Forward Looking Statements

This presentation may contain "forward-looking statements" that are not historical in nature. These forward-looking statements, which include, without limitation, statements regarding HKT’s future results of operations, financial condition or business prospects, are based on the current beliefs, assumptions, expectations, estimates, and projections of the directors and management of HKT about the business, the industry and the markets in which HKT operates. These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond HKT’s control and are difficult to predict. Actual results could differ materially from those expressed, implied or forecasted in these forward-looking statements for a variety of factors.
Resilient Business Amidst Continued Economic Headwinds

Total Revenue
- 2,103 (US$ million) + 2% YoY
- 1,955 (US$ million) + 3% YoY (excluding Mobile Product Sales)

Total EBITDA
- 770 (US$ million)
- + 3% YoY

Adjusted Funds Flow
- 311 (US$ million)
- + 2.2% YoY

Enterprise Revenue
- + 10% YoY

Mobile Services Revenue
- + 5% YoY

2023 Interim Distribution of 32.05 HK cents per Share Stapled Unit
Loyal Mobile Customer Base that Values Quality Service

Accelerated Growth in Post-paid Customer Base Despite Competition

- Improved Post-paid Churn Rate
  - H1’22: 0.9%
  - H1’23: 0.8%

- Post-paid Exit ARPU Uplift from 5G & Roaming
  - Jun’22: 187 (HK$)
  - Jun’23: 189 (HK$)

- 1010 Customers
  - H1’22: 3,263 (’000)
  - H1’23: 3,383 (’000)

- Continued expansion of our premium 1010 customer base
  - +78K YoY
  - +2% YoY

- Jun’22: 187 (HK$)
- Jun’23: 189 (HK$)
Roaming Revenue Rebounds Following Border Reopening

- Total roaming revenue in H1’23 more than doubled from H1’22, and reached 63% of pre-COVID levels
- In June 2023, both number of roamers and consumer outbound roaming revenue surpassed those pre-COVID
- As a result, total roaming revenue in June 2023 rebounded to ~80% of pre-COVID levels
Deepening 5G Adoption

5G customers increased to 1.27 million, representing 38% penetration of our post-paid base in July 2023.

- **5G Penetration to Total Post-paid Base**
  - Jun'20: 2%
  - Dec'20: 8%
  - Jun'21: 14%
  - Dec'21: 21%
  - Jun'22: 26%
  - Dec'22: 32%
  - Jun'23: 35%
  - Jul'23: 38%

- **csl / 1010 5G Penetration >45%**

- **HKT’s 5G services outperforms its rivals with superior download and upload speeds**

<table>
<thead>
<tr>
<th>10 Prime Locations at HK</th>
<th>HKT</th>
<th>MNO 1</th>
<th>MNO 2</th>
<th>MNO 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Download Speed (Mbps)</td>
<td>9</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Upload Speed (Mbps)</td>
<td>8</td>
<td>0</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

- **PCM**
**Major Network Developments in H1’23**

**Enhance Outdoor 5G Coverage**
- Launch of 4x4MIMO 700MHz to boost data speed
- Dual C-Band M-MIMO base stations for busy areas; doubles speed and capacity

**Uplift Indoor 5G Coverage**
- Continue to improve indoor 5G coverage in F&B and chain stores with LampSite technology
- Continue 3.3GHz rollout and target to complete geographic coverage by end 2023

**Extend Network Coverage**
- 700MHz to enhance deep indoor and rural coverage
- Continuous enhancements for indoor traffic hotspots

**High Band mmWave Trial**
- Started technical trials on mmWave performance and FWA application at selected locations
- Will deliver significantly higher speeds
HKT Connects Outlying Islands with Fibre Network

- HKT has connected outlying islands (Lamma Island / Cheung Chau / Peng Chau) with newly built submarine cables
- Enabling 10G fibre services, with 4K Now TV channels
- Enhanced 5G mobile service coverage with 10G backhaul
2500M – The New Normal for HKT Broadband Service

Ultra High Speed XGS PON Technology

- 2.5G (2500M)
- 5G (5000M)
- 10G (10000M)

City-wide coverage and Symmetrical ultra high uplink and downlink speeds
Seamless upgrade to 10G without field visit

Multi-use Broadband

- 2 x 1000M
- 4 x 1000M

Dedicated downstream bandwidth and Individual public IP address

Full Home Coverage

- 1000M + FTTR
- Wi-Fi 6E
- 5G Home Internet

With Fiber-to-the-Room (FTTR), Wi-Fi 6E and 5G Home Internet options

Enable new applications

- Home Studio social media KOL
- Metaverse VR/AR
- 8K Video
- Cloud Applications

Multiple Internet uses

- Home Office
- Entertainment
- Gaming
- Smart Home

High quality network

- Reliable Internet Access
- Advanced Connectivity

8K Video

- Home Studio
- Social media KOL

- Metaverse VR/AR

- 8K Ultra HD

Wi-Fi 7 is set to be launched by 2024 with throughput of up to 46Gbps

HKT 2023 Interim Results

a PCCW Group member
Robust Demand Continued for High-Speed, Reliable Home Broadband Services

**Continued Upgrades to FTTH**

- Encouraging Uptake of 2500M Upgrade Service
  - **2022 H1**
    - VDSL: 964 (000)
    - FTTH: 1,097 (000)
  - **2023 H1**
    - VDSL: 986 (000)
    - FTTH: 1,107 (000)

  - **YoY Change**
    - VDSL: +2%
    - FTTH: +1%

**Further Consumer Broadband Net Adds**

- **2022 H1**
  - VDSL: 1,464 (000)
  - FTTH: 1,468 (000)

- **2023 H1**
  - VDSL: 1,468 (000)
  - FTTH: 1,468 (000)

  - **YoY Change**
    - VDSL: +4K

**Expanding Uptake of Home Wi-Fi Solutions**

- **2022 H1**
  - VDSL: 339 (000)
  - FTTH: 339 (000)

- **2023 H1**
  - VDSL: 345 (000)
  - FTTH: 345 (000)

  - **YoY Change**
    - VDSL: +2%

**Penetration of Home Wi-Fi Solutions**

- **2022 H1**
  - 24%

- **2023 H1**
  - 24%

**Awards**

- "Broadband Telecom Company of the Year – Hong Kong" and "Infrastructure Initiative of the Year – Hong Kong" awards received at Asian Telecom Awards 2023
Smart HKT Home Solutions Further Enhance Quality of Living

**Smart Living Home Solutions**

- Pre-installing Smart Living home solutions in new residential properties
- Secured 41 new residential projects, up 20% YoY
- Further collaboration with group of leading developers & campuses including China Resources Land and The University of Hong Kong
- Repeat project engagement with key local developers: Henderson Land, Wheelock, Chinachem and Sino Land

**Smart Charge EV Home Charging Solutions**

- Smart Charge currently offers EV home charging solutions across 32 large-scale residential estates in Hong Kong
- Further expanding its diverse and reasonably priced offerings to resolve the pain points of EV owners in Hong Kong and champion green transport
  - EV Charger Rental Service
  - New Ceiling-mounted Charging Solution
Content Aggregator Now TV Strengthens Line-up with Latest Array of Sports & Entertainment

**Home of Sports**
- Continue to enrich the value of its unrivalled sports proposition

**Exclusive & Express**
- Latest Chinese, Asian and Hollywood Blockbuster Movies

**Comprehensive**
- High Quality Drama Series, Award-Winning Variety Entertainment, Fun & Learn Kids programmes

**Enlarged Customer Base**
- Captured new customer base from market consolidation, particularly in the commercial segment
- