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## **HKT Trust**

*(a trust constituted on 7 November 2011 under the laws of Hong Kong and managed by HKT Management Limited)*

**and**

## **HKT Limited**

*(incorporated in the Cayman Islands with limited liability)  
(Stock Code: 06823)*

# **ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025**

The directors of HKT Management Limited (in its capacity as the trustee-manager of the HKT Trust) (the “Trustee-Manager”) and HKT Limited (the “Company” or “HKT”) are pleased to announce the audited consolidated results of the HKT Trust and of the Company together with the Company’s subsidiaries (collectively the “Group”) for the year ended 31 December 2025.

- Sustained market leadership in broadband, with FTTH connections growing by 4% to 1.086 million; progressive upgrades to latest fibre services drove 93% expansion in 2500M customer base;
- 5G customer base up 20% to 2.096 million; together with higher roaming revenue, fuelled 5% rise in Mobile services revenue;
- Enterprise business expanded further, achieving revenue growth of 8% in 2025; secured new project wins exceeding HK\$5 billion, underpinning further growth;
- Total revenue increased by 5% to HK\$36,553 million; total revenue excluding Mobile product sales rose by 3% to HK\$33,016 million;
- Total EBITDA grew by 4% to HK\$14,234 million, bolstered by efficiency and productivity improvements resulting from AI adoption;
- Adjusted funds flow also climbed by 4% to HK\$6,199 million;
- Profit attributable to holders of Share Stapled Units increased by 4% to HK\$5,286 million; basic earnings per Share Stapled Unit was 69.76 HK cents; and
- Final distribution per Share Stapled Unit of 47.97 HK cents, resulting in a total distribution of 81.77 HK cents, which represents the full payout of the adjusted funds flow for the year.

## **LETTER TO HOLDERS OF SHARE STAPLED UNITS**

Dear Holders of Share Staples Units,

In 2025, heightened geopolitical uncertainty and global trade tensions, together with a shift in local consumption behaviour, gave rise to a challenging operating environment in Hong Kong. Nevertheless, HKT once again demonstrated resilience, underpinned by its robust digital infrastructure, disciplined execution and unwavering commitment to innovation. We delivered growth across key financial metrics, with total revenue increasing by 5% to HK\$36,553 million, EBITDA rising by 4% to HK\$14,234 million, and, most importantly, adjusted funds flow (“AFF”) expanding by 4% to HK\$6,199 million. This stellar performance was driven by sustained momentum across our core businesses, stringent cost efficiency, and prudent capital management. With the economic environment stabilising and the government continuing to implement supportive policies, we are confident of achieving an even better performance in 2026.

### **Driving the Deployment of AI in Hong Kong**

Over the past year, we have witnessed the increasing availability of, and demand for, artificial intelligence (“AI”) services and applications among consumers and enterprises. In Hong Kong, large-scale AI deployment has become a key strategic focus for the government and many enterprises, which see it as a pivotal tool for developing actionable business intelligence, personalising user experiences, enhancing productivity, and strengthening safety standards. Leveraging our carrier-grade digital infrastructure and digital transformation capabilities, HKT is playing a critical role in shaping Hong Kong’s AI ecosystem.

In early 2025, we launched the 800G AI Superhighway solution. Powered by our over 100T core network, it supports AI-driven workloads and multipath routing for mission-critical tasks, proving particularly well-suited for large-scale early-adopters such as supercomputing centres, science parks, and academic institutions. Building upon this momentum, we recently established a new AI exchange in the Lok Ma Chau Loop to serve the Northern Metropolis and connect data centre locations across Hong Kong. This not only facilitates cross-boundary connectivity and Greater Bay Area (“GBA”) data flow, but also addresses the growing fibre requirements driven by data centre expansion and residential development.

At the enterprise level, HKT continues to drive digital transformation solutions that incorporate various AI applications. We have built AI-powered intelligent operations centres for a number of customers in the public utility, banking and transportation sectors, thereby enhancing productivity and decision-making. We have also deployed sector-specific AI applications, such as autonomous robot platforms to improve hospital and education campus operations, and AI-powered contact centre solutions to elevate the customer experience for a financial services provider.

### **Enhancing the HKT Consumer Experience**

At HKT, we remain committed to providing customers with a best-in-class network experience – be it at home or on the go. Those who choose HKT benefit from access to Hong Kong’s most advanced and reliable network infrastructure, engineered to meet the demands of an increasingly digital lifestyle.

We are progressively upgrading customers to our 2500M+ services which, when paired with the latest Wi-Fi 7 devices, provide a leading home broadband experience in Hong Kong. The initial uptake of 2500M has been robust, with customer numbers increasing by 93% year-on-year and average revenue per user (“ARPU”) uplift of around HK\$70. With this service still in its early stages of penetration, we expect the upgrade process to continue in the coming years. Demand for high-quality, high-speed home broadband services remains very strong. In response to this, we plan to extend our fibre coverage to households still primarily using traditional DSL (digital subscriber line) services, while working with our exclusive property development partners to install fibre in new residential developments.

## **LETTER TO HOLDERS OF SHARE STAPLED UNITS (Continued)**

With AI smartphones expected to become more widely available and affordable, we are upgrading our network to address future growth in cellular demands. As the first mobile service provider in Hong Kong to deploy 25Gbps mobile backhaul, we have significantly strengthened network performance while ensuring scalability to support mega events. We always strive to adopt the latest tools and technologies at suitable times to improve network performance and to make the best use of our spectrum portfolio, such as the latest generation of dynamic spectrum sharing technology, which allows us to reallocate existing 4G spectrum for 5G deployment on dynamic basis, to meet the growing demand from users upgrading to 5G devices and plans without sacrificing the experience of 4G users. As at the end of December 2025, our mobile post-paid customer base stood at over 2 million 5G plan users, representing 60% of our total post-paid base.

To meet customers' strong demand for travel connectivity, we have continued to introduce innovative and easy-to-use roaming services, ensuring users enjoy seamless, optimal network quality while overseas. This helped to drive sustained year-on-year growth of 8% in our total roaming revenue, with consumer outbound roaming revenue recording notable year-on-year growth of 18%. Recently, we launched the "Golden Roaming" service in collaboration with our leading mobile partners across Asia Pacific, offering improved network speed and stability in popular travel destinations.

High-quality, curated entertainment also continues to be a key component of our consumer value proposition. During the year, we added Disney+ to the Now TV platform, complementing our existing video streaming services. As a result, Now TV customers have access to the most extensive movie platform in Hong Kong, as well as an unparalleled line-up of sports content. With the proliferation of smart TVs, the installed base of Now TV continued to expand, with the OTT (over-the-top) segment growing by 16% year-on-year.

HKT continues to consolidate its leading position in the premium customer segment, supporting the addition and retention of high-value customers seeking a reliable network and a comprehensive range of devices and services. This was reflected in the strong growth of our 1010 HOME premium solution customer base, which increased by 32%.

### **Empowering Enterprise Customers with Customised Solutions**

As a trusted partner to both public and private enterprises, HKT leverages its network infrastructure alongside cloud computing, data analytics and AI technologies to help clients accelerate their digital transformation, drive business growth and enhance operational efficiency. Key projects delivered during the year included the deployment of a 5G private network for a logistics company to support autonomous operations and AI-enabled security applications at one of its facilities, as well as the installation of 5G infrastructure for a waste management company to enhance productivity. We also delivered an AI-driven drone inspection solution for a construction materials company, and expanded our smart city offerings to include IoT-enabled lamppost and water meter monitoring services, a food safety temperature monitoring solution for a retail chain, and surveillance and safety solutions for the public utility and engineering sectors.

We have been working closely with customers to support the strengthening of the resilience and diversity of their technology supply chains in response to the evolving geopolitical landscape. This includes implementing dual-supply designs and solutions across network infrastructure, cloud and IT systems, cybersecurity, contact centres, communications and AV systems.

During the year, we also supported Hong Kong-based and international enterprises in expanding into the Chinese Mainland market, while assisting Chinese Mainland enterprises in pursuing growth across local, Hong Kong and overseas markets. As a result, our business from Chinese Mainland enterprises sustained further growth, with revenue expanding by 13% year-on-year.

We have also been expanding our international business into the European, African and Latin American markets to support our customers in broadening and diversifying their geographic presence to mitigate the impact of global trade tensions.

