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中信國際電訊集團有限公司

CITIC TELECOM INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 01883)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025

CHAIRMAN'S STATEMENT

Dear Shareholders,

I hereby announce the annual operating and financial results of CITIC Telecom International Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) for 2025.

In 2025, the global landscape underwent profound evolution, with the economic environment remaining complex. Breakthroughs in cutting-edge innovations, represented by AI and next-generation information technology, have intensified competition in the information and communications industry. The Group confronted multiple challenges head-on, and by adhering to our development positioning of “With the backing of Chinese mainland, establishing a foothold in Hong Kong and Macau, and connecting to the world”, we promoted international development and technological leadership. Aligning with the “Belt and Road” initiative and the development strategy of the Guangdong-Hong Kong-Macao Greater Bay Area, we served the stable development of the “One Country, Two Systems”, and continuously strengthened our core functions and enhancing our core competitiveness.

Throughout the year, the Group’s overall operations remained stable and improved steadily, with new growth drivers becoming increasingly robust. We are making steady and powerful progress towards our development goal of “To become a leading digitalised and intelligentised comprehensive telecommunications enterprise in Asia Pacific”.

I. FINANCIAL RESULTS

The Group reported HK\$9,567 million in total revenue for 2025, representing a decrease by 0.1% compared to HK\$9,573 million for the corresponding period of the previous year.

Profit attributable to equity shareholders of the Company for 2025 amounted to HK\$920 million (including the revaluation loss on investment properties for 2025 of HK\$10 million), increasing by 1.1% as compared to HK\$910 million (including the revaluation loss on investment properties for 2024 of HK\$7 million) for the corresponding period of the previous year, representing an increase of 1.4% when excluding the effect of investment properties revaluation, as compared to the corresponding period of the previous year.

Basic earnings per share for 2025 amounted to HK24.9 cents, representing an 1.2% increase as compared to 2024. The Board recommended a final dividend of HK13.0 cents per share for 2025. Together with the 2025 interim dividend of HK6.0 cents per share, total dividends per share for 2025 amounted to HK19.0 cents, increased 1.1% as compared to the corresponding period of the previous year.

II. REVIEW OF BUSINESS DEVELOPMENT

Faced with a complex and volatile global environment and rapid industry iterations, the Group persisted in innovation-driven development while consolidating our core businesses. We empowered high-quality growth with technology, established presence in emerging industries, cultivated new growth drivers, and optimised our business structure.

1. Strengthening core businesses and regional competitive edges

Maintaining market leadership in Macau. The Group has maintained its leading scale of 5G users in the Macau market, securing a top-one market share position in the mobile market, and achieved a 100% penetration rate for 5G services. We have promoted 5.5G private network applications, launched an upgraded eSIM service to enhance users' digital and intelligent experience. Regarding fixed-line business, we have accelerated the deployment of advanced fixed-line broadband technologies such as 50G-PON and Wi-Fi 7, driving Macau's scale upgrade from Gigabit to 10-G connectivity. Meanwhile, the "City Digital Economy (Macau) Innovation Center", co-built with Baidu, showcased AI applications in various industries. Recently, the Group has acquired 100% equity interest in Hutchison Telephone (Macau) Company Limited for HK\$110 million, further consolidated our leading position in the Macau market.

Further enhancing global network deployment. During the year, the Group has added new network PoPs in Yibin, Sichuan and Almaty, Kazakhstan, upgraded 4 international PoPs, established 6 new backbone network lines in Chinese mainland, and increased capacity on 10 international lines covering major hubs in APAC and Europe. In Southeast Asia, the Group has utilised AI to empower the ServiceONE IT management service platform, optimised human resources allocation, enhanced the intelligence level of service offerings, and assisted government and enterprise customers in their digital and intelligent transformation. We have implemented multiple digitalisation and network security projects in Singapore, Malaysia and Thailand, covering the government, education and retail sectors. Furthermore, we have launched our Internet Service Provider (ISP) business in the Philippines during the year.

2. Exploring emerging businesses and cultivating growth engines

AI industry layout. The CITIC Hong Kong AI Innovation Center constructed by the Group has commenced operations, and signed a framework agreement with The Hong Kong Polytechnic University to jointly establish the Interdisciplinary Mathematical Digital AI Joint Laboratory, thereby integrating academic research resources with industry needs.

The Group has strengthened top-level planning and leveraged on Hong Kong's competitive edges in scientific research by deepening our collaboration with local universities and research institutions in Hong Kong, while studying and assessing cutting-edge technologies and their application scenarios in areas such as AI, Fintech and digital communications. During the year, the Group has completed the deployment of the AI computing platform, and launched local AI agent applications based on open-source large models, such as AI intelligent assistants, AI-assisted programming, and market research assistants.

Cross-border data services breakthroughs. The Group has provided customised data centre hosting solutions for enterprise customers. Besides, we have promoted the construction of cross-border trusted data spaces, cooperated with data exchanges, and supported the secure flow of data and related compliance services.

In data elements, the Group has achieved operational breakthroughs. We have joined the Trusted Data Space Alliance and collaborated with the China Future Internet Engineering Center and the International Data Spaces Association (IDSA) to advance the "Cross-border Trusted Data Space for the Financial Industry" project. We have passed the qualification review and become a data merchant of the Shenzhen Data Exchange, and are qualified to provide data services to enterprises. We have completed the commercialisation of global mobile number authentication service on the GSMA Open Gateway Network-as-a-Service (NaaS) platform. We have engaged with multiple enterprise customers in Hong Kong's retail, finance and internet OTT sectors to validate the business model of our innovative products in Hong Kong and Macau. Our "Auto-Op" has received the "Best Enterprise Solution – Bronze Award" at the "CAHK STAR Award 2025" issued by the Communications Association of Hong Kong, while our financial fraud prevention project won the "2025 Kunlun Ecological Outstanding Lighthouse Award".

3. Deepening AI applications to improve operational efficiency

The Group has implemented the ideology of safe development, and adhered to the bottom line of safe operation. We effectively and solidly carry out work in fire safety management, network and information security protection, and major event support. By taking advantage of AI, we have strengthened risk monitoring, process optimisation and compliance review. We have promoted the integration of AI compliance assistant with daily business operations to optimise work process while maintaining quality. During important festivals and events such as the 80th Anniversary of Victory of the Chinese People's War of Resistance Against Japanese Aggression and the World Anti-Fascist War, and the 15th National Games jointly held by Guangdong-Hong Kong-Macao, as well as during the invasion of super typhoon "Ragasa", we implemented strict safeguard arrangements to ensure smooth communication and stable operation of networks.

4. Strengthening the organisation by building a robust talent pipeline

The Group has implemented the ideology of “strengthening the enterprise through talents”, and launched a “Management Trainee Programme” to select and cultivate leading technological talents and innovative teams focusing on emerging areas such as AI, computing power networks and data elements. For several consecutive years, we have been awarded the “Manpower Developer” and “Super MD” awards by the Hong Kong Employees Retraining Board’s “ERB Manpower Developer Award Scheme”, recognising our long-term input in talent training and development.

5. Fulfilling ESG responsibilities and enhancing corporate governance

In response to the Macau Government’s telecommunications reform policies and to serve the public, the Group has launched inclusive telecommunications service fee reduction measures for all customers, fulfilling our commitment to benefiting the people. Through expanding network coverage and promoting innovative technologies, we have contributed to deepening digital integration in areas such as education, healthcare, commerce and people’s livelihood. While fulfilling our corporate social responsibilities, the Group has emphasised the accessibility and reliability of our services, aiming to narrow the digital gap and build a more resilient and inclusive intelligent society.

The Group has actively fulfilled its corporate social responsibilities by engaging in the community connection to empower digital integration in areas such as education, healthcare, commerce and people’s livelihood. After the fire incident at Wang Fuk Court, Tai Po, Hong Kong in November 2025, the Group has quickly confirmed the safety of our employees and their families, activated our emergency assistance mechanism and organised charitable donations, and has supported community post-disaster recovery with concrete efforts, and stood together with the Hong Kong society in solidarity and mutual assistance.

The Group has persisted in maintaining a high level of corporate governance, continuously improving our compliance management system, and optimising internal control procedures for the benefit of shareholders’ interests. As for capital operation, during the year, the Group has fully redeemed the US\$450 million 6.1% Guaranteed Bonds. With stable corporate governance and brand building, the Group has been awarded “Best Listed Company” and “Most Valuable Listed Brand” at “2025 The Global Commercial Economic Forum with “Golden Kungpeng” China Financial Value Ranking” jointly organised by Hong Kong Commercial Daily and Global Commercial Newspapers Union.

