjustments	135	(87)
Provision for reinstatement	–	10,363
Additions	13,978	54,171
Modification	–	(76)
Disposals (net carrying amount)	(987)	(1,080)
Depreciation charges for the period/year	(74,918)	(157,284)
Closing net book value	472,672	534,464

During the six months ended 28 February 2026, the Group entered into a number of lease agreements for use of shop and office of \$13,978,000 (six months ended 28 February 2025: \$12,418,000).

Notes to the Unaudited Interim Financial Report

(Expressed in Hong Kong dollars unless otherwise indicated)

9 Trade receivables, other receivables, deposits and prepayments

	At 28 February 2026 \$'000	At 31 August 2025 \$'000
Trade receivables, net of loss allowance	1,048,552	976,438
Other receivables, deposits and prepayments	442,993	440,253
	1,491,545	1,416,691

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

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

The majority of the Group's trade receivables is due within 30 to 90 days from the date of billing. Subscribers with receivable that are more than 3 months overdue are requested to settle all outstanding balances before further credit is granted.

Included in the Group's trade and other receivables as at 28 February 2026 are aggregate amounts of \$39,609,000 (31 August 2025: \$23,218,000) and \$53,307,000 (31 August 2025: \$38,315,000) due from immediate holding company and fellow subsidiaries, respectively, arising from transactions carried out in the ordinary course of business of the Group. The balances are unsecured and are repayable within credit periods similar to those offered by the Group to its independent third party customers.

All of the other receivables, deposits and prepayments are expected to be recovered or recognised as expense within one year.

Notes to the Unaudited Interim Financial Report

(Expressed in Hong Kong dollars unless otherwise indicated)

10 Cash and cash equivalents

Cash and cash equivalents comprise:

	At 28 February 2026 \$'000	At 31 August 2025 \$'000
Cash and cash equivalents in the condensed consolidated cash flow statement	994,698	1,192,160

11 Trade payables, other payables and accrued charges

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

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

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

Included in the Group's trade payables as at 28 February 2026 is an aggregate amount of \$9,663,000 (31 August 2025: \$7,000,000) and \$15,394,000 (31 August 2025: \$6,142,000) due to immediate holding company and fellow subsidiaries respectively, arising from transactions carried out in the ordinary course of business of the Group. The balances are unsecured, interest-free and are repayable within credit periods similar to those offered by its independent third party suppliers.

Notes to the Unaudited Interim Financial Report

(Expressed in Hong Kong dollars unless otherwise indicated)

12 Bank and other borrowings

(a) The analysis of the carrying amount of bank and other borrowings is as follows:

	At 28 February 2026 \$'000	At 31 August 2025 \$'000
Bank borrowings — unsecured	10,859,505	10,847,982
Other borrowings — secured	66,030	37,707
	10,925,535	10,885,689
Amounts due within one year included in current liabilities	(151,175)	(4,239,769)
	10,774,360	6,645,920

(b) As at 28 February 2026, the bank and other borrowings were repayable as follows:

	At 28 February 2026 \$'000	At 31 August 2025 \$'000
Bank borrowings (unsecured)		
Within 1 year or on demand	126,371	4,228,060
After 1 year but within 2 years	—	—
After 2 years but within 5 years	10,733,134	6,619,922
	10,859,505	10,847,982
Other borrowings (secured)		
Within 1 year or on demand	24,804	11,709
After 1 year but within 2 years	15,661	10,558
After 2 years but within 5 years	25,565	15,440
	66,030	37,707
Bank and other borrowings	10,925,535	10,885,689
Amounts due within one year included in current liabilities	(151,175)	(4,239,769)
	10,774,360	6,645,920

Notes to the Unaudited Interim Financial Report

(Expressed in Hong Kong dollars unless otherwise indicated)

12 Bank and other borrowings (continued)

(b) As at 28 February 2026, the bank and other borrowings were repayable as follows: (continued)

- (i) On 31 October 2025, the Group entered into a facility agreement (the "Facility Agreement") with a syndicate of banks, each acting as a lender (each a "Lender"), in respect of a term loan facility with an aggregate principal amount of \$10,750,000,000 (the "Facility"). Pursuant to the Facility Agreement, the Group drew down the Facility in full on 24 November 2025 at an interest rate of HIBOR plus a margin of 0.4% per annum, payable monthly. The Facility was entered into as a refinancing arrangement, and the proceeds from the drawdown were used to repay the bank loans referred to in items (ii) and (iii) below.

