PCCW Limited
電訊盈科有限公司
(Incorporated in Hong Kong with limited liability)
(Stock Code: 0008)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

The directors ("Directors") of PCCW Limited ("PCCW" or the "Company") hereby announce the unaudited consolidated results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 June 2025. This condensed consolidated interim financial information has not been audited, but has been reviewed by the Company's Audit Committee and, in accordance with the 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, by the Company's independent auditor, PricewaterhouseCoopers.

- Viu's paid subscribers increased to 13.8 million, helping to drive 27% growth in subscription and advertising revenues

- ViuTV hit 3.3 million digital memberships, with strong line-up of concerts and shows planned for the second half of the year

- Revenue grew 7% to HK$18,922 million
  - HKT revenue rose by 4% to HK$17,322 million
  - OTT Business revenue up 10% to HK$1,194 million
  - Free TV & Related Business revenue was HK$343 million

- EBITDA increased by 6% to HK$6,010 million
  - HKT EBITDA up 3% to HK$6,380 million
  - OTT Business EBITDA rose by 51% to HK$346 million
  - Free TV & Related Business EBITDA was HK$47 million

- Consolidated profit for the period increased by 116% to HK$758 million

- Loss attributable to equity holders of the Company narrowed to HK$445 million

- Interim dividend of 9.77 HK cents per ordinary share

LETTER TO SHAREHOLDERS

Dear Shareholders,

Despite the challenging macro-environment, we remain strategically focused on achieving profitable growth by prudently scaling our regional video streaming and domestic entertainment operations while capitalising on the market leadership and resilience of HKT Limited ("HKT"). During the first half of the year, PCCW continued to deepen the penetration and engagement of its Viu video streaming service across countries in Southeast Asia ("SEA") leveraging its diversified portfolio of high-quality and locally relevant content. We also further expanded opportunities for our artistes in various entertainment formats, including live concerts, drama series and reality shows.

Viu deepens its regional penetration and engagement

Available in 15 markets across SEA, the Middle East and South Africa, Viu reached 13.8 million paid subscribers by the end of June 2025 with notable growth achieved in Thailand, the Philippines and Malaysia. With its flexible dual revenue approach, Viu is committed to expanding and diversifying its content offerings to meet the entertainment preferences of its users and subscribers across its markets.

Viu added nearly 150 new titles during the period including many simulcast titles that allow viewers to watch their favourite shows as soon as they are released. Among these new titles were an expanded range of Chinese programmes that have attained high viewership and positive feedback across the region, as well as a number of popular Korean titles such as *Crushology 101, The Art of Negotiation* and *The First Night with the Duke*. Our Viu Originals, tailored for local audiences including productions in Malaysia and Indonesia, continue to resonate with viewers, topping multiple charts and demonstrating cross-market appeal. This balanced content portfolio helped to drive a revenue growth of 10% and a significant improvement in EBITDA margin from 21% to 29% in the first half of the year, providing a pathway to reach positive cashflow.

Moreover, Viu further extended its market reach during the period by expanding its strategic distribution partnerships including the addition of Cignal, a local multi-platform media company in the Philippines. Viu also broadened its strategic partnership with Telkomsel in Indonesia to include content co-production.

ViuTV – curating high quality content and unlocking new opportunities for artistes

A key focus for the Group has been expanding opportunities for our roster of nearly 70 talented artistes. While the overall number of live performances scheduled in the first half of the year was limited compared to the same period last year, a number of our artistes performed at sold-out concerts. This generated strong momentum for the rest of the year where we have lined up a considerably greater number of shows.

Several of our talents collaborated with world-class international artistes at concerts and events including Coldplay's World Tour Hong Kong series, and will also be starring in a variety of international productions such as *Taxi Driver Season 3* and *The Season* alongside renowned top-tier artistes.

In terms of our domestic ViuTV broadcasting operations, we strive to deliver high-quality content to boost viewer engagement including original drama series and reality shows featuring members of our talent roster. This helped drive an increase in viewership and coverage, resulting in a more than 4% rise in digital membership to an impressive 3.3 million members while audience viewing time also rose by more than 4%. Several of our original productions including *What If (三命)* and *Uncle Mum (麻甩媽咪)* received acclaim from audiences and critics alike.

Benefitting from the market leadership and resilience of HKT

Leveraging our high-bandwidth, ultra-low latency integrated fibre and mobile network, HKT is positioning itself as a leader in providing artificial intelligence ("AI") technologies and applications to both consumers and enterprises while also deploying AI to redefine its own operations. This move is expected to drive further growth and deliver meaningful productivity improvements. Demonstrating its resilience during a tough first half, HKT achieved revenue and EBITDA growth of 4% and 3% respectively. This helped to drive an increase in adjusted funds flow of 3%.

Sustainable shareholder returns from a prudent dividend policy

With revenue rising 7% to HK$18,922 million and EBITDA increasing 6% to HK$6,010 million supported by HKT's robust results and the strong performance of our over-the-top ("OTT") business, the Board of Directors has declared an interim dividend of 9.77 HK cents per ordinary share for the six months ended 30 June 2025.

Whilst PCCW continues to benefit from HKT's steady and robust growth, we will adopt a prudent dividend policy that prioritises strengthening our financial position to support sustainable growth while striving to provide stable returns for our shareholders. This policy will be regularly reviewed in order to adapt to changing circumstances and optimise shareholder value.

Susanna Hui
Acting Group Managing Director
Hong Kong, 1 August 2025

FINANCIAL REVIEW BY SEGMENT

For the six months ended **HK$ million**	**30 Jun 2024**	**31 Dec 2024**	**30 Jun 2025**	Better/ (Worse) y-o-y
Revenue				
HKT	16,669	18,084	**17,322**	4%
HKT (excluding Mobile Product Sales)	15,683	16,348	**16,311**	4%
Mobile Product Sales	986	1,736	**1,011**	3%
OTT Business	1,089	1,369	**1,194**	10%
Free TV & Related Business	480	577	**343**	(29)%
Other Businesses	373	430	**743**	99%
Eliminations	(913)	(601)	**(680)**	26%
Consolidated revenue	17,698	19,859	**18,922**	7%
Cost of sales	(8,939)	(10,188)	**(9,978)**	(12)%
Operating costs before depreciation, amortisation, and gains on disposal of property, plant and equipment and right-of-use assets, net (“operating costs”)	(3,087)	(2,494)	**(2,934)**	5%
EBITDA[1]				
HKT	6,168	7,575	**6,380**	3%
OTT Business	229	169	**346**	51%
Free TV & Related Business	91	101	**47**	(48)%
Other Businesses	(309)	(437)	**(364)**	(18)%
Eliminations	(507)	(231)	**(399)**	21%
Consolidated EBITDA[1]	5,672	7,177	**6,010**	6%
Consolidated EBITDA[1] Margin	*32%*	36%	***32%***	
Depreciation	(1,267)	(1,279)	**(1,257)**	1%
Amortisation	(2,417)	(2,508)	**(2,412)**	-
Gains on disposal of property, plant and equipment and right-of-use assets, net	10	-	**1**	(90)%
Operating Profit	1,998	3,390	**2,342**	17%
Other gains, net	184	255	**125**	(32)%
Interest income	68	65	**45**	(34)%
Finance costs	(1,390)	(1,427)	**(1,185)**	15%
Share of results of associates and joint ventures	(183)	(172)	**(123)**	33%
Profit before income tax	677	2,111	**1,204**	78%
Income tax	(326)	(521)	**(446)**	(37)%
Holders of perpetual capital securities	(117)	(117)	**(115)**	2%
Non-controlling interests	(696)	(1,311)	**(1,088)**	(56)%
(Loss)/Profit attributable to equity holders of the Company	(462)	162	**(445)**	4%