III. OUTLOOK

In the 15th Five-Year Plan period, we are facing new opportunities brought by the rapid development of AI applications and deepening of digital economy. The Group will focus on two drivers of “international development and technological innovation”, and deepen our presence in four major markets: the global carrier market, the Asia-Pacific enterprise market, the Hong Kong and Macau consolidated market and the Chinese mainland market. Adhering to a customer-centric approach, we will implement a development strategy of “enhancing service capabilities by AI, focusing on information security, and using network connectivity as a link to provide one-stop IT services for

Chinese enterprises going global (using AI as primary means), and will provide full-process support for Chinese software products going global (mainly serving AI products)”. We are committed to “becoming a leading digitalised and intelligentised comprehensive telecommunications enterprise in Asia Pacific”.

In the future, the Group will implement the key tasks set out below:

1. Solidify regional foundation and expand into emerging sectors

To solidify our leading position in the Macau market, we will deepen our presence in Macau, maintain our competitive edges in the 5G market, leverage the driving force role of enterprise private network business, and explore building network architectures integrated with next-generation telecommunications network technology and AI. We will expand into emerging areas such as cross-border data services and computing services, and enhance our technological leadership and business advantages in the telecommunications market of the Guangdong-Hong Kong-Macao Greater Bay Area. The Group will continue to strengthen its operations in Macau based on the extension of the concession agreement between Companhia de Telecomunicações de Macau, S.A., the Group’s subsidiary, and the Macau Government in 2025, deepen communication with the government, positively respond to market opening, and enhance service quality and competitiveness.

We will explore new growth drivers in emerging businesses by investing in high-value strategic sectors such as platform services and information security. We will support the global expansion of Chinese enterprises’ products and operations while continuing to promote integrated intelligent applications of AI and big data for government and enterprise customers to empower their digital and intelligent transformation. We will enhance our overseas software agency business, cooperate with the Guangxi Zhuang Autonomous Region to explore the establishment of an International Compliant Data Flow and Trading Platform and a trusted data space in Macau, and integrate AI applications for overseas expansion, with a view to building the Company into a world-class comprehensive AI service provider. For enterprise customers, we are implementing a dual-path strategy to assist enterprises in going global and exporting software, establishing a competitive advantage in network security services.

We will develop cross-border data business, leverage the Guangdong-Hong Kong-Macao Greater Bay Area and the cross-border data circulation cooperation between Guangxi and Macau as key drivers, to construct and operate the “International Cooperation Service Center for Data and AI”, with a view to promoting the clustered development of the data industry in Hong Kong and Macau. We will facilitate the overseas expansion of AI enterprises’ models, computational power service and application capabilities, building a data re-export trade window between Chinese mainland and countries along the “Belt and Road”, and a trusted hub and service portal for AI cooperation, thus enhancing the ecological standing of Hong Kong and Macau in global data trade and the AI industry.

2. Deeply cultivate AI and build a highland of innovation

To seize the development opportunities of AI, we will leverage AI to drive our digital transformation by internal intelligence enhancement and external empowerment. We will promote intelligent operations within the Group, foster the concept of “All for AI”, develop AI agents, create digital staff applications, and improve daily management efficiency. In the Macau market, we will integrate new technologies such as AI algorithms, big data, and Internet of Vehicles (“IoV”) to build and optimise large models in Portuguese, legal affairs and transportation. This initiative could meet citizens’ demand for Portuguese and legal consultations, enrich smart mobility and smart tourism experiences, and promote the development of “AI Macau”. We will explore building Macau’s first large-scale intelligent computing center to provide computing support for future AI business development.

By leveraging Hong Kong’s internationalisation and R&D resources, and taking advantage of the CITIC Hong Kong AI Innovation Center, we will precisely align with the Hong Kong Government’s AI research support policies and develop the innovation center into the Group’s hub for technology and a new driving force for business growth. We will conduct R&D in key areas such as deep AI applications, embodied intelligence, smart finance and industrial intelligence, continuously strengthen research cooperation with universities, and promote the implementation of scientific research achievements, building an AI innovative application ecosystem of “Universities - Innovation Center - Industries”. We will optimise our AI talent teams, introduce high-end AI research talents to enhance our innovation. In response to the strong demand from enterprise customers for AI applications, we will launch a series of integrated AI service solutions and actively transform into a comprehensive AI service provider.

3. Deepen market strategic layout and strengthen market coverage

We will integrate existing strengths and optimise resources allocation. We will serve global carriers effectively, further explore their new demands, consolidate and leverage our established position as a telecommunications hub, and gain a larger market share in the global carriers’ market. By effectively serving customers in their “Going Global” and “Bringing In”, the Group will continuously enhance our “AI+ Cloud, Network, Security” integrated solution capabilities. This effort will position the Group as an industry leader in the Asia-Pacific enterprise market and reinforce us as the preferred partner for cross-border businesses. We will also strengthen our collaboration with Chinese companies in Hong Kong and Macau, expanding business related to the “Going Global” strategies of state-owned enterprise customers.

The Group will proactively engage with key economic and trade zones identified by the Hong Kong Government, extending our “Belt and Road” business coverage. We will strengthen global resources integration and boost brand influence. While expanding our network of PoPs and branches, the Group will also explore opportunities in relevant emerging markets. We will aim to create world-class internationalised products and build a world-class internationalised team.

We will deepen our presence in the Singapore Government and enterprise market, strengthen sustainable business scale (cloud services, ISP, telecommunications services, IT management services, etc.). We will deepen our presence in emerging countries such

as Malaysia, Thailand, Indonesia and Vietnam, develop data roaming and IoV, and expand our business scope and scale.

Finally, I would like to express sincere appreciation to all shareholders, investors, customers, partners and the public for their longstanding support for CITIC Telecom, as well as sincere gratitude to all employees for their hard work and dedication.

Luo Xicheng

Chairman

Hong Kong, 12 March 2026

**CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025**

(Expressed in Hong Kong dollars)

	<i>Note</i>	<i>2025</i> \$ million	<i>2024</i> \$ million
Revenue	3(a)	9,567	9,573
Valuation loss on investment properties		(10)	(7)
Other income	4	64	86
Cost of sales and services	5(a)	(5,968)	(6,022)
Depreciation and amortisation	5(b)	(683)	(727)
Staff costs	5(c)	(1,085)	(1,020)
Other operating expenses		(605)	(550)
		1,280	1,333
Finance costs	5(d)	(152)	(252)
Share of profit of a joint venture		-	1
		1,128	1,082
Profit before taxation	5	1,128	1,082
Income tax	6	(193)	(154)
		935	928
Profit for the year		935	928
Attributable to:			
Equity shareholders of the Company		920	910
Non-controlling interests		15	18
		935	928
Profit for the year		935	928
Earnings per share (HK cents)	8		
Basic and diluted earnings per share		24.9	24.6

Details of dividends payable to equity shareholders of the Company attributable to the profit for the year are set out in note 7.

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025**

(Expressed in Hong Kong dollars)

	2025 \$ million	2024 \$ million
Profit for the year	935	928
Other comprehensive income for the year (after tax and reclassification adjustments)		
<i>Items that will not be reclassified to profit or loss:</i>		
Remeasurement of defined benefit plan assets/obligations, net	41	12
Deferred tax recognised on the remeasurement of defined benefit plan assets/obligations, net	(5)	(1)
	<u>36</u>	<u>11</u>
<i>Items that are or may be reclassified subsequently to profit or loss:</i>		
Foreign currency translation adjustments:		
– exchange differences on translation of financial statements of operations outside Hong Kong and its related borrowings	55	(30)
Net movement in the hedging reserve	(6)	2
	<u>49</u>	<u>(28)</u>
Other comprehensive income for the year	<u>85</u>	<u>(17)</u>
Total comprehensive income for the year	<u>1,020</u>	<u>911</u>
Attributable to:		
Equity shareholders of the Company	1,002	895
Non-controlling interests	18	16
Total comprehensive income for the year	<u>1,020</u>	<u>911</u>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025**

(Expressed in Hong Kong dollars)