The Facility is unsecured and will mature on the date falling 364 days after the initial drawdown date (or, if such date is not a business day under the Facility Agreement, the immediately preceding business day). Subject to the satisfaction of certain conditions, the Group may, at its option, extend the maturity date twice for additional periods of 24 months each, without the consent of any Lender. As at 28 February 2026, the outstanding principal amount of the loan was \$10,750,000,000.

Pursuant to the Facility Agreement, if the controlling shareholder of the Company, China Mobile Hong Kong Company Limited ("CMHK"), together with its affiliates, ceases to beneficially hold, directly or indirectly, more than 50% of the issued voting ordinary shares of the Company, any Lender may, by written notice to the facility agent, cancel its available commitment and require the mandatory repayment by the Group of such portion of the outstanding loans (together with all accrued but unpaid interest) representing that Lender's participation in the Facility, together with all other accrued or outstanding amounts owing to such Lender under the related finance documents.

- (ii) On 23 December 2024, the Group entered into term loan facility of \$6,750,000,000 in aggregate with various international banks. The Group has drawn down a bank loan with a principal amount of \$5,250,000,000 and \$1,500,000,000 at HIBOR plus a margin of 1.50% per annum on 18 March 2025 and 17 April 2025 respectively. The loan was unsecured and was fully repaid on 24 November 2025.
- (iii) On 31 March 2021, the Group entered into a term loan facility with various international banks for an aggregate amount of \$5,500,000,000. Pursuant to the facility, the Group drew down bank loans with principal amounts of \$5,000,000,000 and \$500,000,000 on 9 April 2021 and 24 May 2021, respectively, at an interest rate of HIBOR plus a margin of 1.50% per annum. The interest rate was subsequently revised to HIBOR plus a margin of 2.20% per annum effective from 31 December 2024. The loan was unsecured and was fully repaid on 24 November 2025.
- (iv) On 9 December 2021, the Group entered into a master buyer agreement for supply chain financing from a bank in Hong Kong. No credit was utilised as of 28 February 2026 (31 August 2025: \$161,857,000). The extended credit term ranged from 60 to 180 days from the date of utilisation.

On 11 April 2022, the Group entered into an import invoice financing agreement for supply chain financing from a bank in Hong Kong. No credit was utilised as of 28 February 2026 (31 August 2025: \$74,872,000). The bank charges at HIBOR plus a margin of 1.15% per annum on the amount of supplier's invoices applied.

12 Bank and other borrowings (continued)

(b) As at 28 February 2026, the bank and other borrowings were repayable as follows: (continued)

(iv) (continued)

On 20 June 2025, the Group entered into an import trade loan and sustainability-linked revolving loan agreement from a bank in Hong Kong. An aggregate amount of \$126,371,000 was utilised as of 28 February 2026 (31 August 2025: \$Nil). The bank charges at HIBOR plus a margin of 0.8% per annum. The agreement grants up to 90 days of payment term from the date of utilisation.

The facilities were unsecured and covered by a guarantee arrangement issued by the Company.

- (v) The bank loans mentioned in note (i), (ii), (iii) and (iv) are recognised initially at fair value less attributable transactions costs. Subsequent to initial recognition, the bank loans are stated at amortised cost with any difference between the amount initially recognised and interest payable using the effective interest method.

The bank loans mentioned in note (i), (ii) and (iii) above are subject to the fulfilment of covenants relating to certain balance sheet ratios of the Group. As at 28 February 2026 and 31 August 2025, the Group complied with all of the covenants relating to bank loans.