Note 1 *EBITDA represents earnings before interest income, finance costs, income tax, depreciation and amortisation, gains/losses on disposal of property, plant and equipment, interests in leasehold land, right-of-use assets and intangible assets, net other gains/losses, losses on property, plant and equipment, restructuring costs, impairment losses on goodwill, tangible and intangible assets and interests in associates and joint ventures, and the Group's share of results of associates and joint ventures. While EBITDA is commonly used in the telecommunications industry worldwide as an indicator of operating performance, leverage and liquidity, it is not presented as a measure of operating performance in accordance with the Hong Kong Financial Reporting Standards ("HKFRSs") and should not be considered as representing net cash flows from operating activities. The computation of the Group's EBITDA may not be comparable to similarly titled measures of other companies.*

Note 2 *Gross debt refers to the principal amount of short-term borrowings and long-term borrowings.*

Note 3 *Group capital expenditure includes additions to property, plant and equipment and interests in leasehold land.*

Note 4 *Adjusted funds flow is defined as EBITDA less capital expenditures, customer acquisition costs and licence fees paid, taxes paid, finance costs and interest expense paid, and adjusted for interest income received and changes in working capital. It is not presented as a measure of leverage or liquidity in accordance with HKFRSs and should not be considered as representing net cash flows or any other similar measures derived in accordance with HKFRSs, or an alternative to cash flow from operations or a measure of liquidity. HKT's adjusted funds flow is computed in accordance with the above definition using financial information derived from HKT's unaudited condensed consolidated interim financial information. The adjusted funds flow may be used for debt repayment and the repurchase of share stapled units of the HKT Trust and HKT ("Share Stapled Units").*

HKT

For the six months ended HK$ million	30 Jun 2024	31 Dec 2024	30 Jun 2025	Better/ (Worse) y-o-y
HKT revenue	16,669	18,084	**17,322**	4%
TSS	12,063	12,394	**12,527**	4%
- Local TSS Services	8,289	9,061	**8,714**	5%
- International Telecommunications Services	3,774	3,333	**3,813**	1%
Mobile	4,976	6,508	**5,200**	5%
- Mobile Services	3,990	4,772	**4,189**	5%
- Mobile Product Sales	986	1,736	**1,011**	3%
Other Businesses	552	328	**570**	3%
Eliminations	(922)	(1,146)	**(975)**	(6)%
HKT EBITDA[1]	6,168	7,575	**6,380**	3%
HKT EBITDA[1] margin	*37%*	*42%*	***37%***	
HKT Adjusted Funds Flow[4]	2,495	3,478	**2,562**	3%

All of HKT's main business lines demonstrated resilience and delivered solid interim results for the six months ended 30 June 2025, despite the rapidly shifting geopolitical environment, escalating trade frictions, and ongoing weakness in Hong Kong's consumer spending. Furthermore, in light of rapid advances in AI technology and applications, HKT is harnessing AI throughout its operations to fuel our competitive advantages by better serving consumer and enterprise customers while enhancing internal business processes. Our extensive deployment of AI, underpinned by our network architecture which can support both the latest technologies and those on the horizon, presents a unique opportunity to fuel HKT's future growth.

Broadband revenue increased by 3% during the period as demand for our high-bandwidth, ultra low-latency fibre services remained strong. This demand was primarily driven by the accelerating adoption of smart, connected devices in the home and the escalating bandwidth requirements of data-intensive activities. Fibre-to-the-home ("FTTH") connections reached 1.055 million at the end of June 2025, representing a 3% growth from the prior year to reach 71% of our consumer broadband base. The enterprise business also achieved robust growth with local data revenue increasing by 11% year-on-year as we have been assisting our enterprise customers to refresh their technology stacks for AI deployment and supply chain management. In the first six months of this year, HKT Enterprise Solutions team secured new project wins with a total contract value exceeding HK$2.2 billion, which will drive further revenue as they are delivered over the next six to 12 months. With its diverse and compelling content portfolio, Now TV solidified its position as the leading content aggregator in Hong Kong as total installed base increased to 1.448 million versus 1.430 million a year earlier. Consequently, Local Telecommunications Services ("TSS") revenue grew 5% to HK$8,714 million.

For the six months ended 30 June 2025, International Telecommunications Services revenue grew 1% to HK$3,813 million mainly driven by increased data revenue and growing demand for Console Connect, our software defined cloud connectivity platform.

HKT (CONTINUED)

For the six months ended 30 June 2025, Mobile business recorded a 5% increase in revenue to HK$5,200 million. Mobile services revenue grew 5% to reach HK$4,189 million, underpinned by continued growth in roaming services, sustained expansion of the post-paid customer base, increased mobile wholesale revenue, and growing demand for enterprise solutions utilising 5G and IoT technologies. With the full recovery of international travel, total roaming revenue grew 7% year-on-year. In particular, consumer outbound roaming revenue increased by 11% year-on-year and reached 141% of pre-pandemic levels. 5G customer base has further grown to 1.894 million at the end of June 2025, representing more than 54% of our total mobile post-paid base. Mobile product sales also rose to HK$1,011 million, with the initial AI features of new handset models driving sales despite weak consumer sentiment.

HKT's total revenue increased by 4% to HK$17,322 million for the six months ended 30 June 2025. Total revenue excluding Mobile product sales also rose by 4% to HK$16,311 million.

For the six months ended 30 June 2025, operating costs improved by 4% to HK$1,921 million, reflecting HKT's deployment of AI to reshape its workflows and continued efforts in streamlining business structures, workforce optimisation as well as network and IT platform rationalisation.