	<i>Note</i>	2025 \$ million	2024 \$ million
Non-current assets			
Investment properties		609	668
Property, plant and equipment		1,794	1,931
Right-of-use assets		467	461
Intangible assets		683	732
Goodwill		9,738	9,696
Interest in a joint venture		12	11
Contract costs		20	21
Non-current contract assets		58	33
Non-current finance lease receivables		-	2
Non-current trade and other receivables	9	81	112
Non-current derivative financial instruments		-	2
Defined benefit plan assets		13	-
Deferred tax assets		78	69
		13,553	13,738
		13,553	13,738
Current assets			
Derivative financial instruments		-	2
Inventories		98	375
Finance lease receivables		2	2
Contract assets		228	235
Trade and other receivables	9	1,152	1,476
Current tax recoverable		9	16
Cash and deposits		1,945	1,611
		3,434	3,717
		3,434	3,717
Current liabilities			
Trade and other payables	10	1,691	1,591
Contract liabilities		225	445
Bank and other borrowings		1,206	3,561
Lease liabilities		92	88
Current tax payable		189	179
		3,403	5,864
		3,403	5,864
Net current assets/(liabilities)		31	(2,147)
Total assets less current liabilities		13,584	11,591

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025 (CONTINUED)**

(Expressed in Hong Kong dollars)

	<i>Note</i>	<i>2025</i> \$ million	<i>2024</i> \$ million
Non-current liabilities			
Non-current contract liabilities		1	1
Non-current bank and other borrowings		2,051	346
Non-current lease liabilities		208	236
Non-current derivative financial instruments		4	-
Non-current other payables	10	15	15
Defined benefit plan obligations		9	33
Deferred tax liabilities		124	133
Non-current tax payable		31	-
		<u>2,443</u>	<u>764</u>
NET ASSETS		<u>11,141</u>	<u>10,827</u>
CAPITAL AND RESERVES			
Share capital		4,758	4,758
Reserves		6,265	5,959
Total equity attributable to equity shareholders of the Company		<u>11,023</u>	<u>10,717</u>
Non-controlling interests		<u>118</u>	<u>110</u>
TOTAL EQUITY		<u>11,141</u>	<u>10,827</u>

Notes

(Expressed in Hong Kong dollars unless otherwise indicated)

1 Basis of preparation

The financial statements have been prepared in accordance with HKFRS Accounting Standards, which collective term includes all applicable individual Hong Kong Financial Reporting Standards (“HKFRSs”), Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the requirements of the Hong Kong Companies Ordinance (Cap.622). The financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The accounting policies used in the preparation of the financial statements are consistent with those adopted in the financial statements for the year ended 31 December 2024 except for the adoption of all amended HKFRS Accounting Standards that are first effective for accounting periods beginning on or after 1 January 2025 (see note 2).

The financial information relating to the years ended 31 December 2025 and 2024 included in this preliminary announcement of annual results does not constitute the statutory annual consolidated financial statements of CITIC Telecom International Holdings Limited (the “Company”) and its subsidiaries (collectively the “Group”) for those years but is derived from those consolidated financial statements in accordance with section 436 of the Hong Kong Companies Ordinance (Cap.622).

The Company has delivered the consolidated 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) and will deliver the consolidated financial statements for the year ended 31 December 2025 in due course.

The Company’s auditor has reported on the consolidated financial statements for both years. The auditor’s reports were unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under sections 406(2), 407(2) or 407(3) of the Hong Kong Companies Ordinance (Cap.622).

2 Changes in accounting policies

The HKICPA has issued a number of amendments to HKFRS Accounting Standards that are first effective for the current accounting period of the Group. None of these developments have had a material effect on how the Group’s results and financial position for the current or prior periods have been prepared or presented.

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

3 Revenue and segment reporting

(a) Revenue

The Group is principally engaged in the provision of telecommunications services, including mobile services, internet services, international telecommunications services, enterprise solutions and fixed line services, and sales of mobile handsets and equipment.

Revenue represents fees from the provision of telecommunications services and sales of mobile handsets and equipment.

(i) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major service lines or products is as follows:

	2025 \$ million	2024 \$ million
Revenue from contracts with customers		
Disaggregated by major service lines or products:		
Mobile services	1,159	1,090
Internet services	1,436	1,499
International telecommunications services	2,489	2,365
Enterprise solutions	2,745	2,958
Fixed line services	122	133
	<hr/>	<hr/>
Fees from the provision of telecommunications services	7,951	8,045
Sales of mobile handsets and equipment	1,616	1,528
	<hr/>	<hr/>
	<u>9,567</u>	<u>9,573</u>

Disaggregation of revenue from external customers by geographical location is disclosed in note 3(b)(iv).

During the years ended 31 December 2025 and 2024, fees from the provision of telecommunications services is substantially recognised over time and sales of mobile handsets and equipment is recognised at a point-in-time.

3 Revenue and segment reporting (continued)

- (ii) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date

	2025 \$ million	2024 \$ million
Within 1 year	2,274	2,217
Over 1 year	1,128	1,154
	<u>3,402</u>	<u>3,371</u>

The Group will recognise the expected revenue in future when or as the service is performed or the work is completed.

The Group has applied the practical expedient in paragraph 121(a) of HKFRS 15 to its contracts for services or products such that the above information does not include information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the contracts for services or products that had an original expected duration of one year or less.

(b) Segment reporting

In a manner consistent with the way in which information is reported internally to the Group's senior executive management, which has been identified as being the chief operating decision maker, for the purposes of resource allocation and performance assessment, the Group has identified only one operating segment, i.e. telecommunications operations.

- (i) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources, the Group's senior executive management monitors the results, assets and liabilities attributable to the reportable segment on the following bases:

- Segment assets include all assets, with the exception of investment properties, interest in a joint venture, deferred tax assets, current tax recoverable, derivative financial instruments, and other corporate assets. Segment liabilities include trade and other payables, contract liabilities, lease liabilities and defined benefit plan obligations attributable to the operating activities of the segment.
- Revenue and expenses are allocated to the reportable segment with reference to sales generated by the segment and the expenses incurred by the segment or which otherwise arise from the depreciation or amortisation of assets attributable to the segment.

3 Revenue and segment reporting (continued)

(ii) Reconciliation of reportable segment profit

	2025 \$ million	2024 \$ million
Profit		
Reportable segment profit	1,972	2,026
Net loss on disposal of property, plant and equipment	(1)	(2)
Net foreign exchange gain	9	23
Depreciation and amortisation	(683)	(727)
Finance costs	(152)	(252)
Share of profit of a joint venture	-	1
Interest income	38	60
Rentals income from investment properties less direct outgoings	25	25
Valuation loss on investment properties	(10)	(7)
Unallocated head office and corporate expenses	(70)	(65)
	<u>1,128</u>	<u>1,082</u>
Consolidated profit before taxation	<u>1,128</u>	<u>1,082</u>

(iii) Reconciliations of reportable segment assets and liabilities

	2025 \$ million	2024 \$ million
Assets		
Reportable segment assets	16,209	16,620
Investment properties	609	668
Interest in a joint venture	12	11
Non-current derivative financial instruments	-	2
Deferred tax assets	78	69
Derivative financial instruments	-	2
Current tax recoverable	9	16
Unallocated head office and corporate assets	70	67
	<u>16,987</u>	<u>17,455</u>
Consolidated total assets	<u>16,987</u>	<u>17,455</u>
Liabilities		
Reportable segment liabilities	2,221	2,388
Bank and other borrowings	1,206	3,561
Current tax payable	189	179
Non-current bank and other borrowings	2,051	346
Non-current derivative financial instruments	4	-
Deferred tax liabilities	124	133
Non-current tax payable	31	-
Unallocated head office and corporate liabilities	20	21
	<u>5,846</u>	<u>6,628</u>
Consolidated total liabilities	<u>5,846</u>	<u>6,628</u>

3 Revenue and segment reporting (continued)

(iv) Geographic information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's investment properties, property, plant and equipment, right-of-use assets, intangible assets, goodwill, interest in a joint venture, non-current contract assets and contract costs ("specified non-current assets"). The geographical location of revenue is based on the physical location of assets through which the services were provided or the location at which the goods were delivered. The geographical location of the specified non-current assets is based on the physical location of the asset, in the case of investment properties, property, plant and equipment, and right-of-use assets; the location of the operations to which they are allocated, in the case of intangible assets, goodwill, non-current contract assets and contract costs; and the location of the operations, in the case of interest in a joint venture.