To calculate the effective interest in each reporting period, the effective interest rate is applied to the amortised cost of the bank loans at the end of the previous reporting period.

The effective interest rate of the bank loans as of 28 February 2026 is 2.98% per annum (31 August 2025: 5.48%).

- (vi) The Group entered into sale and leaseback arrangement contracts with third-party leasing companies, with contract terms of three years. The substance of the arrangement was that the lessors provide finance to the Group with the assets as security. The Group accounted for the assets in its consolidated statement of financial position. The sales proceeds are recorded as other borrowings in the consolidated statement of financial position. As at 28 February 2026, the balance of other borrowings amounting to \$267,000 (31 August 2025: \$452,000) was recorded as a current liability and \$Nil (31 August 2025: \$39,000) was recorded as a non-current liability on the Group's consolidated statement of financial position. The effective interest rate of the other borrowings is 4.66% per annum (31 August 2025: 4.66%).
- (vii) The Group entered into financing arrangement contracts with third-party company, with contract terms of two years to five years. The Group has obtained other borrowings with aggregate principal amount of \$89,922,000 (31 August 2025: \$47,677,000) at effective interest rate of 2.97% (31 August 2025: 3.87%) per annum. The other borrowings were secured by assets of the Group amounting to \$63,218,000 (31 August 2025: \$35,482,000). As at 28 February 2026, the balance of other borrowings amounting to \$24,537,000 (31 August 2025: \$11,257,000) was recorded as a current liability and \$41,226,000 (31 August 2025: \$25,959,000) was recorded as a non-current liability on the Group's consolidated statement of financial position.

Notes to the Unaudited Interim Financial Report

(Expressed in Hong Kong dollars unless otherwise indicated)

13 Capital, reserves and dividend

(a) Share capital

As at 28 February 2026, 3,800,000,000 ordinary shares, with par value of \$0.1 cent each, were authorised for issue. As at 28 February 2026, the Company had 1,478,921,568 (28 February 2025: 1,311,599,356) ordinary shares in issue. On 14 March 2025 and 22 April 2025, 167,322,212 shares in total were issued and allotted as the result of the conversion of the Vendor Loan Notes (refer to note 14 for details).

(b) Dividend

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

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

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

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

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

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

13 Capital, reserves and dividend (continued)

(c) Equity-settled share-based transactions

The Amended and Restated Co-Ownership Plan IV

The Co-Ownership Plan IV was originally adopted on 19 August 2021 (the "Adoption Date") to incentivize Participants to achieve a cumulative performance target over the 2022-2024 financial years of the Group. Due to macroeconomic downturn caused by the COVID-19 pandemic, and exacerbated by geopolitics and rising interest rates, the Company has changed the company-wide performance targets from being based on adjusted free cash flow to focusing on earnings and revenue. Accordingly, the Company considered it appropriate to extend the performance targets to cover the 2023-2025 financial years of the Company and better align the incentives of its staff to the Company's overall performance targets. The Amended and Restated Co-Ownership Plan IV became effective on 11 May 2023 (the "Commencement Date").

The total maximum number of Shares that may underlie the RSUs to be granted pursuant to the Amended and Restated Co-Ownership Plan IV is 36,973,039 Shares (being approximately 2.50% of the Shares in Issue (on a fully diluted and as-converted basis) on the day of the general meeting of the Company approving the amendments and restatements of the Amended and Restated Co-Ownership Plan IV (as may be adjusted in the event of a subdivision or consolidation of the Shares). Since the Commencement Date and up to 31 August 2025, a total of 16,679,892 award shares have been granted under the Amended and Restated Co-Ownership Plan IV. During the year ended 31 August 2025, 902,537 RSUs had been cancelled. Since the commencement date and up to the plan termination date on 4 August 2025, a total of 5,185,791 RSUs had been cancelled. On the plan termination date, a total of 11,494,101 RSUs had been lapsed. As the Amended and Restated Co-Ownership Plan IV was terminated in August 2025, no shares would be available for issue under this plan.