Growth in TSS and Mobile services revenue coupled with further operating efficiencies lifted total HKT EBITDA by over 3% to HK$6,380 million for the six months ended 30 June 2025 versus HK$6,168 million a year earlier. The overall EBITDA margin held steady at 37% during the period. Total EBITDA excluding Mobile product sales also increased by 3% to HK$6,377 million with a margin of 39%.

Profit attributable to holders of Share Stapled Units for the six months ended 30 June 2025 increased by 4% year-on-year to HK$2,070 million. Basic earnings per Share Stapled Unit was 27.32 HK cents.

HKT's adjusted funds flow increased by 3% to HK$2,562 million for the six months ended 30 June 2025 from HK$2,495 million for the six months ended 30 June 2024. Adjusted funds flow per Share Stapled Unit was 33.80 HK cents.

HKT declared an interim distribution of 33.80 HK cents per Share Stapled Unit for the six months ended 30 June 2025.

For a more detailed review of the performance of HKT, including detailed reconciliation between HKT's EBITDA and adjusted funds flow as well as EBITDA and profit before income tax, please refer to its 2025 interim results announcement released on 31 July 2025.

OTT Business

For the six months ended HK$ million	30 Jun 2024	31 Dec 2024	30 Jun 2025	Better/ (Worse) y-o-y
OTT Business revenue	1,089	1,369	**1,194**	10%
OTT Business EBITDA[1]	229	169	**346**	51%
OTT Business EBITDA[1] margin	*21%*	*12%*	***29%***	

For the six months ended 30 June 2025, the OTT Business achieved impressive revenue increase of 10% to HK$1,194 million. Central to this growth was Viu, our leading video streaming service, which contributed close to 90% of the OTT Business revenue. Viu's subscription and advertising revenues rose significantly by 27% due to Viu's continued efforts to engage viewers with captivating content and expand its subscriber base as well as the introduction of premium packages that enabled price adjustments in multiple markets. This growth was partially offset by softer syndication and event revenues in the first half due to the timing of major content launches scheduled for the second half.

Our core strategic focus for the OTT Business has been to expand our carefully curated content portfolio and enhance viewer experience. Leveraging our viewer analytics and market insights, we strive to refine our offerings to align with evolving viewer preferences and drive profitability.

During the period, Viu added almost 150 new titles including many simulcast titles, enabling our viewers to enjoy these shows as soon as they become available. We doubled the number of Chinese dramas in response to their increasing popularity across markets in the region in addition to crowd-pleasing Korean titles. Our Viu Original productions steadily attracted audience attention across local markets, with titles such as *Sugar Daddy* and *Biddah* topping charts in multiple markets. The strong momentum generated in the first six months has driven viewer engagement and heightened demand for upcoming releases of tentpole titles scheduled for the latter part of the year. The highly anticipated return of our flagship hit *Taxi Driver Season 3* starring Lee Je-Hoon and *My Youth,* marking Song Joong-Ki's first major TV comeback, are expected to boost subscription, advertising and syndication revenues.

These achievements reflect the strength of our partnerships, as we continue to explore new collaborations and opportunities to expand our reach across the region. During the period, we deepened our cooperation with respective local carriers as distribution partners including AIS and True in Thailand, STC in the Middle East, and Vodacom in South Africa, and established new partnerships such as that with Cignal, a local multi-platform media company in the Philippines. We also broadened the scope of our partnership with Telkomsel in Indonesia to include content co-production, allowing us to optimise resource allocation and increase the exposure of our content.

As a result, the number of paid subscribers (excluding Myanmar) increased by 19% year-on-year to reach 13.8 million by the end of June, with notable growth in Thailand, the Philippines and Malaysia.

We have also been consistently expanding monetisation opportunities for our advertising business. The AVOD tier on connected TV, which was launched last year, continued to gain traction, enabling advertisers to reach the mass affluent segment and solidifying Viu's proposition as a premium advertising solutions provider.

Fuelled by its optimised content offerings and enlarged scale, the OTT Business delivered a remarkable increase of 51% in EBITDA to HK$346 million, with margin rising from 21% to 29%. With the strategic scaling of our OTT Business and the disciplined curation of its content portfolio, we believe that we are on track to reaching positive cashflow.

Free TV & Related Business

For the six months ended **HK$ million**	**30 Jun 2024**	**31 Dec 2024**	**30 Jun 2025**	Better/ (Worse) y-o-y
Free TV & Related Business revenue	480	577	**343**	(29)%
Free TV & Related Business EBITDA[1]	91	101	**47**	(48)%
Free TV & Related Business EBITDA[1] margin	*19%*	*18%*	***14%***	

In the first half of 2025, the Free TV & Related Business recorded revenue of HK$343 million. The lower revenue was largely due to timing of the concert and event schedule compared with the prior year. Advertising revenue held steady despite weak consumer spending in Hong Kong.

During the period, we sustained strong momentum in providing opportunities for our nearly 70 in-house artistes, while widening their exposure in markets beyond Hong Kong. Through collaborations with international artistes such as Coldplay, Sunmi and Karencici, as well as participation in award-winning international productions, we further elevated their global presence. In the second half of the year, we are set to ramp up live performances with a strong line-up of ten concert series, many of which are already seeing high demand and have extra shows added. These popular live events are expected to fuel revenue growth, enhance brand recognition, and deepen our connection with fans.

Our ViuTV free-to-air channels in Hong Kong have been consistently delivering high-quality content targeted at its younger audience demographic to boost viewer engagement. During the period, digital membership grew by more than 4% to 3.3 million while viewing time also rose by more than 4%. Several of our original productions including *What If (三命)* and *Uncle Mum (痳甩媽咪)* received acclaim from audiences and critics alike.

In line with the deferral of event-related revenues, EBITDA decreased to HK$47 million for the six months ended 30 June 2025 with a margin of 14%. With the strong line-up of concerts and events already scheduled in the second half, we expect the financial performance of the Free TV & Related Business to rebound.

Other Businesses

Other Businesses primarily comprise the remaining IT solutions business and corporate support functions. It recorded an increase in revenue to HK$743 million for the period from HK$373 million a year earlier in line with the progress milestones of the IT solutions projects. EBITDA cost for the six months ended 30 June 2025 was HK$364 million compared to HK$309 million a year ago.

Eliminations

Eliminations for the six months ended 30 June 2025 were HK$680 million, reflecting collaboration among members of the Group on both internal and external projects.

Costs

Cost of Sales

For the six months ended **HK$ million**	**30 Jun 2024**	**31 Dec 2024**	**30 Jun 2025**	Better/ (Worse) y-o-y
HKT	8,491	9,219	**9,021**	(6)%
Consolidated	8,939	10,188	**9,978**	(12)%

HKT's cost of sales for the six months ended 30 June 2025 increased by 6% year-on-year to HK$9,021 million, reflecting a change in its revenue mix. The cost of sales for the Media Business decreased in line with the reduced number of concerts and events organised by the Free TV & Related Business during the first half. In total, the Group's cost of sales increased by 12% to HK$9,978 million for the six months ended 30 June 2025.