## **LETTER TO HOLDERS OF SHARE STAPLED UNITS (Continued)**

### **Productivity Improvements through AI Adoption**

Our unique and exclusive data assets continue to strengthen our ability to provide hyper-personalised offerings to consumers. By combining these data assets with AI, HKT has significantly improved the conversion rates of its up-selling and cross-selling initiatives. As our ecosystem deepens, consumers are increasingly embracing multiple HKT services, with subscriptions to three or more products rising by 14% year-on-year. This momentum reflects the effectiveness of our customer-centric strategy, which allows us to provide an enhanced customer experience and value proposition to every household and consumer we engage. Through The Club and our powerful data analytics capabilities, we are also able to extend our service offering by providing consumers with exclusive lifestyle deals tailored to their interests.

Within HKT, we are leveraging AI to boost business performance and process efficiencies. In network management, AI-powered system is deployed to complement end-to-end network monitoring tools, enabling rapid troubleshooting and root-cause analysis for efficient resolution of customer enquiries and complaints. AI agents are also employed to automate network performance protection during major events as well as to support scenario-based automatic traffic balancing during extreme load situations. These AI-led initiatives have already boosted productivity and delivered operating cost savings during the year.

### **Homegrown Enterprise Fostering Responsible Impact**

To support Hong Kong's innovation and technology development, HKT is upgrading its digital network infrastructure to power innovation in the Northern Metropolis. Plans are also in place to establish innovation offices to accelerate collaboration with technology startups and support university incubation programmes to foster entrepreneurial development. Embracing technology as an enabler, our sustained investment in research and development has yielded tangible outcomes, including our recognition as the Designated Local Research Institution by Hong Kong's Innovation and Technology Commission.

In response to the growing threat of cybersecurity incidents and scam calls, we have strengthened digital fraud defences by delivering anti-fraud education and blocking cyber threats and suspicious phone calls, helping customers stay protected. In addition, we co-developed an AI-enabled Intrusion Detection and Prevention System, which can be paired with our 2500M fibre service, to empower small and medium-sized enterprises to defend themselves against cyber attacks.

Finally, I would like to thank our holders of Share Stapled Units for their steadfast support, our employees for their commitment, and all our stakeholders for their continued collaboration. As we look ahead, we remain committed to investing in and harnessing the power of technology and AI to drive innovation, efficiency, and sustainable growth.

**Susanna Hui**

*Group Managing Director*

Hong Kong, 9 February 2026

## FINANCIAL REVIEW BY SEGMENT

For the year ended 31 December HK\$ million	2024			2025			Better/ (Worse)
	H1	H2	Full Year	H1	H2	Full Year	
<b>Revenue</b>							
TSS	12,063	12,394	<b>24,457</b>	12,527	12,601	<b>25,128</b>	3%
- Local TSS Services	8,289	9,061	<b>17,350</b>	8,714	9,071	<b>17,785</b>	3%
- International Telecommunications Services	3,774	3,333	<b>7,107</b>	3,813	3,530	<b>7,343</b>	3%
Mobile	4,976	6,508	<b>11,484</b>	5,200	7,494	<b>12,694</b>	11%
- Mobile Services	3,990	4,772	<b>8,762</b>	4,189	4,968	<b>9,157</b>	5%
- Mobile Product Sales	986	1,736	<b>2,722</b>	1,011	2,526	<b>3,537</b>	30%
Other Businesses	552	328	<b>880</b>	570	311	<b>881</b>	—
Eliminations	(922)	(1,146)	<b>(2,068)</b>	(975)	(1,175)	<b>(2,150)</b>	(4)%
<b>Total revenue</b>	16,669	18,084	<b>34,753</b>	17,322	19,231	<b>36,553</b>	5%
<b>Total revenue (excluding Mobile Product Sales)</b>	15,683	16,348	<b>32,031</b>	16,311	16,705	<b>33,016</b>	3%
<b>Cost of sales</b>	(8,491)	(9,219)	<b>(17,710)</b>	(9,021)	(10,119)	<b>(19,140)</b>	(8)%
<b>Net operating costs before depreciation, amortisation, and gains on disposal of property, plant and equipment and right-of-use assets</b>							
	(2,010)	(1,290)	<b>(3,300)</b>	(1,921)	(1,258)	<b>(3,179)</b>	4%
<b>EBITDA<sup>1</sup></b>							
TSS	4,296	5,236	<b>9,532</b>	4,421	5,300	<b>9,721</b>	2%
Mobile	2,302	3,009	<b>5,311</b>	2,412	3,156	<b>5,568</b>	5%
- Mobile Services	2,300	3,006	<b>5,306</b>	2,409	3,151	<b>5,560</b>	5%
- Mobile Product Sales	2	3	<b>5</b>	3	5	<b>8</b>	60%
Other Businesses	(430)	(670)	<b>(1,100)</b>	(453)	(602)	<b>(1,055)</b>	4%
<b>Total EBITDA<sup>1</sup></b>	6,168	7,575	<b>13,743</b>	6,380	7,854	<b>14,234</b>	4%
<b>TSS EBITDA<sup>1</sup> Margin</b>	36%	42%	<b>39%</b>	35%	42%	<b>39%</b>	
<b>Mobile EBITDA<sup>1</sup> Margin</b>	46%	46%	<b>46%</b>	46%	42%	<b>44%</b>	
- Mobile Services EBITDA <sup>1</sup> Margin	58%	63%	<b>61%</b>	58%	63%	<b>61%</b>	
<b>Total EBITDA<sup>1</sup> Margin</b>	37%	42%	<b>40%</b>	37%	41%	<b>39%</b>	
<b>Total EBITDA<sup>1</sup> Margin (excluding Mobile Product Sales)</b>	39%	46%	<b>43%</b>	39%	47%	<b>43%</b>	
Depreciation and amortisation	(2,683)	(2,822)	<b>(5,505)</b>	(2,757)	(3,080)	<b>(5,837)</b>	(6)%
Net gains on disposal of property, plant and equipment and right-of-use assets	9	1	<b>10</b>	1	4	<b>5</b>	(50)%
Net other gains & others	16	115	<b>131</b>	4	57	<b>61</b>	(53)%
Net finance costs	(1,092)	(1,146)	<b>(2,238)</b>	(885)	(835)	<b>(1,720)</b>	23%
Share of results of associates and joint ventures	(84)	(42)	<b>(126)</b>	(31)	(58)	<b>(89)</b>	29%
<b>Profit before income tax</b>	2,334	3,681	<b>6,015</b>	2,712	3,942	<b>6,654</b>	11%

### ADJUSTED FUNDS FLOW<sup>3</sup>

For the year ended 31 December HK\$ million	2024			2025			Better/ (Worse) y-o-y
	H1	H2	Full Year	H1	H2	Full Year	
<b>Total EBITDA<sup>1</sup></b>	6,168	7,575	<b>13,743</b>	6,380	7,854	<b>14,234</b>	4%
Less cash outflows in respect of capital expenditures, customer acquisition costs and licence fees <sup>2</sup> :							
Capital expenditures	(1,041)	(996)	<b>(2,037)</b>	(1,008)	(969)	<b>(1,977)</b>	3%
Customer acquisition costs and licence fees	(716)	(982)	<b>(1,698)</b>	(686)	(1,126)	<b>(1,812)</b>	(7)%
Fulfilment costs	(291)	(365)	<b>(656)</b>	(320)	(367)	<b>(687)</b>	(5)%
Right-of-use assets	(731)	(681)	<b>(1,412)</b>	(710)	(633)	<b>(1,343)</b>	5%
<b>Adjusted funds flow<sup>3</sup> before tax paid, net finance costs paid and changes in working capital</b>	3,389	4,551	<b>7,940</b>	3,656	4,759	<b>8,415</b>	6%
Adjusted for:							
Net finance costs paid	(887)	(941)	<b>(1,828)</b>	(764)	(809)	<b>(1,573)</b>	14%
Tax payment	(182)	(75)	<b>(257)</b>	(196)	(34)	<b>(230)</b>	11%
Changes in working capital	175	(57)	<b>118</b>	(134)	(279)	<b>(413)</b>	NA
<b>Adjusted funds flow<sup>3</sup></b>	2,495	3,478	<b>5,973</b>	2,562	3,637	<b>6,199</b>	4%
<b>Distribution per Share Stapled Unit (HK cents)</b>	32.92	45.88	<b>78.80</b>	33.80	47.97	<b>81.77</b>	