The directors estimated the fair value of the RSU at the service periods commencing date to be \$0.

14 Vendor Loan Notes

On 30 April 2019, the Company issued the Vendor Loan Notes with a nominal amount of \$1,940,937,656 as part of the consideration of the acquisition of the entire issued share capital of WTT Holding Corp (the "WTT Acquisition"). The Vendor Loan Notes are zero coupon convertible notes which may be converted into new ordinary shares to be issued by the Company at the initial conversion price of \$11.60 per share pursuant to the terms and conditions of the Vendor Loan Notes. The Vendor Loan Notes have no maturity date and the holders of the Vendor Loan Notes have the right to receive an amount equal to any dividend made by the Company on an as-converted basis. Therefore, the Vendor Loan Notes are classified as equity instruments and recorded in equity in the consolidated statement of financial position.

Following receipt of a notice of conversion of the Vendor Loan Notes from Twin Holding Ltd ("Twin Holding") and TPG Wireman, L.P. ("TPG") respectively, all of the Vendor Loan Notes held by Twin Holding and TPG with a total principal amount of \$970,468,828 each had been converted into 83,661,106 shares (based on the conversion price of \$11.60 per share) on each case pursuant to the terms and conditions of the Vendor Loan Notes and the issuance and allotment of the conversion shares by the Company to Twin Holding and TPG were completed on 14 March 2025 and 22 April 2025 respectively.

Notes to the Unaudited Interim Financial Report

(Expressed in Hong Kong dollars unless otherwise indicated)

15 Fair value measurement of financial instruments

(a) Financial assets and liabilities measured at fair value

(i) Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis as at 31 August 2025 (28 February 2026: \$Nil), categorised into the three-level fair value hierarchy as defined in HKFRS 13. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available
- Level 3 valuations: Fair value measured using significant unobservable inputs

	Fair value at 31 August 2025 \$'000	Fair value measurement as at 31 August 2025 categorised into		
		Level 1 \$'000	Level 2 \$'000	Level 3 \$'000

Recurring fair value measurement

Financial liabilities:

Derivative financial instrument:

— Interest-rate swap	(14,071)	–	(14,071)	–
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During the six months ended 28 February 2026, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3 (31 August 2025: \$Nil). The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

(ii) Valuation techniques and inputs used in Level 2 fair value measurement

The fair value of interest-rate swap is the estimated amount that the Group would receive or pay to terminate the swap at the end of the reporting period, taking into account current interest rates and the current creditworthiness of the swap counterparties.

Notes to the Unaudited Interim Financial Report

(Expressed in Hong Kong dollars unless otherwise indicated)

15 Fair value measurement of financial instruments (continued)

(b) Fair values of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 28 February 2026 and 31 August 2025.

16 Capital commitments outstanding not provided for in the interim financial report

At 28 February 2026, the Group had the following capital commitments outstanding not provided for in the interim financial report:

	At 28 February 2026 \$'000	At 31 August 2025 \$'000
Contracted but not provided for		
— Purchase of property, plant and equipment	209,910	172,267

17 Contingent liabilities

	At 28 February 2026 \$'000	At 31 August 2025 \$'000
Bank guarantee in lieu of payment of utility deposits	3,622	3,622
Bank guarantee in lieu of performance guarantees	275,318	267,841
	278,940	271,463

At 28 February 2026 and 31 August 2025, the directors did not consider it is probable that a claim will be made against the Group under any guarantees. It has therefore not been recognised in the consolidated statement of financial position.

Notes to the Unaudited Interim Financial Report

(Expressed in Hong Kong dollars unless otherwise indicated)

18 Material related party transactions

(a) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the directors of the Company, is as follows:

	Six months ended	
	28 February 2026 \$'000	28 February 2025 \$'000
Short-term employee benefits	27,352	22,672
Post-employment benefits	1,327	1,534
	28,679	24,206

(b) Related party transactions

The following is a summary of related party transactions entered into by the Group during the period. These transactions also constitute continuing connected transactions as defined under Chapter 14A of the Listing Rules.