	<i>Revenue from external customers</i>		<i>Specified non-current assets</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>\$ million</i>	<i>\$ million</i>	<i>\$ million</i>	<i>\$ million</i>
Hong Kong (place of domicile)	3,889	3,715	1,752	1,748
Chinese mainland	995	1,182	382	423
Macau	3,969	3,913	10,604	10,759
Singapore	386	499	448	429
Others	328	264	195	194
	<u>5,678</u>	<u>5,858</u>	<u>11,629</u>	<u>11,805</u>
	<u>9,567</u>	<u>9,573</u>	<u>13,381</u>	<u>13,553</u>

4 Other income

	<i>2025</i>	<i>2024</i>
	<i>\$ million</i>	<i>\$ million</i>
Interest income from deposits	35	55
Interest income from finance leases and other interest income	3	5
	<u>38</u>	<u>60</u>
Gross rentals income from investment properties (note)	26	26
	<u>64</u>	<u>86</u>

Note: The rentals income from investment properties less direct outgoings of \$1,000,000 (2024: \$1,000,000) for the year ended 31 December 2025 is \$25,000,000 (2024: \$25,000,000).

5 Profit before taxation

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

(a) Cost of sales and services

Cost of sales and services represents the cost of provision of telecommunications services, which includes interconnection charges, roaming costs and other network operating costs, and the cost of sales of mobile handsets and equipment.

	2025 \$ million	2024 \$ million
Cost of provision of telecommunications services (note)	4,383	4,514
Cost of sales of mobile handsets and equipment	1,585	1,508
	<u>5,968</u>	<u>6,022</u>

Note: Rental charges for leased circuits of \$717,000,000 (2024: \$779,000,000) are included in cost of provision of telecommunications services for the year ended 31 December 2025.

(b) Depreciation and amortisation

	2025 \$ million	2024 \$ million
Depreciation charge		
– property, plant and equipment	436	479
– right-of-use assets	122	139
Amortisation	125	109
	<u>683</u>	<u>727</u>

(c) Staff costs (including directors' emoluments)

	2025 \$ million	2024 \$ million
Contributions to defined contribution retirement plans	65	63
Expenses recognised in respect of defined benefit plans:		
– long service payments	2	2
– CTM Staff Provident Fund	6	6
Salaries, wages and other benefits	1,012	949
	<u>1,085</u>	<u>1,020</u>

5 Profit before taxation (continued)

(d) Finance costs

	2025 \$ million	2024 \$ million
Interest on bank and other borrowings	136	231
Interest on lease liabilities	15	15
Other finance charges	4	5
Others	(3)	1
	<u>152</u>	<u>252</u>

(e) Other items

	2025 \$ million	2024 \$ million
Auditors' remuneration		
– audit services	8	7
– non-audit services	2	4
	10	11
Impairment losses for trade debtors and contract assets	82	48
Net loss on disposal of property, plant and equipment	1	2
Net foreign exchange gain	(9)	(23)

6 Income tax

Income tax in the consolidated income statement represents:

	2025 \$ million	2024 \$ million
Current tax		
Hong Kong Profits Tax		
– Provision for the year	27	32
– Over-provision in respect of prior years	(8)	-
	<u>19</u>	<u>32</u>
Pillar Two income taxes	31	-
	<u>50</u>	<u>32</u>
	-----	-----
Macau Complementary Tax		
– Provision for the year	142	138
– Under-provision in respect of prior years	1	1
	<u>143</u>	<u>139</u>
	-----	-----
Jurisdictions outside Hong Kong and Macau		
– Provision for the year	25	24
– Over-provision in respect of prior years	(3)	(22)
	<u>22</u>	<u>2</u>
	-----	-----
Deferred tax		
Origination and reversal of temporary differences	(22)	(19)
	<u>193</u>	<u>154</u>
	=====	=====

The provision for Hong Kong Profits Tax for 2025 is calculated at 16.5% (2024: 16.5%) of the estimated assessable profits for the year, taking into account a reduction granted by the Hong Kong SAR Government of 100% of the tax payable for the year of assessment 2024/25 subject to a maximum reduction of \$1,500 for each business (2024: a maximum reduction of \$3,000 was granted for the year of assessment 2023/24 and was taken into account in calculating the provision for 2024).

The provision for Macau Complementary Tax for 2025 is calculated at 12% (2024: 12%) of the estimated assessable profits for the year. Assessable profits of the first Macau Patacas (“MOP”) 600,000 (equivalent to approximately \$582,000) (2024: MOP600,000 (equivalent to approximately \$582,000)) are exempted from Macau Complementary Tax.

Taxation for jurisdictions outside Hong Kong and Macau is charged at the appropriate current rates of taxation ruling in the relevant jurisdictions.

7 Dividends

(a) Dividends payable to equity shareholders of the Company attributable to the year

	2025 \$ million	2024 \$ million
Interim dividend declared and paid of HK6.0 cents (2024: HK6.0 cents) per share	222	222
Final dividend proposed after the end of the reporting period of HK13.0 cents (2024: HK12.8 cents) per share	481	474
	<u>703</u>	<u>696</u>

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

(b) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

	2025 \$ million	2024 \$ million
Final dividend in respect of the previous financial year, approved and paid during the year, of HK12.8 cents (2024: HK19.3 cents) per share	474	714

8 Earnings per share

(a) Basic earnings per share

	2025 \$ million	2024 \$ million
Profit attributable to equity shareholders of the Company	<u>920</u>	<u>910</u>

The weighted average number of ordinary shares in issue during the year, is calculated as follows:

	<i>Number of shares</i>	
	2025 million	2024 million
Issued ordinary shares as at 1 January	3,701	3,700
Effect of share options exercised	<u>-</u>	<u>1</u>
Weighted average number of ordinary shares as at 31 December	<u>3,701</u>	<u>3,701</u>
Basic earnings per share (HK cents)	<u>24.9</u>	<u>24.6</u>

(b) Diluted earnings per share

Diluted earnings per share for the years ended 31 December 2025 and 2024 were the same as basic earnings per share, as there were no potential dilutive ordinary shares in existence, or any potential dilutive ordinary shares did not have a significant impact on the weighted average number of ordinary shares.

9 Trade and other receivables

	2025 \$ million	2024 \$ million
Trade debtors and bills receivable	1,004	999
Less: loss allowance	(141)	(87)
	<u>863</u>	<u>912</u>
Prepayments	187	392
Other receivables and deposits	183	284
	<u>1,233</u>	<u>1,588</u>
Represented by:		
Non-current portion	81	112
Current portion	1,152	1,476
	<u>1,233</u>	<u>1,588</u>

At the end of the reporting period, the ageing analysis of trade debtors and bills receivable (which are included in trade and other receivables) based on the invoice date and net of loss allowance is as follows:

	2025 \$ million	2024 \$ million
Within 1 year	853	895
Over 1 year	10	17
	<u>863</u>	<u>912</u>

Credit evaluations are performed on all customers requiring credit over a certain amount. Trade debtors are due within 7 to 180 days from the date of billing. Impairment losses on trade debtors are measured based on the expected credit loss model.

10 Trade and other payables

	<i>2025</i> \$ million	<i>2024</i> \$ million
Trade creditors	846	843
Other payables and accruals	860	763
	<u>1,706</u>	<u>1,606</u>
Represented by:		
Non-current portion	15	15
Current portion	1,691	1,591
	<u>1,706</u>	<u>1,606</u>

At the end of the reporting period, the ageing analysis of trade creditors (which are included in trade and other payables) based on the invoice date is as follows:

	<i>2025</i> \$ million	<i>2024</i> \$ million
Within 1 year	722	715
Over 1 year	124	128
	<u>846</u>	<u>843</u>

FINANCIAL REVIEW

OVERVIEW

The Group's profit for the year ended 31 December 2025 increased 0.8% year-on-year to HK\$935 million, profit attributable to equity shareholders of the Company increased 1.1% year-on-year to HK\$920 million, and basic earnings per share was up 1.2% to HK24.9 cents when compared to last year.