### KEY OPERATING DRIVERS<sup>4</sup>

	2024		2025		Better/ (Worse) y-o-y
	H1	H2	H1	H2	
Exchange lines in service ('000)	2,168	2,114	2,070	2,026	(4)%
Business lines ('000)	1,126	1,104	1,088	1,069	(3)%
Residential lines ('000)	1,042	1,010	982	957	(5)%
Total broadband access lines ('000) (Consumer, business and wholesale)	1,646	1,650	1,657	1,661	1%
Retail consumer broadband access lines ('000)	1,472	1,474	1,482	1,488	1%
Retail business broadband access lines ('000)	162	160	158	156	(3)%
Mobile subscribers ('000)	4,884	4,805	4,875	4,817	–
Post-paid subscribers ('000)	3,433	3,459	3,478	3,494	1%
Prepaid subscribers ('000)	1,451	1,346	1,397	1,323	(2)%
Pay TV installed base ('000)	1,430	1,433	1,448	1,464	2%
The Club members ('000)	3,939	4,008	4,070	4,148	3%

**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 HKFRS Accounting Standards 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** *Group capital expenditures represent additions to property, plant and equipment and interests in leasehold land. Fulfilment costs and right-of-use assets are considered as part of customer acquisition costs and capital expenditures, respectively, for the purpose of adjusted funds flow calculation.*

**Note 3** *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 HKFRS Accounting Standards and should not be considered as representing net cash flows or any other similar measures derived in accordance with HKFRS Accounting Standards, or an alternative to cash flow from operations or a measure of liquidity. The Group's adjusted funds flow is computed in accordance with the above definition using financial information derived from the Group's audited consolidated financial statements. The adjusted funds flow may be used for debt repayment and the repurchase of Share Stapled Units.*

**Note 4** *Figures are stated as at the period end.*

**Note 5** *Gross debt refers to the principal amount of short-term borrowings and long-term borrowings.*

## Telecommunications Services

For the year ended 31 December HK\$ million	2024			2025			Better/ (Worse) y-o-y
	H1	H2	Full Year	H1	H2	Full Year	
<b>TSS Revenue</b>							
Local TSS Services	8,289	9,061	<b>17,350</b>	8,714	9,071	<b>17,785</b>	3%
International Telecommunications Services	3,774	3,333	<b>7,107</b>	3,813	3,530	<b>7,343</b>	3%
<b>Total TSS Revenue</b>	<b>12,063</b>	<b>12,394</b>	<b>24,457</b>	<b>12,527</b>	<b>12,601</b>	<b>25,128</b>	3%
Cost of sales	(6,664)	(6,416)	<b>(13,080)</b>	(7,052)	(6,602)	<b>(13,654)</b>	(4)%
Operating costs before depreciation and amortisation	(1,103)	(742)	<b>(1,845)</b>	(1,054)	(699)	<b>(1,753)</b>	5%
<b>Total TSS EBITDA<sup>1</sup></b>	<b>4,296</b>	<b>5,236</b>	<b>9,532</b>	<b>4,421</b>	<b>5,300</b>	<b>9,721</b>	2%
<b>TSS EBITDA<sup>1</sup> margin</b>	<b>36%</b>	<b>42%</b>	<b>39%</b>	<b>35%</b>	<b>42%</b>	<b>39%</b>	

Revenue from Local TSS Services grew by 3% to HK\$17,785 million for the year ended 31 December 2025, underpinned by a 6% increase in Local Data Services revenue to HK\$14,310 million. Local Data Services is the largest component of the Local TSS Services segment, accounting for 80% of revenue. Pay TV Services generated revenue of HK\$2,264 million, while Local Telephony Services revenue amounted to HK\$1,800 million. During the year, revenue from International Telecommunications Services also increased by 3% to HK\$7,343 million. As a result, total TSS revenue rose by 3% to HK\$25,128 million.

*Local Data Services.* Revenue from Local Data Services, which comprises broadband revenue and local data revenue, increased by 6% year-on-year to HK\$14,310 million for the year ended 31 December 2025.

The broadband business recorded revenue growth for the 18th consecutive year, with revenue increasing by 3% during the year. The growth was fuelled by sustained demand for our high-bandwidth, ultra-low latency fibre services which enable users to enjoy multiple applications at home, including video streaming, online gaming, remote work and various immersive applications. HKT offers a full suite of broadband services – from 1G to 50G fibre services – delivering seamless, high-bandwidth and uninterrupted connectivity to meet the diverse needs of households.

Our fibre-to-the-home (“FTTH”) connections reached 1.086 million at the end of December 2025, representing a net increase of 46,000 or 4% growth from the previous year. As at the end of December 2025, FTTH connections accounted for 73% of our 1.488 million consumer broadband base. We are progressively upgrading customers to our 2500M+ services which, when paired with the latest Wi-Fi 7 devices, provide a leading home broadband experience in Hong Kong. The initial uptake of 2500M has been robust, with customer numbers increasing by 93% year-on-year and ARPU uplift of around HK\$70. With this service still in its early stages of penetration, we expect the upgrade process to continue in the coming years.

HKT continues to consolidate its leading position in the premium customer segment, supporting the addition and retention of high-value customers seeking a reliable network and a comprehensive range of devices and services. This was reflected in the strong growth of our 1O1O HOME premium solution customer base, which increased by 32%.

## Telecommunications Services (Continued)

As a trusted partner to both public and private enterprises, HKT leverages its network infrastructure alongside cloud computing, data analytics and AI technologies to help clients accelerate their digital transformation, drive business growth and enhance operational efficiency. Consequently, our enterprise business continued to achieve robust growth in 2025, with local data revenue increasing by 8% year-on-year.

Key projects delivered during the year included the deployment of a 5G private network for a logistics company to support autonomous operations and AI-enabled security applications at one of its facilities, as well as the installation of 5G infrastructure for a waste management company to enhance productivity. We also delivered an AI-driven drone inspection solution for a construction materials company, and expanded our smart city offerings to include IoT-enabled lamppost and water meter monitoring services, a food safety temperature monitoring solution for a retail chain, and surveillance and safety solutions for the public utility and engineering sectors.

HKT continues to drive digital transformation solutions that incorporate various AI applications. We have built AI-powered intelligent operations centres for a number of customers in the public utility, banking and transportation sectors, thereby enhancing productivity and decision-making. We have also deployed sector-specific AI applications, such as autonomous robot platforms to improve hospital and education campus operations, and AI-powered contact centre solutions to elevate the customer experience for a financial services provider.

We have been working closely with customers to support the strengthening of the resilience and diversity of their technology supply chains in response to the evolving geopolitical landscape. This includes implementing dual-supply designs and solutions across network infrastructure, cloud and IT systems, cybersecurity, contact centres, communications and AV systems.

During the year, we also supported Hong Kong-based and international enterprises in expanding into the Chinese Mainland market, while assisting Chinese Mainland enterprises in pursuing growth across local, Hong Kong and overseas markets. As a result, our business from Chinese Mainland enterprises sustained further growth, with revenue expanding by 13% year-on-year.

For the year ended 31 December 2025, our HKT Enterprise Solutions team secured new project wins with a total contract value exceeding HK\$5 billion. These projects, scheduled for delivery within the next 12 to 24 months, will drive further revenue.

*Pay TV Services.* Our Pay TV business remained resilient, generating revenue of HK\$2,264 million for the year ended 31 December 2025, compared with HK\$2,320 million a year earlier, amid intense competition from an expanding array of free and paid entertainment services.

Now TV is a super content platform that aggregates and delivers a diverse and compelling portfolio of content, including premier live sporting events and world-class entertainment programmes ranging from Chinese, Asian and international blockbusters to documentaries. It also offers OTT video streaming services through personalised, on-demand experiences across smart TV, mobile and OTT platforms.

During the second half of 2025, we added Disney+ to the Now TV service, complementing our existing video streaming services. Beyond being the “Home of Sports” with an unparalleled line-up of sport content, we are also the “Home to Every Movie Fan” with over 2,800 Chinese, Hollywood, Japanese and Korean films across a rich mix of genres ranging from timeless classics and blockbuster hits to exclusive premieres and award-winning stories.

The total installed base of Now TV continued to expand by 2% to reach 1.464 million as at the end of December 2025, up from 1.433 million a year earlier. The OTT segment grew by 16% year-on-year as OTT viewing becomes more widespread alongside the proliferation of smart TVs.