	Six months ended	
	28 February 2026 \$'000	28 February 2025 \$'000
Transactions with fellow subsidiaries:		
Revenue from fixed telecommunications network services	12,826	–
Revenue from wholesale IDD services	29,061	–
Purchase of fixed telecommunications network services	5,586	–
Purchase of international telecommunications services	4,124	–
Purchase of wholesale IDD services	27,718	–
Transactions with an immediate holding company:		
Revenue from broadband resale services	14,557	–
Revenue from fixed telecommunications network services	7,609	–
Purchase of fixed telecommunications network services	3,658	–
Purchase of mobile services	8,217	–

(c) Related party balances

Included in the Group's contract liabilities as at 28 February 2026 is an amount of \$5,980,000 (31 August 2025: \$6,515,000) due to fellow subsidiaries, arising from transactions carried out in the ordinary course of business of the Group.

Other than the above balance and as disclosed in notes 9 and 11, the Group has no other related party balances.

18 Material related party transactions (continued)

(d) Transactions and balances with major associates of the Group's ultimate holding company and intermediate holding company

As at 28 February 2026, included in the Group's bank and other borrowings as disclosed in note 12(b)(i) are facilities of \$800,000,000 provided by two banks respectively, in which the Group's ultimate holding company and intermediate holding company holds significant influence, representing aggregate principal amount of \$1,600,000,000. Interest incurred on these facilities during the six months ended 28 February 2026 has been recognised in the Group's consolidated income statement as finance costs. These facilities were arranged in the ordinary course of business on normal commercial terms.

(e) Transactions with other Chinese Mainland government-related entities

The Group is a Chinese Mainland government-related enterprise and operates in an economic regime currently dominated by entities directly or indirectly controlled by the Chinese Mainland government through government authorities, agencies, affiliations and other organisations (collectively referred to as "government-related entities").

Apart from transactions as disclosed in note 18(b) and 18(d), transactions with other government-related entities which include but not limited to the following:

- rendering and receiving telecommunications
- sharing certain telecommunications network infrastructures
- purchasing of goods, including use of public utilities
- placing of bank deposits

These transactions are conducted during the ordinary course of the Group's business based on terms comparable to the terms of transactions enacted with other entities that are not government-related. The Group prices its telecommunications services and products based on commercial negotiations with reference to rules and regulations stipulated by related authorities of the government, where applicable. The Group has also established its procurement policies and approval processes for purchases of products and services, which do not depend on whether the counterparties are government-related entities or not.

Other Information

Directors' and Chief Executives' Interests in Securities

As at 28 February 2026, none of the Directors of the Company (the "Director(s)"), chief executives of the Company or their respective associates had any interests or short positions in any shares, underlying shares (in respect of positions held pursuant to equity derivatives) or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which (a) were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (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 (b) were required, pursuant to Section 352 of the SFO to be entered in the register maintained by the Company referred to therein; or (c) were otherwise required to be notified to the Company and the Stock Exchange pursuant to the "Model Code for Securities Transactions by Directors of Listed Issuers" (the "Model Code") set out in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

Substantial Shareholders' Interests

As at 28 February 2026, to the best knowledge of the Directors and chief executives of the Company, the following persons (other than any Directors or chief executives of the Company) were substantial shareholders, representing 5% or more of the issued share capital of the Company, who had interests in shares and underlying shares of the Company (in respect of positions held pursuant to equity derivatives) which were required to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO, or which were required to be recorded in the register required to be kept under Section 336 of Part XV of the SFO:

Long Position in Shares and Underlying Shares of the Company

Name	Note	Number of issued shares held	Approximate percentage of issued shares held to the total issued share capital of the Company (Note (b))
China Mobile Communications Group Co., Ltd.	(a)	1,106,786,075	74.84%
China Mobile Limited	(a)	1,106,786,075	74.84%