General and Administrative Expenses

For the six months ended 30 June 2025, the Group's operating costs declined by 5% to HK$2,934 million driven by operating cost savings at both HKT and the OTT Business. Through deploying AI to reshape its workflows and continued efforts in streamlining business structures, workforce optimisation as well as network and IT platform rationalisation, HKT was able to achieve notable success in operating efficiency and cost optimisation, reducing operating costs by 4% to HK$1,921 million. The OTT Business also achieved operating cost savings by leveraging its rising brand recognition to enhance efficiency in its publicity and promotion efforts. Overall operating costs-to-revenue ratio improved from 17.4% to 15.5% for the six months ended 30 June 2025.

Depreciation and amortisation expenses for the six months ended 30 June 2025 remained stable, totalling HK$3,669 million as compared to HK$3,684 million a year ago.

Overall, general and administrative expenses decreased by 2% to HK$6,602 million for the six months ended 30 June 2025.

EBITDA[1]

Overall, consolidated EBITDA for the six months ended 30 June 2025 increased by 6% to HK$6,010 million driven by increased contribution from the OTT Business as well as the solid performance and operating efficiencies at HKT. The EBITDA margin was stable at 32%.

Other Gains, Net

Net other gains for the six months ended 30 June 2025 were HK$125 million, compared to net other gains of HK$184 million a year ago, mainly representing mark-to-market revaluations of the Group's investment portfolio.

Interest Income and Finance Costs

Interest income for the six months ended 30 June 2025 was HK$45 million while finance costs decreased significantly by 15% to HK$1,185 million. The decrease in finance costs was largely driven by the reduction in borrowings at HKT following our deleveraging at the end of 2024 and benefits from the recent downward trend in HIBOR starting in early May 2025. During the period, the average cost of debt for the Group decreased from 4.4% to 4.1%. As a result, net finance costs decreased by 14% year-on-year from HK$1,322 million to HK$1,140 million for the six months ended 30 June 2025.

Income Tax

Income tax expense for the six months ended 30 June 2025 was HK$446 million, as compared to HK$326 million a year ago. The increase in income tax expense was mainly due to an increase in profits during the period.

Profit Attributable to Non-controlling Interests

Profit attributable to non-controlling interests was HK$1,088 million for the six months ended 30 June 2025 (30 June 2024: HK$696 million), representing primarily share of results attributable to the non-controlling shareholders of HKT and Viu International Limited.

Profit Attributable to Holders of Perpetual Capital Securities

Profit of HK$115 million for the six months ended 30 June 2025 was attributable to the holders of the perpetual capital securities, which represented distributions payable to the holders of the securities as accrued at 4% per annum on the perpetual capital securities issued by the Group in January 2021.

Loss Attributable to Equity Holders of the Company

Loss attributable to equity holders of the Company for the six months ended 30 June 2025 narrowed to HK$445 million (30 June 2024: HK$462 million) due to an improvement in operating profit and lower net finance costs.

LIQUIDITY AND CAPITAL RESOURCES

The Group actively and regularly reviews and manages its capital structure to maintain a balance between shareholder return and sound capital position. Adjustments are made, when necessary, to maintain an optimal capital structure in light of changes in economic conditions and to reduce the cost of capital.

The Group's gross debt[2] was HK$57,273 million as at 30 June 2025 (as at 31 December 2024: HK$52,393 million). Cash and short-term deposits totalled HK$2,329 million as at 30 June 2025 (as at 31 December 2024: HK$2,583 million).

As at 30 June 2025, the Group had a total of HK$59,761 million in banking facilities available for liquidity management and investments, of which HK$22,093 million remained undrawn. Of these banking facilities, HKT accounted for HK$40,581 million, of which HK$15,973 million remained undrawn.

The Group's gross debt[2] to total assets was 57% as at 30 June 2025 (as at 31 December 2024: 53%).

CREDIT RATINGS OF CAS HOLDING NO. 1 LIMITED AND HONG KONG TELECOMMUNICATIONS (HKT) LIMITED

As at 30 June 2025, CAS Holding No. 1 Limited, a direct wholly-owned subsidiary of the Company, had investment grade ratings with Moody's Investors Service Hong Kong Limited ("Moody's") (Baa3) and S&P Global Ratings ("S&P") (BBB-). Hong Kong Telecommunications (HKT) Limited, an indirect non-wholly owned subsidiary of the Company, had investment grade ratings with Moody's (Baa2) and S&P (BBB).

CAPITAL EXPENDITURE[3]

Group capital expenditure for the six months ended 30 June 2025 was HK$1,106 million (30 June 2024: HK$1,142 million), of which HKT accounted for approximately 97% (30 June 2024: 97%). The capital expenditure to revenue ratio was approximately 5.8% for the six months ended 30 June 2025 (30 June 2024: 6.5%).

Capital expenditure for HKT's Mobile business was 4% lower during the period, reflecting the efficiency gains from capacity upgrades and network maintenance following the completion of its territory-wide 5G coverage. TSS capital expenditure was 2% lower during the period, with investments largely to support growing demand for its integrated fixed-mobile solutions for enterprise customers. Capital expenditure for the Media Business decreased after completion of the initial phase of its new production studio facilities.

The Group will continue to invest prudently in building digital capabilities to support its existing businesses and enable its growth in new areas, while taking into account the prevailing market conditions using assessment criteria including internal rate of return, net present value and payback period.

HEDGING

Market risk arises from foreign currency and interest rate exposure related to investments and financing. As a matter of policy, the Group continues to manage the market risk directly relating to its operations and financing and does not undertake any speculative derivative trading activities. The Group determines appropriate risk management activities with the aim of prudently managing the market risk associated with transactions undertaken in the normal course of the Group's business. All treasury risk management activities are carried out in accordance with the Group's policies and guidelines, which are reviewed on a regular basis.

HEDGING (CONTINUED)

Around three quarters of the Group's consolidated revenue and costs are denominated in Hong Kong dollars. For those operations with revenues denominated in foreign currencies, the related costs and expenses are usually denominated in the same foreign currencies and hence provide a natural hedge against each other. Therefore, the Group is not exposed to significant foreign currency fluctuation risk from operations.

A significant portion of the Group's financing is denominated in foreign currencies including United States dollars. Accordingly, the Group has entered into forward and swap contracts in order to manage its exposure to adverse fluctuations in foreign currency exchange rates and interest rates. These instruments are executed with creditworthy financial institutions. As at 30 June 2025, the majority of the forward and swap contracts were designated as cash flow hedges for the related financing of the Group.