## Telecommunications Services (Continued)

*Local Telephony Services.* In line with the migration from basic voice services to mobile and data services as well as sustained weakness in the small and medium-sized enterprise segment, particularly in the local retail and food & beverage sectors, revenue from Local Telephony Services recorded a decline of 10% to HK\$1,800 million for the year ended 31 December 2025, compared with HK\$2,011 million a year earlier. The total number of fixed lines in service at the end of December 2025 decreased to 2.026 million from 2.114 million in the previous year.

*International Telecommunications Services.* Revenue from International Telecommunications Services grew by 3% to HK\$7,343 million for the year ended 31 December 2025, compared with HK\$7,107 million a year earlier. The revenue growth was driven by an increase in wholesale global voice revenue and growing demand for Console Connect, our software defined cloud connectivity platform.

The TSS business achieved year-on-year EBITDA growth of 2% to HK\$9,721 million. This growth was fuelled by further improvements in operational efficiency during the year, resulting in an EBITDA margin of 39%.

## Mobile

For the year ended 31 December HK\$ million	2024			2025			Better/ (Worse) y-o-y
	H1	H2	Full Year	H1	H2	Full Year	
<b>Mobile Revenue</b>							
Mobile Services	3,990	4,772	<b>8,762</b>	4,189	4,968	<b>9,157</b>	5%
Mobile Product Sales	986	1,736	<b>2,722</b>	1,011	2,526	<b>3,537</b>	30%
<b>Total Mobile Revenue</b>	<b>4,976</b>	<b>6,508</b>	<b>11,484</b>	<b>5,200</b>	<b>7,494</b>	<b>12,694</b>	11%
<b>Mobile EBITDA<sup>1</sup></b>							
Mobile Services	2,300	3,006	<b>5,306</b>	2,409	3,151	<b>5,560</b>	5%
Mobile Product Sales	2	3	<b>5</b>	3	5	<b>8</b>	60%
<b>Total Mobile EBITDA<sup>1</sup></b>	<b>2,302</b>	<b>3,009</b>	<b>5,311</b>	<b>2,412</b>	<b>3,156</b>	<b>5,568</b>	5%
<b>Mobile EBITDA<sup>1</sup> margin</b>	<b>46%</b>	<b>46%</b>	<b>46%</b>	<b>46%</b>	<b>42%</b>	<b>44%</b>	
<i>Mobile Services EBITDA<sup>1</sup> margin</i>	<i>58%</i>	<i>63%</i>	<i>61%</i>	<i>58%</i>	<i>63%</i>	<i>61%</i>	

Mobile business recorded continued growth for the year ended 31 December 2025, with services revenue increasing by 5% to HK\$9,157 million, underpinned by sustained expansion in roaming services, an enlarged 5G post-paid customer base and growing demand for mobile enterprise solutions.

To meet customers' strong demand for travel connectivity, we have continued to introduce innovative and easy-to-use roaming services, ensuring users enjoy seamless, optimal network quality while overseas. This helped to drive sustained year-on-year growth of 8% in our total roaming revenue, with consumer outbound roaming revenue recording notable year-on-year growth of 18%. Recently, we launched the "Golden Roaming" service in collaboration with our leading mobile partners across Asia Pacific, offering improved network speed and stability in popular travel destinations.

With AI smartphones expected to become more widely available and affordable, we are upgrading our network to address future growth in cellular demands. As the first mobile service provider in Hong Kong to deploy 25Gbps mobile backhaul, we have significantly strengthened network performance while ensuring scalability to support mega events. We always strive to adopt the latest tools and technologies at suitable times to improve network performance and to make the best use of our spectrum portfolio, such as the latest generation of dynamic spectrum sharing technology, which allows us to reallocate existing 4G spectrum for 5G deployment on dynamic basis, to meet the growing demand from users upgrading to 5G devices and plans without sacrificing the experience of 4G users. As at the end of December 2025, our mobile post-paid customer base stood at 2.096 million 5G plan users – an increase of 20% year-on-year, representing 60% of our total post-paid base.

Overall, the Mobile business reported a net gain of 35,000 in its post-paid customer base during the year, reaching 3.494 million as at the end of December 2025. This was achieved despite continued intense market competition, particularly in price-sensitive segments. The customer base for our core 1O1O and csl segment further expanded by 2% during the year.

## **Mobile (Continued)**

Post-paid exit ARPU for December 2025 rose by 1% to HK\$195, up from HK\$193 for December 2024, benefitting from the higher contribution of roaming revenue and the uplift of 5G service plan fees. The post-paid churn rate of our core 1O1O and csl customers remained low at 0.7% during the year, as vigorous customer retention strategies, including initiatives implemented through The Club and 1O1O HOME service, helped to deepen customer engagement and loyalty.

Mobile product sales increased by 30% to HK\$3,537 million for the year ended 31 December 2025, driven by the launch of flagship handsets in the second half of 2025. Sales were further supported by The Club, which provides customers with a convenient digital shopping experience.

Mobile services EBITDA for the year rose by 5% to HK\$5,560 million, maintaining a stable EBITDA margin of 61%. Total Mobile EBITDA for the year also increased by 5% to HK\$5,568 million, up from HK\$5,311 million a year earlier, resulting in an EBITDA margin of 44% due to the higher contribution from lower margin Mobile product sales.

## **Other Businesses**

Other Businesses primarily comprises businesses including our loyalty platform, The Club, and corporate support functions. These businesses are an integral part of HKT's strategy to provide a wide range of lifestyle services beyond connectivity, catering to members' interests. For the year ended 31 December 2025, revenue from Other Businesses was stable at HK\$881 million, compared with HK\$880 million in the prior year.

The Club's membership base expanded by 3% to 4.15 million in 2025, up from 4.01 million in the previous year. The Club's offerings cover a full spectrum of categories, ranging from daily necessities, electronics, and tech products to travel, insurance and lifestyle experiences. We have continued to deepen customer engagement throughout The Club digital ecosystem by utilising AI-supported content, ad-tech targeting and social based communications. These initiatives help deliver more relevant, personalised service offerings and experiences to consumers and merchants.

Our healthtech platform, DrGo, recorded a 3% rise in registered users, reaching 410,000 as at the end of December 2025. During the year, DrGo has broadened its horizons by extending its telemedicine solutions beyond Hong Kong to the GBA and other key Asian markets. We also launched DrGo One Wellness, a comprehensive subscription programme embedded in the insurance ecosystem, to provide one-stop preventive healthcare solutions.

## **Eliminations**

Eliminations were HK\$2,150 million for the year ended 31 December 2025, compared with HK\$2,068 million a year earlier, reflecting the increased collaboration across HKT's business segments.

## **Cost of Sales**

Cost of sales for the year ended 31 December 2025 increased by 8% to HK\$19,140 million, reflecting a change in the revenue mix during the year.

## **General and Administrative Expenses**

HKT has been reshaping its workflows and network management through AI deployment, yielding notable enhancements in operating efficiency and cost optimisation. These AI-led initiatives have already boosted productivity and delivered operating cost savings during the year. Coupled with the Group's continued efforts in streamlining business structures and workforce optimisation as well as IT platform rationalisation, the overall net operating costs before depreciation, amortisation, and gains on disposal of property, plant and equipment and right-of-use assets ("operating costs") improved by 4% to HK\$3,179 million for the year ended 31 December 2025. As such, overall operating costs-to-revenue ratio for the year reached 8.7%, compared with 9.5% a year earlier.

For the year ended 31 December 2025, total depreciation and amortisation expenses increased by 6% to HK\$5,837 million. Lower depreciation expenses reflected our recent level of capital expenditure spending, while higher amortisation costs are linked to increased investments in research and development and intellectual property for the various diversified enterprise projects including AI, automation and cybersecurity.

As a result of the above, general and administrative expenses increased 4% to HK\$9,124 million for the year ended 31 December 2025, compared with HK\$8,795 million a year earlier.

## **EBITDA<sup>1</sup>**

Reflecting the growth in TSS and Mobile services revenue and further operating efficiencies, total EBITDA excluding Mobile product sales increased by 4% to HK\$14,226 million at an improved margin of 43.1%. Total EBITDA also increased by 4% to HK\$14,234 million with a margin of 39%.