Notes:

- (a) China Mobile Communications Group Co., Ltd. (through corporations directly and indirectly controlled by it, namely China Mobile (Hong Kong) Group Limited, China Mobile Hong Kong (BVI) Limited, China Mobile Limited, and Fit Best Limited), was interested in 1,106,786,075 issued shares of the Company directly held by China Mobile Hong Kong Company Limited.
- (b) The approximate percentage of issued shares is calculated based on the total number of issued shares of the Company as at 28 February 2026 (i.e. 1,478,921,568 shares, and rounded off to two decimal places).

Other than the interests disclosed above, the Company was not notified of any other relevant interests or short positions in the shares or underlying shares (in respect of positions held pursuant to equity derivatives) of the Company as at 28 February 2026.

Restricted Share Unit Schemes

To attract, retain and motivate skilled and experienced staff, the Company adopted four Co-Ownership plans since its listing, namely Co-Ownership Plan II (naturally expired in March 2025), Co-Ownership Plan III (was terminated and replaced by Co-Ownership Plan III Plus), Co-Ownership Plan III Plus (naturally expired in October 2023) and Co-Ownership Plan IV (was amended and replaced by the amended and restated Co-Ownership Plan IV (the "Amended and Restated Co-Ownership Plan IV") on 11 May 2023) which was terminated in August 2025.

As at 28 February 2026, no restricted share unit ("RSU") scheme was held by the Company.

Co-Ownership Plan II

The Co-Ownership Plan II was adopted by the Company in 2015 as an incentive arrangement to attract, retain and motivate skilled and experienced staff for the development of the Group. The RSUs are acquired by the independent trustee at the cost of the Company and are held by the trustee until the end of each vesting period. The shares will be transferred to the participants upon vesting. The Co-Ownership Plan II naturally expired in March 2025.

Purpose

The purpose of the Co-Ownership Plan II is to attract skilled and experienced staff, to incentivise them to remain with the Group and to motivate them to strive for the future development and expansion of the Group by providing them with the opportunity to own equity interests in the Company, while encouraging them to be long-term holders of the Company's shares.

Participant

The Board may, at its discretion, invite any Director, director of subsidiaries of the Group or staff who the Board considers, have contributed or will contribute to the Group to participate in the Co-Ownership Plan II. An eligible staff will receive an invitation from the Board during the relevant invitation period, and such person will become a participant upon the acceptance of an invitation to participate in the Co-Ownership Plan II (the "CO2 Participants").

Administration

The Co-Ownership Plan II is subject to the administration of the Board and the trustee in accordance with the scheme rules and the trust deed.

Remaining life

The Co-Ownership Plan II was valid and effective for the period commencing on 12 March 2015 (the "Listing Date"), and expired in March 2025.

Other Information

Total number of shares available for issue

- (i) The total number of shares that may underlie the RSUs granted pursuant to the Co-Ownership Plan II shall be (i) 10% of the shares in issue on the Listing Date or (ii) 10% or less of the shares in issue as at the date following the date of approval of the renewed limit (as the case may be).

In order to enable the Co-Ownership Plan II trustee to release shares to the CO2 Participants upon vesting of each RSU, the Company allotted and issued, on the Listing Date, by way of capitalisation issue 5,666,666 shares to the Co-Ownership Plan II trustee. Such shares represented approximately 0.43% of the total issued share capital of the Company as at 31 August 2025. The Co-Ownership Plan II trustee will hold such shares on trust until their release to the CO2 Participants upon vesting of the RSUs and the termination of the scheme.

- (ii) Since the commencement date of the Co-Ownership Plan II, a total of 5,251,862 award shares had been granted under the Co-Ownership Plan II.
- (iii) As the Co-Ownership Plan II expired in March 2025, no shares would be available for issue under this plan.

Maximum entitlement

The Co-Ownership Plan II has a matching ratio of 7:3 (i.e. 3 RSUs would be granted for every 7 purchased shares). The maximum investment amount is limited to one year of the annual compensation package of each CO2 Participant.