As a result, the impact of these operational and financial risks to the Group is considered not material.

CHARGE ON ASSETS

As at 30 June 2025, no assets of the Group (as at 31 December 2024: nil) were pledged to secure banking facilities for the Group.

CONTINGENT LIABILITIES

HK$ million	As at 31 Dec 2024 (Audited)	**As at 30 Jun 2025 (Unaudited)**
Performance guarantees	1,227	**1,119**
Others	25	**24**
	1,252	**1,143**

The Group is subject to certain corporate guarantee obligations to guarantee the performance of its subsidiaries in the normal course of their businesses. The amount of liabilities arising from such obligations, if any, cannot be ascertained but the Directors are of the opinion that any resulting liability will not materially affect the financial position of the Group.

As at 30 June 2025, the Group had given a partial guarantee to a bank in respect of a credit facility granted to an associate of the Group amounting to HK$780 million (as at 31 December 2024: same), of which HK$780 million (as at 31 December 2024: HK$780 million) had been utilised by the associate. The Group's share of guarantee for the utilised amount was approximately HK$235 million (as at 31 December 2024: HK$235 million) determined based on the percentage of interest held by the Group in the associate.

HUMAN RESOURCES

The Group had over 14,400 employees as at 30 June 2025 (as at 30 June 2024: 14,800) located in 25 countries and cities. About 68% of these employees work in Hong Kong and the others are based mainly in mainland China. The Group has established performance-based bonus and incentive schemes designed to motivate and reward employees at all levels to achieve the Group's business performance targets. Payment of performance bonuses is generally based on achievement of revenue, EBITDA and free cash flow targets for the Group as a whole and for each of the individual business units and performance ratings of employees.

INTERIM DIVIDEND

The Board declared an interim dividend of 9.77 HK cents (30 June 2024: 9.77 HK cents) per ordinary share for the six months ended 30 June 2025 to shareholders whose names appear on the register of members of the Company on Wednesday, 20 August 2025, payable on or around Friday, 5 September 2025.

CLOSURE OF REGISTER OF MEMBERS

The record date for the interim dividend will be Wednesday, 20 August 2025. The Company's register of members will be closed from Tuesday, 19 August 2025 to Wednesday, 20 August 2025 (both days inclusive) in order to determine entitlements to the interim dividend. During such period, no transfer of shares will be effected. In order to qualify for the interim dividend, all transfers of shares of the Company accompanied by the relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, for registration no later than 4.30pm on Monday, 18 August 2025. Dividend warrants will be despatched to shareholders of the Company on or around Friday, 5 September 2025.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the six months ended 30 June 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company.

AUDIT COMMITTEE

The Company's Audit Committee has reviewed the accounting policies adopted by the Group and the unaudited condensed consolidated interim financial information of the Group for the six months ended 30 June 2025. Such condensed consolidated interim financial information has not been audited but has been reviewed by the Company's independent auditor.

CORPORATE GOVERNANCE CODE

The Company is committed to maintaining a high standard of corporate governance, the principles of which serve to uphold a high standard of ethics, transparency, responsibility and integrity in all aspects of its business, and to ensure that its affairs are conducted in accordance with applicable laws and regulations.

The Company has applied the principles and complied with all code provisions of the applicable Corporate Governance Code in each case as set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited during the six months ended 30 June 2025.

PUBLICATION OF RESULTS ANNOUNCEMENT AND INTERIM REPORT

This announcement is published on the websites of the Company (www.pccw.com/ir) and Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk). The 2025 interim report will be despatched to shareholders of the Company and available on the above websites in due course.

By order of the Board of
PCCW Limited
Cheung Hok Chee, Vanessa
Group General Counsel and Company Secretary

Hong Kong, 1 August 2025

CONSOLIDATED INCOME STATEMENT
For the six months ended 30 June 2025

In HK$ million (except for loss per share)	Note(s)	2024 (Unaudited)	**2025 (Unaudited)**
Revenue	2	17,698	**18,922**
Cost of sales		(8,939)	**(9,978)**
General and administrative expenses		(6,761)	**(6,602)**
Other gains, net	3	184	**125**
Interest income		68	**45**
Finance costs		(1,390)	**(1,185)**
Share of results of associates		(175)	**(118)**
Share of results of joint ventures		(8)	**(5)**
Profit before income tax	2, 4	677	**1,204**
Income tax	5	(326)	**(446)**
Profit for the period		351	**758**
Profit/(Loss) attributable to:			
Equity holders of the Company		(462)	**(445)**
Holders of perpetual capital securities		117	**115**
Non-controlling interests		696	**1,088**
		351	**758**
Loss per share	7		
Basic		(5.98) cents	**(5.75) cents**
Diluted		(5.98) cents	**(5.75) cents**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2025

In HK$ million	2024 (Unaudited)	**2025 (Unaudited)**
Profit for the period	351	**758**
Other comprehensive (loss)/income		
Items that will not be reclassified subsequently to consolidated income statement:		
Changes in the fair value of financial assets at fair value through other comprehensive income	(1)	**(246)**
Items that have been reclassified or may be reclassified subsequently to consolidated income statement:		
Translation exchange differences:		
- exchange differences on translating foreign operations of subsidiaries	(69)	**142**
- exchange differences on translating foreign operations of associates and joint ventures	(173)	**89**
Cash flow hedges:		
- effective portion of changes in fair value	(127)	**(215)**
- transfer from equity to consolidated income statement	56	**(402)**
Costs of hedging	57	**4**
Share of other comprehensive income of an associate	–	**11**
Other comprehensive loss for the period	(257)	**(617)**
Total comprehensive income for the period	94	**141**
Attributable to:		
Equity holders of the Company	(682)	**(782)**
Holders of perpetual capital securities	117	**115**
Non-controlling interests	659	**808**
Total comprehensive income for the period	94	**141**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2025