## **Net Finance Costs**

Net finance costs for the year ended 31 December 2025 decreased significantly by 23% to HK\$1,720 million from HK\$2,238 million a year earlier, driven by the reduction in average borrowings and the downward trend in HIBOR during the year. The average cost of debt was 3.85% during the year, compared to 4.23% a year earlier.

## **Income Tax**

Income tax expense for the year ended 31 December 2025 was HK\$904 million, compared with HK\$914 million a year earlier. The effective tax rate for the year was 14%, compared to 15% a year earlier. The net decrease in income tax expense was mainly attributable to the one-off charge recognised in the prior year and the utilisation of deferred tax assets during the year.

## **Profit Attributable to Non-controlling Interests**

Profit attributable to non-controlling interests of HK\$464 million (2024: HK\$31 million) comprised the net profits/losses attributable to the non-controlling shareholders of the Group's subsidiaries.

## **Profit Attributable to Holders of Share Stapled Units/Shares of the Company**

Profit attributable to holders of Share Stapled Units/shares of the Company for the year ended 31 December 2025 increased by 4% to HK\$5,286 million (2024: HK\$5,070 million).

## **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.

HKT's gross debt<sup>5</sup> was HK\$44,750 million as at 31 December 2025 (31 December 2024: HK\$41,723 million). Cash and short-term deposits totalled HK\$2,432 million as at 31 December 2025 (31 December 2024: HK\$2,145 million). HKT's gross debt<sup>5</sup> to total assets was 37% as at 31 December 2025 (31 December 2024: 36%).

As at 31 December 2025, HKT had ample liquidity as evidenced by banking facilities totalling HK\$44,012 million, of which HK\$18,087 million remained undrawn.

## **CREDIT RATINGS OF HONG KONG TELECOMMUNICATIONS (HKT) LIMITED**

As at 31 December 2025, Hong Kong Telecommunications (HKT) Limited, an indirect wholly-owned subsidiary of the Company, had investment grade ratings with Moody's Investors Service Hong Kong Limited (Baa2) and S&P Global Ratings (BBB).

## **CAPITAL EXPENDITURE<sup>2</sup>**

Capital expenditure including capitalised interest for the year ended 31 December 2025 was HK\$2,106 million (2024: HK\$2,214 million). Capital expenditure relative to revenue was 5.8% for the year ended 31 December 2025 (2024: 6.4%).

Capital expenditure for HKT's Mobile business was 4% lower during the year, reflecting the efficiency gains from capacity upgrades and network maintenance following the completion of our territory-wide 5G coverage. TSS capital expenditure was 2% lower during the year, with investments largely to support growing demand for our integrated fixed-mobile solutions for enterprise customers and the investments in subsea cable systems.

HKT will continue to invest 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.

## **ADJUSTED FUNDS FLOW<sup>3</sup>**

AFF increased by 4% to HK\$6,199 million for the year ended 31 December 2025, up from HK\$5,973 million for the year ended 31 December 2024.

Notably, our operating AFF in 2025 increased by 6% driven by the 4% expansion in EBITDA, disciplined capex investments and lower right-of-use assets payments. These positive factors were partially offset by increases in customer acquisition costs and fulfilment costs to serve our growing base of consumer and enterprise customers. Benefiting from the reduction in borrowings and the downward trend in HIBOR, our net finance costs paid declined significantly by 14%. After accounting for lower tax payments and the timing impact of working capital management, our total AFF increased by 4% during the year.

The amounts presented in the AFF calculation represent the respective cash flows to the Group during the year, which may be different from the related corresponding amounts recognised in the consolidated income statement due to various reasons such as non-cash items recognised in the consolidated income statement and timing difference between accounting recognition and actual cash flows.

## HEDGING

Market risk arises from foreign currency and interest rate exposure related to investments and financing. As a matter of policy, HKT continues to manage the market risk directly relating to its operations and financing and does not undertake any speculative derivative trading activities. The Finance and Management Committee, a sub-committee of the Executive Committee of the board of directors of the Company, determines the 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 policies and guidelines approved by the Finance and Management Committee, which are reviewed on a regular basis.

More than three quarters of HKT'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 31 December 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 HKT is considered not material.

## CHARGE ON ASSETS

As at 31 December 2025, no assets of the Group (2024: nil) were pledged to secure loans and banking facilities of the Group.

## CONTINGENT LIABILITIES

As at 31 December HK\$ million	2024	2025
Performance guarantees	903	883
Others	2	2
	905	885

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.

## HUMAN RESOURCES

HKT had over 12,700 employees as at 31 December 2025 (2024: 13,100) located in 22 countries and cities. About 64% of these employees work in Hong Kong and the others are based mainly in Chinese Mainland, the United Kingdom, the United States and the Philippines. HKT has established performance-based bonus and incentive schemes designed to motivate and reward employees at all levels to achieve business performance targets. Payment of performance bonuses is generally based on achievement of revenue, EBITDA and free cash flow targets for HKT as a whole and for each of the individual business units and performance ratings of employees.

## **FINAL DIVIDEND/DISTRIBUTION**

The board of directors of the Trustee-Manager has recommended the payment of a final distribution by the HKT Trust in respect of the Share Stapled Units, of 47.97 HK cents per Share Stapled Unit (after deduction of any operating expenses permissible under the trust deed dated 7 November 2011 constituting the HKT Trust (the “Trust Deed”)), in respect of the year ended 31 December 2025 (and in order to enable the HKT Trust to pay that distribution, the board of directors of the Company has recommended the payment of a final dividend in respect of the ordinary shares in the Company held by the Trustee-Manager, of 47.97 HK cents per ordinary share, in respect of the same period), subject to the approval of unitholders of the HKT Trust and of shareholders of the Company at the forthcoming annual general meeting of unitholders of the HKT Trust and of shareholders of the Company to be held on a combined basis as a single meeting characterised as an annual general meeting of registered holders of Share Stapled Units (“AGM”). An interim distribution/dividend of 33.80 HK cents per Share Stapled Unit/ordinary share of the Company for the six months ended 30 June 2025 was paid to holders of Share Stapled Units/shareholders of the Company in September 2025.

The board of directors of the Trustee-Manager has confirmed, in accordance with the Trust Deed, that (i) the auditor of the Group has performed limited assurance procedures in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Hong Kong Institute of Certified Public Accountants to review and verify the Trustee-Manager’s calculation of the above distribution entitlement per Share Stapled Unit and (ii) having made all reasonable enquiries, immediately after making the above distribution to the registered unitholders of the HKT Trust, the Trustee-Manager will be able to fulfil, from the Trust Property (as defined in the Trust Deed), the liabilities of the HKT Trust as they fall due.

## **CLOSURE OF BOOKS**

The record date for the proposed final distribution will be Friday, 29 May 2026. The register of registered holders of Share Stapled Units, the register of holders of units, the principal and Hong Kong branch registers of members of the Company and the register of beneficial interests as maintained by the Trustee-Manager and the Company in accordance with the provisions of the Trust Deed will all be closed from Thursday, 28 May 2026 to Friday, 29 May 2026 (both days inclusive), in order to determine entitlements to the proposed final distribution. During such period, no transfer of Share Stapled Units will be effected. In order to qualify for the proposed final distribution, all transfers of Share Stapled Units accompanied by the relevant certificates in respect of the Share Stapled Units must be lodged with the Share Stapled Units Registrar, Computershare Hong Kong Investor Services Limited, Transfer Office, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong (the “Share Stapled Units Registrar”), for registration no later than 4.30pm on Wednesday, 27 May 2026. Subject to the approval of holders of Share Stapled Units at the AGM, distribution warrants will be despatched to holders of Share Stapled Units on or around Wednesday, 17 June 2026.

## **RECORD DATE FOR DETERMINING ELIGIBILITY TO ATTEND AND VOTE AT THE AGM**

The record date for determining the entitlement of the holders of Share Stapled Units to attend and vote at the AGM, which is to be held on Thursday, 21 May 2026, will be Friday, 15 May 2026. All transfers of Share Stapled Units accompanied by the relevant certificates in respect of the Share Stapled Units must be lodged with the Share Stapled Units Registrar for registration no later than 4.30pm on Friday, 15 May 2026.

## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES**

During the year ended 31 December 2025, none of the HKT Trust (including the Trustee-Manager), the Company or the Company’s subsidiaries purchased, sold or redeemed any Share Stapled Units.