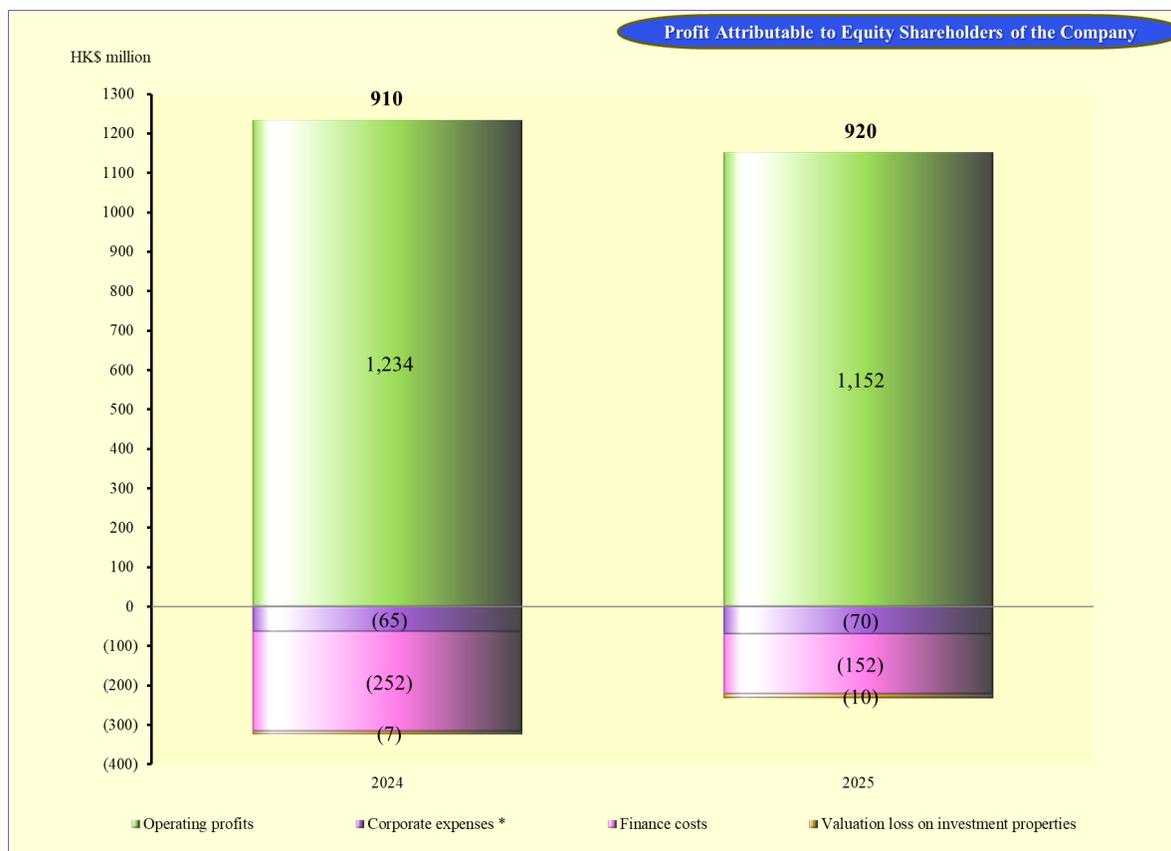
The Group's total revenue amounted to HK\$9,567 million which was similar to last year, while revenue from telecommunications services decreased 1.2% year-on-year to HK\$7,951 million.

Summary of Financial Results

<i>In HK\$ million</i>	Year ended 31 December		Increase / (Decrease)	
	2025	2024		
Revenue from telecommunications services	7,951	8,045	(94)	(1.2%)
Sales of mobile handsets and equipment	1,616	1,528	88	5.8%
Revenue	9,567	9,573	(6)	(0.1%)
Valuation loss on investment properties	(10)	(7)	3	42.9%
Other income	64	86	(22)	(25.6%)
Cost of sales and services	(5,968)	(6,022)	(54)	(0.9%)
Depreciation and amortisation	(683)	(727)	(44)	(6.1%)
Staff costs	(1,085)	(1,020)	65	6.4%
Other operating expenses	(605)	(550)	55	10.0%
Profit from consolidated activities	1,280	1,333	(53)	(4.0%)
Finance costs	(152)	(252)	(100)	(39.7%)
Share of profit of a joint venture	-	1	(1)	N/A
Income tax	(193)	(154)	39	25.3%
Profit for the year	935	928	7	0.8%
Less: Non-controlling interests	(15)	(18)	(3)	(16.7%)
Profit attributable to equity shareholders of the Company	920	910	10	1.1%
EBITDA*	1,925	2,001	(76)	(3.8%)
Basic earnings per share (HK cents)	24.9	24.6	0.3	1.2%
Dividends per share (HK cents)	19.0	18.8	0.2	1.1%

* EBITDA represents earnings before interest, taxes, depreciation and amortisation.

Profit attributable to equity shareholders of the Company



* Corporate expenses included staff costs for corporate functions, listing fee and others.

Profit attributable to equity shareholders of the Company for the year ended 31 December 2025 was HK\$920 million which increased by 1.1% or HK\$10 million when compared to the previous year. Excluding the valuation loss on investment properties of HK\$10 million (2024: HK\$7 million), profit attributable to equity shareholders of the Company for the year would amount to HK\$930 million (2024: HK\$917 million), representing a year-on-year increase of 1.4%.

Revenue

The Group is engaged in the provision of telecommunications services and the sales of mobile handsets and equipment.

The Group provides telecommunications services for carriers, corporate clients and individual customers under five major business categories: mobile services, internet services, international telecommunications services, enterprise solutions and fixed line services.

The Group's total revenue including revenue from telecommunications services and the sales of mobile handsets and equipment was similar to last year and amounted to HK\$9,567 million.

Revenue from telecommunications services for the year ended 31 December 2025 amounted to HK\$7,951 million, which represented a decrease of 1.2% or HK\$94 million when compared to the previous year. The decrease was mainly attributed to the drop in revenue from enterprise solutions, internet services and fixed line services revenue, but was partially offset by the increase in revenue from mobile services and international telecommunications services.

The Group's sales of mobile handsets and equipment for the year ended 31 December 2025 amounted to HK\$1,616 million, which represented an increase of 5.8% or HK\$88 million when compared to the previous year.

Mobile sales & services

Mobile sales & services revenue includes the revenue from sales of mobile handsets and equipment and mobile services revenue. Sales of mobile handsets and equipment mainly consists of the sales of mobile handsets in Macau. Mobile services revenue broadly includes the revenue from mobile local and roaming services, other mobile value-added services and others.

Sales of mobile handsets and equipment increased 5.8% year-on-year to HK\$1,616 million due to more stable supply of mobile handsets during the year and other factors such as the increasing trend in 5G upgrade.

Postpaid revenue was up from last year due to the increase in the number of mobile customers and mobile market shares as well as 5G penetration rate. Meanwhile, due to the stable recovery of Macau's tourism industry and measures such as "Northbound Travel for Macau Vehicles", both outbound and inbound roaming revenue and prepaid revenue also recorded an increase. Overall, mobile services revenue was up 6.3% year-on-year to HK\$1,159 million.

The Group's overall number of mobile subscribers as at 31 December 2025 was over 817,000 (31 December 2024: over 771,000) subscribers, showing an increase of around 6.0% resulting from the increase in postpaid customers of around 9.3% to approximately 623,000 (31 December 2024: over 570,000) subscribers, partly offset by the decrease in prepaid customers of around 3.5% to over 194,000 (31 December 2024: over 201,000) subscribers.

As at 31 December 2025, total number of 5G mobile subscribers reached over 817,000 (31 December 2024: over 759,000) subscribers, representing 100.0% (31 December 2024: 98.4%) of the Group's total number of mobile subscribers.

Internet services

Internet services revenue dropped 4.2% or HK\$63 million year-on-year to HK\$1,436 million. Even though there was around 1.0% year-on-year increase in the number of broadband subscribers to over 210,000 (31 December 2024: over 208,000), intense market competition has led to the reduction in revenue for both internet access services and data centre services.

As at 31 December 2025, the Group's internet market share in Macau was around 96.3% (31 December 2024: 96.8%).

International telecommunications services

International telecommunications services revenue including revenue from messaging services (including SMS), voice services and “DataMall 自由行” services increased by 5.2% or HK\$124 million year-on-year to HK\$2,489 million.

The Group's successful efforts in increasing its voice services revenue by 12.4% or HK\$200 million year-on-year to HK\$1,815 million was the main contributor for the increase in international telecommunications services revenue. For the year ended 31 December 2025, messaging services revenue decreased by 17.0% or HK\$103 million year-on-year to HK\$502 million.

Revenue from “DataMall 自由行” services maintained stable growth of 18.6% or HK\$27 million to HK\$172 million when compared to last year.

Enterprise solutions

Enterprise solutions broadly include enterprise solutions services, business solution projects, virtual private network services, sales of related products and others. For the year ended 31 December 2025, enterprise solutions revenue decreased by 7.2% or HK\$213 million year-on-year to HK\$2,745 million. The decrease is mainly contributed by the drop in enterprise solutions revenue in Macau as a result of lower revenue from large government and resorts projects, as well as the decrease in leased lines revenue.

Fixed line services

As a result of the decrease in fixed residential and business lines, fixed line services revenue was down by 8.3% year-on-year to HK\$122 million for the year ended 31 December 2025.