In HK$ million	Note*	The Group As at 31 December 2024 (Audited)	The Group **As at 30 June 2025 (Unaudited)**	(Additional Information) The Company As at 31 December 2024 (Audited)	(Additional Information) The Company **As at 30 June 2025 (Unaudited)**
ASSETS AND LIABILITIES					
Non-current assets					
Property, plant and equipment		28,909	**29,553**	–	–
Right-of-use assets		2,007	**2,046**	–	–
Interests in leasehold land		275	**267**	–	–
Goodwill		17,963	**18,016**	–	–
Intangible assets		21,926	**23,597**	–	–
Fulfilment costs		2,097	**2,187**	–	–
Customer acquisition costs		872	**831**	–	–
Contract assets		261	**217**	–	–
Interests in subsidiaries		–	–	36,805	**36,842**
Interests in associates		1,886	**1,973**	–	–
Interests in joint ventures		635	**612**	–	–
Financial assets at fair value through other comprehensive income		881	**635**	–	–
Financial assets at fair value through profit or loss		3,311	**3,486**	–	–
Other financial assets		805	–	–	–
Derivative financial instruments		93	**146**	35	–
Deferred income tax assets		811	**756**	–	–
Other non-current assets		995	**925**	–	–
		83,727	**85,247**	36,840	**36,842**
Current assets					
Amounts due from subsidiaries		–	–	10,624	**12,820**
Inventories		2,122	**2,138**	–	–
Prepayments, deposits and other current assets		4,703	**5,083**	46	**45**
Contract assets		1,711	**1,730**	–	–
Trade receivables, net	8	3,677	**3,568**	–	–
Amounts due from related companies		23	**49**	–	**3**
Derivative financial instruments		–	**7**	–	–
Other financial assets		–	**814**	–	–
Tax recoverable		7	**7**	–	–
Restricted cash		205	**197**	–	–
Short-term deposits		295	**503**	–	–
Cash and cash equivalents		2,288	**1,826**	111	**51**
		15,031	**15,922**	10,781	**12,919**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
As at 30 June 2025

In HK$ million	Note*	The Group As at 31 December 2024 (Audited)	The Group **As at** **30 June** **2025** **(Unaudited)**	(Additional Information) The Company As at 31 December 2024 (Audited)	(Additional Information) The Company **As at** **30 June** **2025** **(Unaudited)**
Current liabilities					
Short-term borrowings		(3,934)	**(1,252)**	–	**(1,197)**
Trade payables	9	(7,570)	**(8,556)**	–	**–**
Accruals and other payables		(8,131)	**(7,391)**	(34)	**(28)**
Derivative financial instruments		(45)	**(33)**	(4)	**(33)**
Carrier licence fee liabilities		(324)	**(379)**	–	**–**
Amounts due to related companies		(169)	**(147)**	–	**–**
Advances from customers		(301)	**(298)**	–	**–**
Contract liabilities		(1,561)	**(1,587)**	–	**–**
Lease liabilities		(1,103)	**(1,002)**	–	**–**
Current income tax liabilities		(2,153)	**(2,121)**	(2)	**(6)**
		(25,291)	**(22,766)**	(40)	**(1,264)**
Non-current liabilities					
Long-term borrowings		(47,985)	**(55,959)**	(9,839)	**(11,793)**
Amounts due to subsidiaries		–	**–**	(7,043)	**(6,860)**
Derivative financial instruments		(798)	**(1,091)**	–	**(81)**
Deferred income tax liabilities		(5,028)	**(5,226)**	–	**–**
Defined benefit retirement schemes liability		(58)	**(49)**	–	**–**
Carrier licence fee liabilities		(3,198)	**(3,633)**	–	**–**
Contract liabilities		(974)	**(948)**	–	**–**
Lease liabilities		(919)	**(1,039)**	–	**–**
Amount due to a non-controlling interest		(344)	**(344)**	–	**–**
Other long-term liabilities		(2,649)	**(2,718)**	–	**–**
		(61,953)	**(71,007)**	(16,882)	**(18,734)**
Net assets		11,514	**7,396**	30,699	**29,763**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 30 June 2025

		The Group		(Additional Information) The Company	
In HK$ million	Note*	As at 31 December 2024 (Audited)	**As at 30 June 2025 (Unaudited)**	As at 31 December 2024 (Audited)	**As at 30 June 2025 (Unaudited)**
CAPITAL AND RESERVES					
Share capital	10	12,954	**12,954**	12,954	**12,954**
Reserves		(11,350)	**(14,320)**	17,745	**16,809**
Equity attributable to equity holders of the Company		1,604	**(1,366)**	30,699	**29,763**
Perpetual capital securities		5,884	**5,592**	–	**–**
Non-controlling interests		4,026	**3,170**	–	**–**
Total equity		11,514	**7,396**	30,699	**29,763**

* The notes referenced above pertain solely to the consolidated statement of financial position. The above Company statement of financial position as at 30 June 2025 and 31 December 2024 is presented only as additional information to this unaudited condensed consolidated interim financial information.

NOTES

1. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial information of PCCW Limited (the "Company") and its subsidiaries (collectively the "Group") has been prepared in accordance with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Hong Kong Accounting Standard ("HKAS") 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). This unaudited condensed consolidated interim financial information should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024.

This unaudited condensed consolidated interim financial information is presented in Hong Kong dollars, unless otherwise stated. This unaudited condensed consolidated interim financial information was approved for issue on 1 August 2025.

The unaudited condensed consolidated interim financial information has been reviewed by the Company's Audit Committee and, 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, by the Company's independent auditor.

The financial information relating to the year ended 31 December 2024 that is included in this unaudited condensed consolidated interim financial information as comparative information does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to those statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

- The Company has delivered the financial statements for the year ended 31 December 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance (Cap. 622).

- The Company's auditor has reported on those financial statements of the Group. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance (Cap. 622).

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

In preparing this unaudited condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2024.

The accounting policies, basis of presentation and methods of computation used in preparing this unaudited condensed consolidated interim financial information are consistent with those followed in preparing the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended HKAS which is first effective for accounting periods beginning on or after 1 January 2025 as described below.

1. BASIS OF PREPARATION (CONTINUED)

The following amended HKAS is adopted for the financial year beginning 1 January 2025, but has no material effect on the Group's reported results and financial position for the current and prior accounting periods.

- HKAS 21 (Amendments), *The Effects of Changes in Foreign Exchange Rates*

The Group has not early adopted any new or amended Hong Kong Financial Reporting Standards, HKASs and Interpretations that are not yet effective for the current accounting period.

As at 30 June 2025, the current liabilities of the Group exceeded its current assets by HK$6,844 million. After considering the Group's ability to generate net operating cash inflows and raise additional debt financing, and the undrawn banking facilities available as at 30 June 2025, management considers the Group is able to meet its liabilities as and when they fall due within the next 12-month period. Accordingly, this unaudited condensed consolidated interim financial information has been prepared on a going concern basis.

2. SEGMENT INFORMATION

The chief operating decision-maker (the "CODM") is the Group's senior executive management. The CODM reviews the Group's internal reporting in order to assess performance and allocate resources and the segment information is reported below in accordance with this internal reporting.