## **AUDIT COMMITTEE**

The Trustee-Manager's Audit Committee and the Company's Audit Committee have reviewed the accounting policies adopted by the Group and the Trustee-Manager, the audited consolidated financial statements of the HKT Trust and HKT Limited for the year ended 31 December 2025 and the audited financial statements of the Trustee-Manager for the same period.

## **CORPORATE GOVERNANCE CODE**

The HKT Trust, the Trustee-Manager and the Company are 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 their businesses, and to ensure that their affairs are conducted in accordance with applicable laws and regulations.

The HKT Trust and the Company have applied the principles, and complied with all relevant code provisions of the Corporate Governance Code (the "CG 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 year ended 31 December 2025, save and except for the code provisions set out below. The requirement to establish a separate Remuneration Committee with written terms of reference for the Trustee-Manager under the code provision E.1.2 of the CG Code is not relevant to the Trustee-Manager as its directors are not entitled to any remuneration under the Trust Deed, and therefore has not been complied with. In addition, given the unique circumstances of the HKT Trust i.e., the fact that the Trust Deed requires that the directors of the Company and the directors of the Trustee-Manager must always be the same individuals, the establishment of a separate Nomination Committee with written terms of reference for the Trustee-Manager as required by code provision B.3.1 of the CG Code is not relevant to the Trustee-Manager, and therefore has not been complied with.

## **PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT**

This announcement is published on the websites of the Company ([www.hkt.com/ir](http://www.hkt.com/ir)) and Hong Kong Exchanges and Clearing Limited ([www.hkexnews.hk](http://www.hkexnews.hk)). The 2025 annual report will be despatched to holders of Share Stapled Units and available on the above websites in due course.

By order of the boards of  
**HKT Management Limited**  
and  
**HKT Limited**  
**Cheung Hok Chee, Vanessa**  
*Group General Counsel and Company Secretary*

Hong Kong, 9 February 2026

# AUDITED CONSOLIDATED INCOME STATEMENT OF HKT TRUST AND OF HKT LIMITED

For the year ended 31 December 2025

(In HK\$ million except for earnings per Share Stapled Unit/share of the Company)

	Note(s)	2024	2025
Revenue	2, 3	34,753	<b>36,553</b>
Cost of sales		(17,710)	<b>(19,140)</b>
General and administrative expenses		(8,795)	<b>(9,124)</b>
Other gains, net		131	<b>174</b>
Finance costs, net		(2,238)	<b>(1,720)</b>
Share of results of associates		(121)	<b>(86)</b>
Share of results of joint ventures		(5)	<b>(3)</b>
Profit before income tax	2, 4	6,015	<b>6,654</b>
Income tax	5	(914)	<b>(904)</b>
Profit for the year		<b>5,101</b>	<b>5,750</b>
Profit attributable to:			
Holders of Share Stapled Units/shares of the Company		5,070	<b>5,286</b>
Non-controlling interests		31	<b>464</b>
Profit for the year		<b>5,101</b>	<b>5,750</b>
Earnings per Share Stapled Unit/share of the Company	7		
Basic		<b>66.92 cents</b>	<b>69.76 cents</b>
Diluted		<b>66.91 cents</b>	<b>69.75 cents</b>

# AUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME OF

## HKT TRUST AND OF HKT LIMITED

For the year ended 31 December 2025

(In HK\$ million)

	2024	2025
Profit for the year	5,101	<b>5,750</b>
Other comprehensive income/(loss)		
Item that will not be reclassified subsequently to consolidated income statement:		
Changes in fair value of financial assets at fair value through other comprehensive income	413	<b>(667)</b>
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	(74)	<b>93</b>
- exchange differences on translating foreign operations of joint ventures	(9)	3
Cash flow hedges:		
- effective portion of changes in fair value	(183)	<b>44</b>
- transfer from equity to consolidated income statement	208	<b>(234)</b>
Costs of hedging	118	5
Share of other comprehensive (loss)/income of an associate	(2)	2
Other comprehensive income/(loss) for the year	471	<b>(754)</b>
Total comprehensive income for the year	<b>5,572</b>	<b>4,996</b>
Attributable to:		
Holders of Share Stapled Units/shares of the Company	5,541	<b>4,532</b>
Non-controlling interests	31	<b>464</b>
Total comprehensive income for the year	<b>5,572</b>	<b>4,996</b>

**AUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF  
HKT TRUST AND OF HKT LIMITED**

As at 31 December 2025

(In HK\$ million)

	Note	As at 31 December 2024	As at <b>31 December 2025</b>
<b>ASSETS AND LIABILITIES</b>			
<b>Non-current assets</b>			
Property, plant and equipment		28,368	<b>29,618</b>
Right-of-use assets		1,826	<b>2,553</b>
Interests in leasehold land		153	<b>143</b>
Goodwill		49,799	<b>49,813</b>
Intangible assets		18,711	<b>20,656</b>
Fulfilment costs		2,097	<b>2,298</b>
Customer acquisition costs		872	<b>951</b>
Contract assets		261	<b>236</b>
Interests in associates		412	<b>437</b>
Interests in joint ventures		810	<b>507</b>
Financial assets at fair value through other comprehensive income		823	<b>105</b>
Financial assets at fair value through profit or loss		17	<b>21</b>
Derivative financial instruments		58	<b>121</b>
Deferred income tax assets		790	<b>731</b>
Other non-current assets		931	<b>843</b>
		<b>105,928</b>	<b>109,033</b>
<b>Current assets</b>			
Inventories		1,503	<b>1,546</b>
Prepayments, deposits and other current assets		3,702	<b>4,019</b>
Contract assets		601	<b>673</b>
Trade receivables, net	8	2,710	<b>2,549</b>
Amounts due from related companies		20	<b>650</b>
Financial assets at fair value through profit or loss		18	<b>21</b>
Derivative financial instruments		–	<b>40</b>
Tax recoverable		7	<b>2</b>
Restricted cash		179	<b>187</b>
Short-term deposits		295	<b>475</b>
Cash and cash equivalents		1,850	<b>1,957</b>
		<b>10,885</b>	<b>12,119</b>

**AUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF  
HKT TRUST AND OF HKT LIMITED (CONTINUED)**

As at 31 December 2025

(In HK\$ million)

	Note	As at 31 December 2024	As at 31 December 2025
<b>Current liabilities</b>			
Short-term borrowings		(3,934)	(5,884)
Trade payables	9	(7,212)	(9,762)
Accruals and other payables		(6,667)	(6,339)
Derivative financial instruments		(41)	(17)
Carrier licence fee liabilities		(324)	(384)
Amount due to a fellow subsidiary		(2,929)	(1,167)
Amounts due to related companies		(82)	(84)
Advances from customers		(301)	(313)
Contract liabilities		(1,415)	(1,659)
Lease liabilities		(1,028)	(891)
Current income tax liabilities		(1,888)	(1,954)
		(25,821)	(28,454)
<b>Non-current liabilities</b>			
Long-term borrowings		(37,372)	(38,691)
Derivative financial instruments		(769)	(814)
Deferred income tax liabilities		(5,746)	(6,290)
Carrier licence fee liabilities		(3,198)	(3,494)
Contract liabilities		(973)	(937)
Lease liabilities		(825)	(1,619)
Amount due to a non-controlling interest		(344)	(337)
Other long-term liabilities		(2,120)	(2,122)
		(51,347)	(54,304)
<b>Net assets</b>		39,645	38,394
<b>CAPITAL AND RESERVES</b>			
Share capital		8	8
Reserves		38,274	36,813
<b>Equity attributable to holders of</b>			
<b>Share Stapled Units/shares of the Company</b>		38,282	36,821
Non-controlling interests		1,363	1,573
<b>Total equity</b>		39,645	38,394

## NOTES

### 1. BASIS OF PREPARATION AND PRESENTATION

The HKT Trust (the “HKT Trust”) is constituted by a Hong Kong law governed trust deed as supplemented, amended or substituted from time to time (the “Trust Deed”), entered into between HKT Management Limited (in its capacity as the trustee-manager of the HKT Trust) (the “Trustee-Manager”) and HKT Limited (the “Company”). In accordance with the Trust Deed, the HKT Trust and the Company are each required to prepare their own sets of financial statements on a consolidated basis. The HKT Trust consolidated financial statements for the year ended 31 December 2025 comprise the consolidated financial statements of the HKT Trust, the Company and its subsidiaries (together the “Group”), and the Group’s interests in associates and joint ventures. The HKT Limited consolidated financial statements for the year ended 31 December 2025 comprise the consolidated financial statements of the Company and its subsidiaries (together the “HKT Limited Group”) and the HKT Limited Group’s interests in associates and joint ventures, and the Company’s statement of financial position.