Time of exercising RSU

Not applicable.

Vesting period and condition

The CO2 Participants shall be entitled to receive the awarded shares vested in him/her in accordance with the vesting schedule and the vesting conditions specified by the Board. The vesting schedule would be 25%-25%-50% upon each anniversary over 3 years after the date of grant.

Consideration on acceptance of RSU

No consideration.

Basis of determining the purchase price of shares awarded

Not applicable.

Voting, dividend, transfer and other rights

The RSUs do not carry any right to vote at general meetings of the Company, or any dividend, transfer or other rights (the award shares underlying the RSUs granted including those arising on the winding-up of the Company) were attached to the RSUs. No grantee shall enjoy any of the rights of a shareholder by virtue of the grant of an RSU pursuant to the Co-Ownership Plan II, unless and until the legal and beneficial title of the award share underlying the RSU had been allotted and issued to the grantee.

Movement of RSU

Co-Ownership Plan II expired in March 2025 and no RSUs were granted, cancelled, forfeited, vested and lapsed, and accordingly, no new shares were allotted and issued during the six months ended 28 February 2026.

Directors' Rights to Acquire Shares or Debentures

At no time during the six months ended 28 February 2026 was the Company or any of its subsidiaries, a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of, the Company or any other body corporate.

Purchase, Sale or Redemption of the Company's Listed Securities

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

Subsequent Event

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

Interim Dividend

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

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

Review of Interim Financial Information

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

The unaudited interim financial report of the Group for the six months ended 28 February 2026 has been reviewed by the Company's external auditor in accordance with Hong Kong Standard on Review Engagements 2410 "Review of interim financial information performed by the independent auditor of the entity" issued by the HKICPA and reviewed by the Audit Committee of the Company.

Update on Directors' Information under Rule 13.51B(1) of the Listing Rules

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in information of the Directors of the Company, as notified to the Company, subsequent to the date of the 2025 Annual Report are set out below:

Ms. CHUNG Cordelia is an independent non-executive director, chairperson of the remuneration committee and member of the nomination committee of Hang Seng Bank Limited, the listing of its shares on the Stock Exchange had been withdrawn on 27 January 2026.

Ms. CHUNG Kit Yi Kitty has been a fellow of the Hong Kong Institute of Certified Public Accountants with effect from 27 February 2026.

Other Information

Corporate Governance

The Company has complied with all the code provisions contained in the Corporate Governance Code set out in Appendix C1 to the Listing Rules during the six months ended 28 February 2026.

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code as its code of conduct regarding securities transactions by the Directors. Having made specific enquiries with the Directors, they confirmed that they had complied with the Model Code throughout the six months ended 28 February 2026.

Update on the Company's measures relating to Connected Transactions

On 30 October 2025, the Company announced that it will by way of phased implementation adopt six measures to avoid re-occurrence of the incident described in the announcement. As of the date of this interim report, the progress of the Company's implementation is as follows:

1. **Compilation of a list of connected persons of the Company**

The Company is in the process of compiling its list of connected persons and expects it to be completed around end of June 2026. Such list will be updated and maintained so to assist each member of the Group to identify counterparties who are connected persons of the Company before transactions are entered.

2. **Monitoring continuing connected transactions**

As an ongoing effort, the Company has and will continue to monitor its continuing connected transactions, the utilization of the relevant annual caps and the projection of future transaction volume. The Company will take appropriate measures to comply with the Listing Rules when it becomes aware that any annual cap is likely to be exceeded.

3. **Training**

In March 2026, the legal & regulatory department of the Company, with the assistance of our external legal adviser, provided training to the Directors to promote their familiarity with the connected transaction requirements under the Listing Rules and the relevant policies and procedures. It is expected that the same will be delivered for the senior management and relevant employees of the Group in June 2026.