Results for the year

Profit attributable to equity shareholders of the Company was HK\$920 million, a year-on-year increase of 1.1% or HK\$10 million mainly due to the combined effect of the following factors:

Revenue

The Group's revenue from telecommunications services decreased by 1.2% or HK\$94 million to HK\$7,951 million. Total revenue including mobile handsets and equipment sales amounted to HK\$9,567 million for the year which was similar to last year.

Valuation loss on investment properties

Certain floors of the properties held by the Group were leased out to third parties and an affiliate of the Group. These floors were revalued as at 31 December 2025 by the Group's independent surveyors with a valuation loss of HK\$10 million (2024: HK\$7 million).

Cost of sales and services

Cost of sales and services includes cost of provision of telecommunications services and cost of sales of mobile handsets and equipment. Cost of sales and services decreased 0.9% year-on-year or HK\$54 million to HK\$5,968 million. The decrease in cost of sales and services was in-line with the decrease in telecommunications services revenue.

Depreciation and amortisation

Depreciation and amortisation expenses totalled HK\$683 million for the year ended 31 December 2025, representing a year-on-year decrease of 6.1%. The decrease was mainly due to certain aged networks and equipment being fully depreciated in 2024.

Staff costs

Staff costs increased year-on-year by 6.4% or HK\$65 million to HK\$1,085 million.

Other operating expenses

Other operating expenses increased year-on-year by 10.0% or HK\$55 million to HK\$605 million mainly due to the increase in loss allowance on trade receivables and contract assets.

Finance costs

During the year, the Group has fully redeemed the US\$450 million 6.1% guaranteed bonds by using its surplus funds of HK\$394 million and the bank and other loans of HK\$3,096 million, and repaid HK\$197 million bank and other loans using its surplus funds. As a result, finance costs decreased by 39.7% year-on-year or HK\$100 million to HK\$152 million.

Income tax

Income tax for the year amounted to HK\$193 million, an increase of HK\$39 million when compared to the previous year. Included in the income tax amount for 2025 is a provision for top-up tax of HK\$31 million (2024: \$Nil) as required under the Hong Kong Inland Revenue (Amendment) (Minimum Tax for Multinational Enterprise Groups) Ordinance 2025. Excluding finance costs, over or under-provision of taxes and any origination and reversal of temporary differences in relation to prior years, the effective tax rates for the years ended 31 December 2025 and 2024 were 15.7% and 13.4% respectively.

Earnings and Dividends per share

Both basic and diluted earnings per share were up 1.2% year-on-year respectively to approximately HK24.9 cents for the year ended 31 December 2025.

The Company's Board of Directors has resolved to recommend to shareholders the payment of final dividend of HK13.0 cents per share which, together with the interim dividend of HK6.0 cents per share already paid, makes total dividends of HK19.0 cents per share for the year ended 31 December 2025. This represents an increase of 1.1% year-on-year.

Cash flows

<i>In HK\$ million</i>	Year ended 31 December		Increase / (Decrease)	
	2025	2024		
Source of cash:				
Cash inflows from business operations	2,266	1,560	706	45.3%
Decrease in other deposits	26	44	(18)	(40.9%)
Other cash inflows	38	63	(25)	(39.7%)
Sub-total	2,330	1,667	663	39.8%
Use of cash:				
Capital expenditure*	(366)	(404)	(38)	(9.4%)
Dividends paid to equity shareholders and non-controlling interests	(706)	(950)	(244)	(25.7%)
Capital and interest elements of lease rentals paid	(121)	(140)	(19)	(13.6%)
Payment of borrowing costs	(204)	(233)	(29)	(12.4%)
Net cash outflows from borrowings	(591)	(1)	590	>100%
Sub-total	(1,988)	(1,728)	260	15.0%
Net increase / (decrease) in cash and cash equivalents	342	(61)	403	N/A

* Included in the amounts are payments for purchase of property, plant and equipment in respect of current year additions and prior years unsettled purchases.

The Group generated HK\$2,330 million cash inflow from its operations, with the use of cash mainly comprised of capital expenditure, lease payments, dividends distributions and payment of borrowing costs. In total, the Group recorded a net cash inflow of HK\$342 million for the year ended 31 December 2025.

Capital expenditure

The Group's total capital expenditure for the year ended 31 December 2025 amounted to HK\$360 million. During the year, HK\$85 million was invested in 5G network, HK\$15 million was incurred for the Group's data centre development and the remainder of the capital expenditure was mainly used for network systems upgrade and expansion.

Capital commitments

As at 31 December 2025, the Group had outstanding capital commitments of HK\$68 million, mainly for 5G network development, data centre development, system upgrades, construction costs of networks, and other telecommunications equipment which had yet to be delivered to the Group. Of these commitments, HK\$39 million was outstanding contractual capital commitments and HK\$29 million was capital commitments authorised but for which contracts had yet to be entered into.

TREASURY POLICY AND FINANCIAL RISK MANAGEMENT

General

Managing financial risks to which the Group exposed is one of the primary responsibilities of the Group's treasury function. To balance the high degree of financial control and cash management efficiency, each business unit within the Group is responsible for its own cash management which is closely monitored by the headquarters. In addition, the decision of financing activities is centralised at head office level.

1. Debt and leverage

As at 31 December 2025, the Group's total debt was HK\$3,257 million, a decrease of 16.6% when compared to HK\$3,907 million as at 31 December 2024. The Group's net debt decreased to HK\$1,312 million, the net gearing ratio decreased from 18% as at 31 December 2024 to 11% as at 31 December 2025.

As at 31 December 2025, total debt and net debt of the Group were as follows:

<i>In HK\$ million equivalents</i>	Denomination							Total
	HKD	USD	SGD	MOP	RMB	EUR	Others	
Total debt	2,903	-	-	-	354*	-	-	3,257
Less: Cash and deposits	(494)	(681)	(58)	(423)	(155)	(64)	(70)	(1,945)
Net debt/ (cash)	2,409	(681)	(58)	(423)	199	(64)	(70)	1,312

* The Group entered into a certain amount of RMB to SGD fixed-to-fixed cross currency swap in 2024 to eliminate foreign exchange risk associated with the retranslation of part of the net investment in Singapore subsidiaries.

As at 31 December 2025 and 2024, the Group's net gearing ratio was as follows:

<i>In HK\$ million</i>	31 December 2025	31 December 2024
Total debt	3,257	3,907
Less: Cash and deposits	(1,945)	(1,611)
Net debt	1,312	2,296
Total equity attributable to equity shareholders of the Company	11,023	10,717
Total capital	12,335	13,013
Net gearing ratio	11%	18%

The Group's total debt decreased from HK\$3,907 million as at 31 December 2024 to HK\$3,257 million as at 31 December 2025. The Group has fully redeemed the US\$450 million 6.1% guaranteed bonds by using its surplus funds of HK\$394 million and the bank and other loans of HK\$3,096 million. In addition, the Group has net repayment of bank and other loans for the amount of HK\$197 million from its surplus cash during the year.

The maturity profile of the Group's total debt which includes interest payable as at 31 December 2025 was as follows:

<i>In HK\$ million</i>	Within 1 year	After 1 year but within 2 years	After 2 years but within 3 years	Total
Bank and other loans	1,200	354	1,697	3,251
Interest payable	<u>6</u>	<u>-</u>	<u>-</u>	<u>6</u>
	<u>1,206</u>	<u>354</u>	<u>1,697</u>	<u>3,257</u>

Available sources of financing

The Group aims to maintain the cash balance and undrawn bank and other loan facilities at a reasonable level to meet the debt repayments and capital expenditure requirement in the coming year.

The Group's cash balance of HK\$1,945 million and undrawn committed bank and other loan facilities of HK\$7,278 million as at 31 December 2025 were more than sufficient to cover the repayments of outstanding amount of total debt (excluding interest payable) of HK\$1,200 million in the coming year and contractual capital commitments of HK\$39 million as at 31 December 2025.

As at 31 December 2025, the Group had available trading facilities of HK\$222 million. The amount of HK\$59 million was utilised as guarantees for performance to customers / the Macau Government and costs payable to telecoms operators and others.

The utilised facilities of approximately HK\$1 million were required to be secured by pledged deposits as at 31 December 2025.