The HKT Trust controls the Company and the sole activity of the HKT Trust during the year ended 31 December 2025 was investing in the Company. Therefore, the consolidated financial results and financial position that would be presented in the consolidated financial statements of the HKT Trust are identical to the consolidated financial results and financial position of the Company with the only differences being disclosures of the capital of the Company. The directors of the Trustee-Manager and the directors of the Company believe therefore that it is clearer to present the consolidated financial statements of the HKT Trust and of the Company together. The consolidated financial statements of the HKT Trust and the consolidated financial statements of the Company are presented together to the extent they are identical and are hereinafter referred to as the “HKT Trust and HKT Limited consolidated financial statements”.

The consolidated income statements, consolidated statements of comprehensive income, consolidated statements of financial position, consolidated statements of changes in equity, consolidated statements of cash flows, material accounting policies and the related explanatory information are common to the HKT Trust and the Company.

The Group and the HKT Limited Group are referred to as the “Groups”.

The HKT Trust and HKT Limited consolidated financial statements have been prepared in accordance with all applicable HKFRS Accounting Standards, which is a collective term for all 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 disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622).

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

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

The Groups have not early adopted any new or amended HKFRS Accounting Standards that are not yet effective for the current accounting period.

## 1. BASIS OF PREPARATION AND PRESENTATION (CONTINUED)

As at 31 December 2025, the current liabilities of the Groups exceeded their current assets by HK\$16,335 million. After considering the Groups' ability to generate net operating cash inflows and raise additional debt financing, and the undrawn banking facilities available as at 31 December 2025, management considers the Groups are able to meet their liabilities as and when they fall due within the next 12-month period. Accordingly, these consolidated financial statements have been prepared on a going concern basis.

The financial information of the Trustee-Manager relating to the years ended 31 December 2024 and 2025 included in this preliminary announcement of annual results for the year ended 31 December 2025 does not constitute the Trustee-Manager's statutory annual financial statements for those years 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 Trustee-Manager's financial statements combined with the HKT Trust and HKT Limited consolidated financial statements (collectively the "Combined Financial Statements") for the year ended 31 December 2024 have been delivered to the Registrar of Companies and the Combined Financial Statements for the year ended 31 December 2025 will be delivered to the Registrar of Companies in due course.
- The Trustee-Manager's auditor has reported on the financial statements of the Trustee-Manager 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 (3) of the Hong Kong Companies Ordinance (Cap. 622).

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Groups make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Management has also made judgements in applying the Groups' accounting policies.

## 2. SEGMENT INFORMATION

The chief operating decision-maker (the “CODM”) is the Groups’ senior executive management. The CODM reviews the Groups’ 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:

- Telecommunications Services (“TSS”) is the leading provider of technology and telecommunications and related services including enterprise solutions, total home solutions, and media entertainment. It operates primarily in Hong Kong, and also serves customers in Chinese Mainland and other parts of the world.
- Mobile includes the Groups’ mobile telecommunications businesses in Hong Kong.
- Other businesses of the Groups (“Other Businesses”) primarily comprise other new businesses such as The Club’s loyalty platform, HKT Financial Services and healthtech services, as well as corporate support functions.

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 Groups’ 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 Groups' reportable segments as provided to the Groups' CODM is set out below:

For the year ended 31 December 2024  
(In HK\$ million)

	TSS	Mobile	Other Businesses	Eliminations	Consolidated
<b>Revenue</b>					
External revenue	23,243	10,684	826	–	34,753
Inter-segment revenue	1,214	800	54	(2,068)	–
<b>Total revenue</b>	<b>24,457</b>	<b>11,484</b>	<b>880</b>	<b>(2,068)</b>	<b>34,753</b>
External revenue from contracts with customers:					
Timing of revenue recognition					
At a point in time	5,136	2,526	727	–	8,389
Over time	18,025	8,158	99	–	26,282
External revenue from other sources:					
Rental income	82	–	–	–	82
	<b>23,243</b>	<b>10,684</b>	<b>826</b>	<b>–</b>	<b>34,753</b>
<b>Results</b>					
EBITDA	9,532	5,311	(1,100)	–	13,743

For the year ended 31 December 2025

(In HK\$ million)

	TSS	Mobile	Other Businesses	Eliminations	Consolidated
<b>Revenue</b>					
External revenue	23,891	11,830	832	–	36,553
Inter-segment revenue	1,237	864	49	(2,150)	–
<b>Total revenue</b>	<b>25,128</b>	<b>12,694</b>	<b>881</b>	<b>(2,150)</b>	<b>36,553</b>
External revenue from contracts with customers:					
Timing of revenue recognition					
At a point in time	5,742	3,297	741	–	9,780
Over time	18,062	8,533	91	–	26,686
External revenue from other sources:					
Rental income	87	–	–	–	87
	<b>23,891</b>	<b>11,830</b>	<b>832</b>	<b>–</b>	<b>36,553</b>
<b>Results</b>					
EBITDA	9,721	5,568	(1,055)	–	14,234

## 2. SEGMENT INFORMATION (CONTINUED)

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

In HK\$ million	2024	2025
Total segment EBITDA	13,743	<b>14,234</b>
Gains on disposal of property, plant and equipment and right-of-use assets, net	10	<b>5</b>
Depreciation and amortisation	(5,505)	<b>(5,837)</b>
Other gains, net	131	<b>174</b>
Finance costs, net	(2,238)	<b>(1,720)</b>
Share of results of associates	(121)	<b>(86)</b>
Share of results of joint ventures	(5)	<b>(3)</b>
Restructuring costs	—	<b>(113)</b>
Profit before income tax	<u>6,015</u>	<b>6,654</b>

The following table sets out information about the geographical location of the Groups' revenue from external customers. In presenting information on the basis of geographical segments, segment revenue is based on the geographical location that the Groups derive revenue from customers.

In HK\$ million	2024	2025
Hong Kong (place of domicile)	28,154	<b>29,548</b>
Mainland and other parts of China	1,849	<b>2,040</b>
Others	4,750	<b>4,965</b>
	<u>34,753</u>	<b>36,553</b>

As at 31 December 2025, the total of non-current assets, other than financial instruments and deferred income tax assets, located in Hong Kong was HK\$104,807 million (2024: HK\$101,241 million), and the total of these non-current assets located in other geographical locations was HK\$3,150 million (2024: HK\$2,917 million).

## 3. REVENUE

In HK\$ million	2024	2025
Revenue from contracts with customers	34,671	<b>36,466</b>
Revenue from other sources: rental income	82	<b>87</b>
	<u>34,753</u>	<b>36,553</b>

### a. Revenue recognition in relation to contract liabilities

In HK\$ million	2024	2025
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	1,450	<b>1,415</b>

### 3. REVENUE (CONTINUED)

#### b. Unsatisfied long-term fixed-price contracts

In HK\$ million	2024	2025
Aggregate amount of the transaction price allocated to long-term fixed-price contracts that are partially or fully unsatisfied as at 31 December	22,506	<b>22,503</b>

As at 31 December 2025, management expected that 54% and 27% (2024: 53% and 27%) of the transaction price allocated to the unsatisfied long-term fixed-price contracts would be recognised as revenue during the first and second year respectively after the end of the reporting period. The remaining 19% (2024: 20%) would be recognised as revenue in the periods afterward. The amount disclosed above does not include unsatisfied performance obligation that is related to the Groups' contracts with customers with duration of one year or less and contracts with customers billed directly according to performance completed to date.