The CODM considers the business from the product perspective and assesses the performance of the following segments:

- HKT Limited ("HKT") is Hong Kong's premier telecommunications service provider. The principal activities of HKT and its subsidiaries are the provision of technology and telecommunications and related services including enterprise solutions, mobile services, total home solutions, media entertainment, and other new businesses such as loyalty platform, financial services and healthtech services. It operates primarily in Hong Kong, and also serves customers in mainland China and other parts of the world.
- Media Business provides over-the-top ("OTT") digital media entertainment services in Hong Kong, the Asia Pacific region, and other parts of the world, in addition to offering domestic free television service in Hong Kong. It is also engaged in content production, as well as artiste and event management.
- Other businesses of the Group ("Other Businesses") primarily comprise corporate support functions and other IT solutions businesses.

The CODM assesses the performance of the operating segments based on a measure of adjusted earnings before interest, tax, depreciation and amortisation ("EBITDA"). EBITDA represents earnings before interest income, finance costs, income tax, depreciation and amortisation, gains/losses on disposal of property, plant and equipment, interests in leasehold land, right-of-use assets and intangible assets, net other gains/losses, losses on property, plant and equipment, restructuring costs, impairment losses on goodwill, tangible and intangible assets and interests in associates and joint ventures, and the Group's share of results of associates and joint ventures.

Segment revenue, expense and segment performance include transactions between segments. Inter-segment pricing is based on similar terms to those available to other external parties for similar services. The revenue from external parties reported to the CODM is measured in a manner consistent with that in the consolidated income statement.

2. SEGMENT INFORMATION (CONTINUED)

Information regarding the Group's reportable segments as provided to the Group's CODM is set out below:

In HK$ million	Six months ended 30 June 2024 (Unaudited)				
	HKT	Media Business	Other Businesses	Eliminations	Consolidated
REVENUE					
External revenue	16,000	1,325	373	–	17,698
Inter-segment revenue	669	244	–	(913)	–
Total revenue	16,669	1,569	373	(913)	17,698
External revenue from contracts with customers:					
Timing of revenue recognition					
At a point in time	3,259	297	–	–	3,556
Over time	12,706	1,028	371	–	14,105
External revenue from other sources:					
Rental income	35	–	2	–	37
	16,000	1,325	373	–	17,698
RESULTS					
EBITDA	6,168	320	(309)	(507)	5,672

In HK$ million	**Six months ended 30 June 2025 (Unaudited)**				
	HKT	**Media Business**	**Other Businesses**	**Eliminations**	**Consolidated**
REVENUE					
External revenue	**16,942**	**1,290**	**690**	**–**	**18,922**
Inter-segment revenue	**380**	**247**	**53**	**(680)**	**–**
Total revenue	**17,322**	**1,537**	**743**	**(680)**	**18,922**
External revenue from contracts with customers:					
Timing of revenue recognition					
At a point in time	**4,477**	**257**	**–**	**–**	**4,734**
Over time	**12,434**	**1,033**	**690**	**–**	**14,157**
External revenue from other sources:					
Rental income	**31**	**–**	**–**	**–**	**31**
	16,942	**1,290**	**690**	**–**	**18,922**
RESULTS					
EBITDA	**6,380**	**393**	**(364)**	**(399)**	**6,010**

2. SEGMENT INFORMATION (CONTINUED)

A reconciliation of total segment EBITDA to profit before income tax is provided as follows:

In HK$ million	Six months ended 30 June 2024 (Unaudited)	Six months ended **30 June 2025 (Unaudited)**
Total segment EBITDA	5,672	**6,010**
Gains on disposal of property, plant and equipment and right-of-use assets, net	10	**1**
Depreciation and amortisation	(3,684)	**(3,669)**
Other gains, net	184	**125**
Interest income	68	**45**
Finance costs	(1,390)	**(1,185)**
Share of results of associates and joint ventures	(183)	**(123)**
Profit before income tax	677	**1,204**

3. OTHER GAINS, NET

In HK$ million	Six months ended 30 June 2024 (Unaudited)	Six months ended **30 June 2025 (Unaudited)**
Fair value movement of financial assets at FVPL[1]	143	**68**
Fair value movement of derivative financial instruments	7	**10**
Others	34	**47**
	184	**125**

Note:
[1] "FVPL" refers to fair value through profit or loss

4. PROFIT BEFORE INCOME TAX

Profit before income tax was stated after charging the following:

In HK$ million	Six months ended 30 June 2024 (Unaudited)	Six months ended **30 June 2025 (Unaudited)**
Cost of inventories sold	3,163	**4,243**
Cost of sales, excluding inventories sold	5,776	**5,735**
Impairment loss for trade receivables	159	**160**
Depreciation of property, plant and equipment	555	**572**
Depreciation of right-of-use assets	712	**685**
Amortisation of land lease premium – interests in leasehold land	8	**8**
Amortisation of intangible assets	1,576	**1,635**
Amortisation of fulfilment costs	233	**230**
Amortisation of customer acquisition costs	600	**539**
Finance costs on borrowings	1,292	**1,079**

5. INCOME TAX

Income tax in the consolidated income statement represents

In HK$ million	Six months ended 30 June 2024 (Unaudited)	**Six months ended 30 June 2025 (Unaudited)**
Current income tax:		
Hong Kong profits tax	157	**156**
Overseas tax	43	**37**
Movement of deferred income tax	126	**253**
	326	**446**

Hong Kong profits tax is provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits for the period.

Overseas tax is calculated on the estimated assessable profits for the period at the rates of taxation prevailing in the respective jurisdictions.

In December 2021, the Organisation for Economic Co-operation and Development ("OECD") released the Global Anti-Base Erosion ("GloBE") rules, also known as Pillar Two, aimed at reforming international corporate taxation. Hong Kong gazetted legislation to implement Pillar Two, with the Hong Kong minimum top-up tax and Income Inclusion Rule effective retroactively from 1 January 2025. The Group is within the scope of this legislation. Additionally, following the amendments to HKAS 12 *Income Taxes* issued by the HKICPA in July 2023, the Group has applied a temporary mandatory exception and has not recognised or disclosed deferred income tax assets and liabilities related to Pillar Two income taxes. For the six months ended 30 June 2025, the Group has assessed the potential top-up tax implications under the Pillar Two legislation. Based on this assessment, the Group has no tax exposures under the Pillar Two legislation as of the reporting date.

6. DIVIDENDS

a. Dividend attributable to the interim period

In HK$ million	Six months ended 30 June 2024 (Unaudited)	**Six months ended 30 June 2025 (Unaudited)**
Interim dividend declared after the end of the interim period of 9.77 HK cents (2024: 9.77 HK cents) per ordinary share	756	**756**

At the meeting held on 1 August 2025, the board of directors of the Company (the “Board”) declared an interim dividend of 9.77 HK cents per ordinary share for the year ending 31 December 2025. This interim dividend is not recognised as a liability in this unaudited condensed consolidated interim financial information.