As at 31 December 2025, the type of facilities of the Group was summarised as follows:

<i>In HK\$ million</i>	Total available facilities	Amount utilised	Amount unutilised
Bank and other loans			
- Committed facilities:			
Bank loans	6,722	2,654	4,068
Other loans	<u>3,510</u>	<u>300</u>	<u>3,210</u>
	10,232	2,954	7,278
- Uncommitted facilities:			
Bank loans	<u>2,324</u>	<u>300</u>	<u>2,024</u>
	12,556	3,254	9,302
Trading facilities - Uncommitted facilities	<u>222</u>	<u>59</u>	<u>163</u>
Total	<u>12,778</u>	<u>3,313</u>	<u>9,465</u>

2. Liquidity risk management

Each business unit within the Group is responsible for its own cash management, including predetermined short term investment of its cash surpluses. The raising of loans to cover its expected cash demands must be approved by the finance committee (with certain predetermined levels of authority) or the Board of Directors of the Company. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed bank and other loan facilities to meet its liquidity requirements in the short and longer term.

Cash flow is well-planned and reviewed regularly by the management of the Group, so that the Group can meet its funding needs. The cash flows from the Group's operating activities together with the undrawn bank and other loan facilities enable the Group to meet its liquidity requirements in the short and longer term.

3. Loan covenants

Committed banking facilities contain certain covenants, undertaking, financial covenants, change in control clause and/or events of default provisions, which are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants or in any case of an event of default, the drawn down facilities would become payable on demand. The Group regularly monitors its compliance with these covenants. As at 31 December 2025 and 2024, the Group was in compliance with the relevant requirements.

4. Contingent liabilities

As at 31 December 2025 and 2024, the Group had no significant contingent liabilities.

5. Performance bonds, guarantees and pledged assets

As at 31 December 2025 and 2024, performance bonds and other guarantees of the Group were as follows:

<i>In HK\$ million</i>	31 December 2025	31 December 2024
Performance bonds provided to the Macau		
Government and other customers	54	78
Other guarantees	<u>5</u>	<u>5</u>
Total	<u>59</u>	<u>83</u>

As at 31 December 2025, bank deposits of HK\$2 million (2024: HK\$2 million) were pledged to secure part of the facilities of the Group.

As at 31 December 2025, the Company issued guarantees of HK\$184 million (2024: HK\$175 million) for its subsidiaries in respect of the various forms of facility lines from financial institutions.

In September 2025, the Company’s subsidiary, Companhia de Telecomunicações de Macau, S.A. (“CTM”) and the Macau Government entered into a supplemental concession agreement (the “2025 Supplemental Concession Agreement”), under which the Macau Government agreed to extend the concession for operating domestic and international fixed voice telephony services (the “Concession”) under the Midterm Review of the Concession Agreement for Public Telecommunications Services (the “Midterm Review of Concession Agreement”) by two years until 30 September 2027. The 2025 Supplemental Concession Agreement also grants the Macau Government a termination right by giving CTM 60 days’ prior notice, exercisable from 1 October 2026.

Pursuant to the 2025 Supplemental Concession Agreement, certain assets (the “Assets”), as defined under Clauses 5, 6, and 7 of the Midterm Review of Concession Agreement, were transferred to the Macau Government on 1 October 2025, on the same day, the Macau Government handed over the Assets to CTM for its continuing use during the concession period. The Macau Government has also indicated its intention to make part of the Assets, such as the concession ducts, available for use by other telecommunications network operators in the Macau Special Administrative Region (the “Shared Assets”).

As a result, CTM reclassified the net book value of the Shared Assets of HK\$74 million as Concession Assets and amortised their carrying amounts over a period during which they are expected to be available for use by CTM. As at 31 December 2025, the net book value of Concession Assets is HK\$73 million.

For the remaining part of the Assets (the “Remaining Assets”), as CTM retains control over them to derive economic benefits, it will continue to be recognised as property, plant, and equipment. Their carrying amounts will be depreciated over their estimated useful lives. As at 31 December 2025, the net book value of the Remaining Assets is HK\$148 million.

For determining and estimating the useful lives of the Shared Assets and Remaining Assets, CTM based on the assumption of the subsequent successful renewal of the Concession or the grant of a new operating license to CTM to enable the continuation of managing and operating those assets.

6. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate risk arises primarily from long-term borrowings. Borrowings issued at variable rates and fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively. The Group manages its interest rate risk exposures in accordance with defined policies and regular review to achieve a balance between minimising the Group's overall cost of fund and managing significant interest rate movements, as well as having regard to the floating/fixed rate mix appropriate to its current business portfolio.

Interest rate risk is managed by fixed rate borrowings or through use of the interest rate swap, if necessary. As at 31 December 2025, approximately 11.0% (2024: 100.0%) of the Group's borrowings, excluding interest payable and after taking the effect of cross currency swap arrangement, were linked to fixed interest rates. During the year, the Group did not enter into any interest rate swap arrangement for the purpose of interest rate risk management.

Effective interest rates

As at 31 December 2025 and 2024, the effective interest rates, after the inclusion of amortisation of transaction costs, were as follows:

	31 December 2025	31 December 2024
Effective interest rate for fixed rate borrowings	3.3%	5.8%
Effective interest rate for variable rate borrowings	3.6%	N/A
Effective interest rate for total borrowings	3.6%	5.8%

7. Currency risk

The Group is exposed to currency risk primarily through sales and purchases which give rise to receivables, payables and cash and deposits that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transactions relate. The major places of operating companies within the Group are located in Hong Kong and Macau, whose functional currency is either Hong Kong dollars or Macau Patacas.

A substantial portion of the Group's revenue and cost of sales and services are denominated in United States dollars, Macau Patacas, Hong Kong dollars, Renminbi and Singapore dollars. The majority of the Group's current assets, current liabilities and transactions are denominated in United States dollars, Macau Patacas, Hong Kong dollars, Renminbi and Singapore dollars. As the Hong Kong dollars is linked to the United States dollars and the Macau Patacas is pegged to the Hong Kong dollars, it will not pose significant currency risk between Hong Kong dollars, United States dollars and Macau Patacas to the Group. The Group measures its currency risk mainly by performing currency gap analysis. The Group seeks to reduce its currency risk by matching its foreign currency denominated assets with the corresponding liabilities of the same currency or by using forward contracts, cross currency swaps and other derivative instruments where appropriate, provided that hedging is only considered when there is a highly probable forecasted transaction.

The Group has entered into cross currency swap to reduce part of the Group's currency risk exposure. During the year, the Group did not enter into any new derivative arrangement for the purpose of currency risk management.

8. Credit risk

The Group's credit risk is primarily attributable to trade debtors and contract assets. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

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. Trade debtors are due within 7 to 180 days from the date of billing. Loss allowances for trade debtors and contract assets are measured based on the expected credit loss model.

The Group has certain concentration risk in respect of trade debtors and contract assets due from the Group's five largest debtors who accounted for approximately 17.1% (2024: approximately 20.3%) of the Group's total trade debtors and contract assets as at 31 December 2025. The credit risk exposure to the balances of trade debtors and contract assets has been and will continue to be monitored by the Group on an ongoing basis.

9. Counterparty risk

The Group's exposure to credit risk arising from cash and deposits and bills receivable is limited because the Group mainly deals with financial institutions which have good credit ratings with prestigious credit ratings companies (such as Moody's Investors Service, Standard & Poor's and Fitch Group), or the note-issuing banks in Hong Kong and Macau, or its group companies. As at 31 December 2025, the Group has maintained cash and deposits and bills receivable of HK\$1,962 million (2024: HK\$1,611 million), among which HK\$1,958 million (2024: HK\$1,608 million) was placed in the above-mentioned entities, representing approximately 99.8% (2024: approximately 99.8%) of the total cash and deposits and bills receivable of the Group. To achieve a balance between maintaining the flexibility of the Group's operations and minimising the exposure to credit risk arising from cash and deposits and bills receivable, the Group has a pre-defined policy and regular review on the rest of the cash portfolio. It is considered that the Group is exposed to a low credit risk in this respect.

SUSTAINABILITY REPORT

Corporate social responsibility is inseparable with the Group's corporate strategy and business philosophy. The Group adheres to the sustainability vision of "People and Community" as the foundation of our principle, and is committed to integrating the vision into our daily operations, in the view of driving sustained and continued business growth.

"Board Statement on Environmental, Social and Governance Matters" has demonstrated our commitment to sustainability and systematic management through a top-down governance structure.

We endeavour to advance in various sustainability aspects. It is our ambition to co-create a sustainable business environment and underpin win-win situations for the Group, its shareholders, customers, employees, business partners, and the community.

The Group engages with a diverse range of stakeholders through various means to collect their expectations on the Group's strategy and performance. At the same time, we actively convey our sustainability vision to stakeholders, so as to gain their continued support.