### 4. PROFIT BEFORE INCOME TAX

Profit before income tax was stated after charging the following:

In HK\$ million	2024	2025
Cost of inventories sold	8,172	<b>9,612</b>
Cost of sales, excluding inventories sold	9,538	<b>9,528</b>
Impairment loss for trade receivables	232	<b>219</b>
Depreciation of property, plant and equipment	1,066	<b>932</b>
Depreciation of right-of-use assets – land and buildings	1,197	<b>1,146</b>
Depreciation of right-of-use assets – network capacity and equipment	101	<b>99</b>
Amortisation of land lease premium – interests in leasehold land	12	<b>10</b>
Amortisation of intangible assets	1,402	<b>1,936</b>
Amortisation of fulfilment costs	484	<b>486</b>
Amortisation of customer acquisition costs	1,243	<b>1,228</b>

### 5. INCOME TAX

In HK\$ million	2024	2025
Current income tax:		
Hong Kong profits tax	515	<b>268</b>
Overseas tax	48	<b>33</b>
Movement of deferred income tax	351	<b>603</b>
	<b>914</b>	<b>904</b>

Hong Kong profits tax is provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits for the year. Overseas tax is calculated on the estimated assessable profits for the year at the rates of taxation prevailing in the respective jurisdictions.

## 5. INCOME TAX (CONTINUED)

In December 2021, the Organisation for Economic Co-operation and Development released the Global Anti-Base Erosion rules, also known as Pillar Two, aimed at reforming international corporate taxation. Hong Kong passed legislation to implement Pillar Two, with the Hong Kong minimum top-up tax and Income Inclusion Rule effective retroactively from 1 January 2025. The Groups are within the scope of this legislation.

Following the amendments to HKAS 12 *Income Taxes* issued by the HKICPA in July 2023, the Groups have applied the mandatory temporary exception under paragraph 4 of the amendments to HKAS 12 and have not recognised or disclosed deferred income tax assets and liabilities related to Pillar Two income taxes.

For the year ended 31 December 2025, the Groups have completed their assessment and have not identified any material current Pillar Two tax exposure.

## 6. DISTRIBUTIONS/DIVIDENDS

In HK\$ million	2024	2025
Interim distribution/dividend declared and paid in respect of the current year of 33.80 HK cents (2024: 32.92 HK cents) per Share Staples Unit/ordinary share of the Company	2,495	2,562
Less: distribution/dividend for Share Staples Units/ordinary shares of the Company held by the Share Staples Unit award schemes	(1)	(1)
	<hr/> 2,494	<hr/> 2,561
Final distribution/dividend declared in respect of the previous financial year, approved and paid during the year of 45.88 HK cents (2024: 44.44 HK cents) per Share Staples Unit/ordinary share of the Company	3,369	3,478
Less: distribution/dividend for Share Staples Units/ordinary shares of the Company held by the Share Staples Unit award schemes	(2)	(2)
	<hr/> 3,367	<hr/> 3,476
	<hr/> 5,861	<hr/> 6,037

For the year ended 31 December 2025, the Company proposed a final dividend of 47.97 HK cents per ordinary share, totalling HK\$3,637 million (2024: 45.88 HK cents per ordinary share, totalling HK\$3,478 million) to the HKT Trust after the end of the reporting period.

For the year ended 31 December 2025, the HKT Trust proposed a final distribution of 47.97 HK cents per Share Staples Unit, totalling HK\$3,637 million (2024: 45.88 HK cents per Share Staples Unit, totalling HK\$3,478 million) to holders of Share Staples Units after the end of the reporting period.

The final distribution/dividend proposed after the end of the reporting period, referred to above, is not recognised as a liability as at the end of the reporting period.

## 7. EARNINGS PER SHARE STAPLED UNIT/SHARE OF THE COMPANY

The calculations of basic and diluted earnings per Share Stapled Unit/share of the Company were based on the following data:

	2024	2025
<b>Earnings (in HK\$ million)</b>		
Earnings for the purpose of basic and diluted earnings per Share Stapled Unit/share of the Company	5,070	<b>5,286</b>
<b>Number of Share Stapled Units/shares of the Company</b>		
Weighted average number of Share Stapled Units/ordinary shares of the Company	7,579,751,203	<b>7,580,020,412</b>
Effect of Share Stapled Units held under the Share Stapled Unit award schemes	(4,053,880)	<b>(3,124,309)</b>
Weighted average number of Share Stapled Units/ordinary shares of the Company for the purpose of basic earnings per Share Stapled Unit/share of the Company	7,575,697,323	<b>7,576,896,103</b>
Effect of Share Stapled Units awarded under the Share Stapled Unit award schemes	1,412,948	<b>1,750,160</b>
Weighted average number of Share Stapled Units/ordinary shares of the Company for the purpose of diluted earnings per Share Stapled Unit/share of the Company	7,577,110,271	<b>7,578,646,263</b>

## 8. TRADE RECEIVABLES, NET

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

In HK\$ million	2024	2025
1 – 30 days	1,580	<b>1,448</b>
31 – 60 days	389	<b>438</b>
61 – 90 days	177	<b>197</b>
91 – 120 days	170	<b>129</b>
Over 120 days	531	<b>458</b>
	2,847	<b>2,670</b>
Less: loss allowance	(137)	<b>(121)</b>
Trade receivables, net	<b>2,710</b>	<b>2,549</b>

As at 31 December 2025, included in trade receivables, net were amounts due from related parties of HK\$129 million (2024: HK\$152 million).

The Groups' 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 Groups maintain 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	2024	2025
1 – 30 days	2,841	3,697
31 – 60 days	1,685	2,816
61 – 90 days	895	1,159
91 – 120 days	980	1,065
Over 120 days	811	1,025
	<hr/> <u>7,212</u>	<hr/> <u>9,762</u>

As at 31 December 2025, included in trade payables were amounts due to related parties of HK\$186 million (2024: HK\$155 million).

## 10. CHANGE IN INTERESTS IN SUBSIDIARIES WITHOUT A LOSS OF CONTROL

On 26 June 2024, the Company's indirect wholly-owned subsidiary, Apex Link Communications Holdings Limited (the "Seller"), entered into a share purchase agreement with an independent third party (the "Partner"), pursuant to which the Partner shall purchase (i) 40% interest in Fiber Link Global Limited (the "Passive Netco"), an indirect wholly-owned subsidiary of the Company which would engage in the provision of copper and fibre connection access services in Hong Kong and the Greater Bay Area and operating, maintaining and extending the passive components of copper and fibre access networks and providing related services; and (ii) a receivable in the amount of HK\$344 million owing from Passive Netco to the Seller, for an aggregate consideration of US\$870 million (the "Transaction"). As at 31 December 2024, all conditions of the agreement had been fulfilled and the Transaction had been completed.

**AUDITED INCOME STATEMENT OF****HKT MANAGEMENT LIMITED**

For the year ended 31 December 2025

(In HK\$'000)

	2024	2025
Management fee income	61	62
<u>General and administrative expenses</u>	<u>(61)</u>	<u>(62)</u>
Result before income tax	—	—
<u>Income tax</u>	<u>—</u>	<u>—</u>
Result for the year	<u>—</u>	<u>—</u>

**AUDITED STATEMENT OF COMPREHENSIVE INCOME OF****HKT MANAGEMENT LIMITED**

For the year ended 31 December 2025

(In HK\$'000)

	2024	2025
Result for the year	—	—
<u>Other comprehensive income</u>	<u>—</u>	<u>—</u>
Total comprehensive income for the year	<u>—</u>	<u>—</u>

**AUDITED STATEMENT OF FINANCIAL POSITION OF  
HKT MANAGEMENT LIMITED**

As at 31 December 2025

(In HK\$'000)

	As at 31 December 2024	As at <b>31 December 2025</b>
<b>ASSET AND LIABILITIES</b>		
<b>Current asset</b>		
Amount due from a fellow subsidiary	667	<b>729</b>
	667	<b>729</b>
<b>Current liabilities</b>		
Accruals and other payables	(57)	<b>(58)</b>
Amounts due to fellow subsidiaries	(610)	<b>(671)</b>
	(667)	<b>(729)</b>
<b>Net assets</b>	<hr/>	<hr/>
<b>CAPITAL AND RESERVES</b>		
Share capital	—	—
Reserves	—	—
<b>Total equity</b>	<hr/>	<hr/>

As at the date of this announcement, the directors of the Trustee-Manager and the Company are as follows:

*Executive Directors:*

Li Tzar Kai, Richard (*Executive Chairman*) and Hui Hon Hing, Susanna (*Group Managing Director*)

*Non-Executive Directors:*

Peter Anthony Allen; Chung Cho Yee, Mico; Tang Yongbo and Zhao Xingfu

*Independent Non-Executive Directors:*

Chang Hsin Kang; Sunil Varma; Aman Mehta; Frances Waikwun Wong and Charlene Dawes

## **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 HKT relating to the business, industry and markets in which HKT operates.