6. DIVIDENDS (CONTINUED)

b. Dividend approved and paid during the interim period

In HK$ million	Six months ended 30 June 2024 (Unaudited)	**Six months ended 30 June 2025 (Unaudited)**
Final dividend declared in respect of the previous financial year, approved and paid during the interim period of 28.48 HK cents (2024: 28.48 HK cents) per ordinary share	2,204	**2,205**
Less: dividend for shares held by share award schemes	(2)	**(2)**
	2,202	**2,203**

7. LOSS PER SHARE

The calculations of basic and diluted loss per share were based on the following data:

	Six months ended 30 June 2024 (Unaudited)	**Six months ended 30 June 2025 (Unaudited)**
Loss (in HK$ million)		
Loss for the purpose of basic and diluted loss per share	(462)	**(445)**
Number of shares		
Weighted average number of ordinary shares	7,739,638,249	**7,741,063,374**
Effect of shares held under the Company's share award schemes	(9,491,004)	**(7,917,715)**
Weighted average number of ordinary shares for the purpose of basic loss per share	7,730,147,245	**7,733,145,659**
Effect of shares awarded under the Company's share award schemes	–*	–*
Weighted average number of ordinary shares for the purpose of diluted loss per share	7,730,147,245	**7,733,145,659**

* The effect of shares awarded under the Company's share award schemes would result in anti-dilutive effect on loss per share during the six months ended 30 June 2024 and 2025.

8. TRADE RECEIVABLES, NET

The ageing of trade receivables based on the date of invoice is set out below:

In HK$ million	As at 31 December 2024 (Audited)	**As at 30 June 2025 (Unaudited)**
1 – 30 days	2,315	**2,196**
31 – 60 days	482	**368**
61 – 90 days	196	**316**
91 – 120 days	192	**219**
Over 120 days	854	**876**
	4,039	**3,975**
Less: loss allowance	(362)	**(407)**
Trade receivables, net	3,677	**3,568**

As at 30 June 2025, included in trade receivables, net were amounts due from related parties of HK$120 million (as at 31 December 2024: HK$152 million).

The Group's normal credit period for customers is ranging up to 30 days from the date of invoice unless there is a separate mutual agreement on extension of the credit period. The Group maintains a well-defined credit policy and individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Debtors who have overdue balances are requested to settle all outstanding balances before any further credit is granted.

9. TRADE PAYABLES

The ageing of trade payables based on the date of invoice is set out below:

In HK$ million	As at 31 December 2024 (Audited)	**As at 30 June 2025 (Unaudited)**
1 – 30 days	2,985	**3,675**
31 – 60 days	1,751	**2,298**
61 – 90 days	915	**844**
91 – 120 days	1,011	**673**
Over 120 days	908	**1,066**
	7,570	**8,556**

As at 30 June 2025, included in trade payables were amounts due to related parties of HK$247 million (as at 31 December 2024: HK$264 million).

10. SHARE CAPITAL

	Six months ended			
	30 June 2024		**30 June 2025**	
	Number of shares (Unaudited)	Share capital (Unaudited) HK$ million	**Number of shares (Unaudited)**	**Share capital (Unaudited) HK$ million**
Ordinary shares of no par value, issued and fully paid:				
As at 1 January and 30 June	7,739,638,249	12,954	**7,741,063,374**	**12,954**

a. The Company had total distributable reserves of HK$16,896 million as at 30 June 2025 (as at 31 December 2024: HK$17,722 million).

11. CHANGE IN INTERESTS IN SUBSIDIARIES WITHOUT A LOSS OF CONTROL

On 21 June 2023, the Company's wholly-owned subsidiary, PCCW Media Holdings Limited, and Viu International Limited ("Viu", a then wholly-owned subsidiary of PCCW Media Holdings Limited), entered into a share subscription agreement with an independent third party (the "Partner"), for subscription of ordinary shares of Viu by the Partner. During the six months ended 30 June 2024, the Company's economic interest in Viu further decreased from approximately 72.7% to approximately 63.2%, resulting in an increase in non-controlling interests attributable to Viu of HK$406 million during the six months ended 30 June 2024.

During the six months ended 30 June 2025, the Company's economic interest in Viu further decreased from approximately 62.8% as at 31 December 2024 to approximately 62.7%, resulting in an increase in non-controlling interests attributable to Viu of HK$1 million during the six months ended 30 June 2025.

12. BUSINESS COMBINATION

Acquisition of Clermont Media Limited and its subsidiaries (together the "Clermont Group")

On 4 February 2025, the Group completed the acquisition of the entire issued share capital of Clermont Media Limited, a private company incorporated in British Virgin Islands, and its subsidiaries. The Clermont Group is principally engaged in the business of, among other things, publication of newspapers and journals and operation of a variety of online platforms, websites, systems and portals relating to finance, economy, investment, lifestyle and education. The acquisition aims at expanding the Group's business in these areas, expanding advertising and subscription revenues by strengthening content for the existing news channel and enhancing the experience across the Group's various media platforms as well as delivering operational efficiencies by leveraging the Group's extensive resources. The total consideration for the acquisition was HK$70 million, payable in cash in full at completion and goodwill of HK$29 million at the acquisition date is recognised. As at 30 June 2025, the Group has substantially completed the fair value assessment for net assets acquired (including intangible assets) from the business combination. This allocation of the purchase price to the acquired assets and liabilities is provisional and will be adjusted in the Group's 2025 consolidated financial statements when the purchase price allocation is finalised.

As at the date of this announcement, the Directors are as follows:

Executive Directors
Li Tzar Kai, Richard (Chairman) and Hui Hon Hing, Susanna (Acting Group Managing Director and Group Chief Financial Officer)

Non-Executive Directors
Tse Sze Wing, Edmund, GBS; Tang Yongbo (Deputy Chairman); Meng Shusen; Zhao Xingfu and Wei Zhe, David

Independent Non-Executive Directors
Aman Mehta; Frances Waikwun Wong; Bryce Wayne Lee; Lars Eric Nils Rodert; David Christopher Chance and Sharhan Mohamed Muhseen Mohamed

Forward-Looking Statements

This announcement may contain certain forward-looking statements. These forward-looking statements include, without limitation, statements relating to revenues, earnings and prospects. The words “believe”, “intend”, “expect”, “anticipate”, “project”, “estimate”, “predict”, “is confident”, “has confidence” and similar expressions are also intended to identify forward-looking statements. These forward-looking statements are not historical facts. Rather, the forward-looking statements are based on the current beliefs, assumptions, expectations, estimates and projections of the Directors and management of PCCW relating to the business, industry and markets in which PCCW operates.