The Group continues to improve its corporate governance, with the goal of "strengthening its governance capabilities, adhering to the bottom line of risks". We will do our utmost to ongoing enhance our risk management for the high-quality development of the organisation.

The provision of high-quality and reliable services to customers underlies the core value of the Group. We charge ourselves with the mission of providing premium products and services to customers in a stable and uninterrupted manner, while leveraging our inherent strengths to serve the community in different ways. To respond to our customer needs and stay ahead of the industry, the Group has accelerated its technological innovation and product research and development (R&D) works on different emerging services.

The Group upholds a high standard of business ethics and personal conduct of its employees. Through a systematic reporting and monitoring mechanism, we ensure the comprehensive implementation of internal regulations and the Code of Conduct. To fulfill our commitment to integrity and anti-corruption, we have established dedicated policies and enforcement mechanisms, and regularly conduct integrity and anti-corruption training for employees at all levels to continuously strengthen awareness of self-discipline. In supplier management, anti-corruption clauses are explicitly incorporated to enhance corporate governance effectiveness. In accordance with the Code of Conduct of the Group, we must ensure that our procurement and tendering processes allow for open and fair competition, and are in line with public interest and accountability.

It is crucial for the Group to protect intellectual property in the process of products and services innovation. At the same time, the Group is fully aware of its responsibility in safeguarding customer privacy and personal data security, and will strive to ensure customer personal data is handled in strict compliance with relevant laws and regulations in our operating countries. The Group is committed to ensuring the stability and effectiveness of its information security management system, and continues to maintain the ISO/IEC 27001 Information Security Management System certification through independent third parties review in accordance with ISO professional standards. Our subsidiary is also an infrastructure-as-a-service (IaaS) provider certified under ISO27017, and has received the "CMMI Maturity Level 3 Certification" issued by the CMMI Institute.

The Group is distinguished by its professional and international team of excellent and outstanding employees. As at the end of December 2025, our total number of employees was 2,416.

The Group is an equal opportunity employer and adheres to non-discriminatory employment practices and procedures in recognising and respecting individuals' rights. The Group strictly complies with applicable laws regarding equal opportunities and anti-discrimination.

It is our belief that employees are our most precious assets. The Group continues to put great emphasis on employees' work-life balance as well as their mental and physical wellbeing through organising a series of employee activities. Moreover, the Group actively invests resources in arranging different training and development programmes for our staff to enhance their knowledge and nurture talents. The Group regularly provides continuous professional training to Directors and senior management of the Group to ensure that they are kept abreast of the latest regulations and market trends.

Environmental protection is one of the key priorities of the Group. The Group is committed to conduct business in an environmentally responsible manner and support to reduce greenhouse gas emissions. The "CITIC Telecom Green Policy" has been established to provide clear guide to our environmental management for promoting business sustainability. Climate change presents opportunities and risks to the Group's operations. Our ESG Committee regularly discusses the sustainability agenda and continuously assesses the impact of climate change. We have commissioned a third-party consultant to conduct climate-related risk analysis to assist us in identifying the impact of climate change on our business. The Group is dedicated to enhancing climate risk management and performance to further develop our resilience and adaption to climate change. Through historical data analysis, forecasting of future factors and peer benchmarking, the Group has set quantitative environmental targets. We have achieved our expected progress by taking different measures and will closely monitor the final results for completion.

The Group continues to providing support for our community, giving helping hands to the underprivileged through voluntary service and donation, and leveraging its expertise to promote social development. The Group strives to leverage our expertise and resources in communication and information technology to enhance the quality of life by promoting development of smart city, 5.5G and AI Technology, advance anti-fraud initiatives, and strengthening information security awareness. The Group places great emphasis on nurturing our younger generation through activities to unleash potentials of teenagers such that they could become future leaders of our society.

The Group is honoured to receive awards and commendations again from multiple organisations, in recognition for our contributions to the society during the year.

CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance. The board of directors of the Company (the "Board") believes that good corporate governance practices are important to promote investor confidence and protect the interest of our shareholders. At CITIC Telecom, we attach importance to our people, our code of conduct, and our corporate policies and standards, which together form the basis of our corporate governance practices. We respect and are committed to comply the laws, rules and

regulations of each country and region in which we operate, and we strive to ensure for our people a healthy and safe working environment which is our paramount concern. We endeavour to contribute to the sustainable development of the Company, with particular focus on our accountability to shareholders and stakeholders. A full description of the Company's corporate governance will be set out in the section of "Corporate Governance" contained in the 2025 annual report.

Save as disclosed below, the Company has fully complied with the applicable code provisions in the Corporate Governance Code (the "Code") set out in Part 2 of Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") in 2025. In respect of the code provision C.1.5 of the Code, Mr. Yang Feng, non-executive director of the Company, was unable to attend the extraordinary general meeting of the Company held on 17 December 2025 due to other business commitments. Also, as disclosed in the 2025 Interim Report of the Company, during the period from 31 March 2023 (the date of which Mr. Cai Dawei resigned as executive director and Chief Executive Officer) to 25 July 2025 (the date of which Mr. Wu Jun was appointed as executive director and Chief Executive Officer), the management team, including the executive directors, of the Company had overseen the day-to-day management of the business and operations of the Company and its subsidiaries.

The Audit Committee of the Board, consisting of three independent non-executive directors and a non-executive director, has reviewed the 2025 financial statements with management and the external auditors and recommended its adoption by the Board.

DIVIDEND AND CLOSURE OF REGISTER

The Directors have resolved to recommend to shareholders the payment of a final dividend of HK13.0 cents (2024: HK12.8 cents) per share, which together with the interim dividend of HK6.0 cents (2024: HK6.0 cents) per share already paid makes a total dividend of HK19.0 cents (2024: HK18.8 cents) per share for the year ended 31 December 2025.

The proposed final dividend of HK13.0 cents per share, the payment of which is subject to approval of the shareholders at the forthcoming annual general meeting (the "AGM") of the Company to be held on Wednesday, 20 May 2026, is to be payable on Thursday, 25 June 2026 to shareholders whose names appear on the Register of Members of the Company on Monday, 1 June 2026.

The Register of Members of the Company will be closed from Friday, 15 May 2026 to Wednesday, 20 May 2026 (both days inclusive) for the purpose of ascertaining shareholders' entitlement to attend and vote at the AGM. In order to be eligible to attend and vote at the AGM, all transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Thursday, 14 May 2026. In addition, the Register of Members of the Company will be closed from Thursday, 28 May 2026 to Monday, 1 June 2026 (both days inclusive) for the purpose of ascertaining shareholders' entitlement to the proposed final dividend. In order to qualify for the proposed final dividend, all transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's Share Registrar, Tricor Investor Services Limited, for registration not later than 4:30 p.m. on Wednesday, 27 May 2026. During such periods, no share transfer will be effected.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

The US\$450,000,000 6.1% Guaranteed Bonds (the “Guaranteed Bonds”) issued by CITIC Telecom International Finance Limited (the “Issuer”, a wholly-owned subsidiary of the Company) and guaranteed by the Company, which were listed on the Stock Exchange, matured on 5 March 2025. On the same date, the Issuer has redeemed the Guaranteed Bonds in full with corresponding accrued interest.

Save as disclosed above, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities during the year ended 31 December 2025.

FORWARD LOOKING STATEMENTS

This announcement contains certain forward looking statements with respect to the financial condition, results of operations and business of the Group. These forward looking statements represent the Company’s current expectations, beliefs, assumptions or projections concerning future events and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements.

Forward looking statements involve inherent risks and uncertainties. Readers should be cautioned that a number of factors could cause actual results to differ, in some instances materially, from those expressed, implied or anticipated in any forward looking statement or assessment of risk.

ANNUAL REPORT AND FURTHER INFORMATION

A copy of the announcement is posted on the Company’s website (www.citictel.com) and the website of HKEXnews (www.hkexnews.hk). The full Annual Report will be made available on the websites of the Company and HKEXnews around 10 April 2026.

By Order of the Board
CITIC Telecom International Holdings Limited
Luo Xicheng
Chairman

Hong Kong, 12 March 2026

As at the date of this announcement, the following persons are directors of the Company:

<i>Executive Directors:</i>	<i>Non-Executive Directors:</i>	<i>Independent Non-Executive Directors:</i>
Luo Xicheng (Chairman)	Zhao Lei	Zuo Xunsheng
Wu Jun	Wang Hua	Lam Yiu Kin
	Yang Feng (Liu Kaiyuan as his alternate)	Wen Ku