4. **Compliance manual on the connected transaction requirements under the Listing Rules**

With the assistance of our external legal adviser, the Company has finalized the compliance manual and expects its formal adoption in June 2026. The manual will then be circulated within the Group and in particular to Directors, senior management and relevant employees, for implementation.

5. **Internal audit**

Internal audit on continuing connected transactions, including sample checking, will commence within 1 month after the compliance manual comes into effect.

6. **Independent legal advice**

The Company had on several occasions sought independent legal advice from external legal adviser regarding its obligations under the Listing Rules relating to continuing connected transactions. Independent legal advice was also obtained by the Company for preparation of all its connected transaction announcements published up to the date of this interim report.

Corporate Information

Chairman and Executive Director

Mr. LING Hao ⁽¹⁾

Chairman and Independent Non-executive Director

Ms. CHUNG Cordelia ⁽²⁾

Non-executive Director

Mr. LUO Weimin ⁽¹⁾

Company Secretary

Ms. NG Yuk Yee Feona

Executive Directors

Mr. LI Xin ⁽¹⁾
Mr. LEI Liqun ⁽¹⁾
Mr. YEUNG Chu Kwong ⁽³⁾

Independent Non-executive Directors

Ms. CHEUNG Ming Ming Anna ⁽⁴⁾
Ms. CHUNG Cordelia ⁽²⁾
Ms. CHUNG Kit Yi Kitty ⁽⁵⁾

Authorised Representatives

Mr. LI Xin ⁽¹⁾
Ms. NG Yuk Yee Feona
Mr. YEUNG Chu Kwong ⁽³⁾

Notes:

- (1) Appointed on 5 September 2025.
- (2) Stepped down from the role as Chairman of the Board and the Nomination Committee but remains as a member of the Nomination Committee, appointed as a member of the Environmental, Social and Governance Committee; and ceased to be a member of the Audit Committee on 5 September 2025.
- (3) Resigned and ceased to be a member of the Nomination Committee and the Environmental, Social and Governance Committee on 5 September 2025.
- (4) Ceased to be a member of Remuneration Committee; and stepped down from the role as the Chairman of the Risk Committee but remains as a member of the Risk Committee on 5 September 2025.
- (5) Ceased to be a member of the Risk Committee on 5 September 2025.

Composition of Board Committees

Director	Audit Committee	Nomination Committee	Remuneration Committee	Environmental, Social and Governance Committee	Risk Committee
Mr. LING Hao		Chairman			
Mr. LI Xin		Member			Chairman
Mr. LEI Liqun			Member		
Mr. LUO Weimin	Member				
Ms. CHEUNG Ming Ming Anna	Member	Member		Chairman	Member
Ms. CHUNG Cordelia		Member	Chairman	Member	Member
Ms. CHUNG Kit Yi Kitty	Chairman	Member	Member	Member	

Corporate Information

Registered Office

P.O. Box 309
Ugland House
Grand Cayman KY1-1104
Cayman Islands

Head Office and Principal Place of Business in Hong Kong

19/F, Tower 1, The Quayside
77 Hoi Bun Road
Kwun Tong, Kowloon
Hong Kong

Auditor

KPMG

Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance

8th Floor, Prince's Building
10 Chater Road
Central
Hong Kong

Cayman Principal Share Registrar

MAPLES FUND SERVICES (CAYMAN) LIMITED

P.O. Box 1093
Boundary Hall
Cricket Square
Grand Cayman KY1-1102
Cayman Islands

Hong Kong Branch Share Registrar

COMPUTERSHARE HONG KONG INVESTOR SERVICES LIMITED

Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

Principal Bankers

CITIBANK, N.A., HONG KONG BRANCH

50th Floor, Champion Tower
3 Garden Road, Central
Hong Kong

STANDARD CHARTERED BANK (HONG KONG) LIMITED

32nd Floor, Standard Chartered Bank Building
4-4A Des Voeux Road Central
Hong Kong

Company's Website

www.hkbnltd.net

Stock Code

1310

HKBN Ltd.
香港寬頻有限公司

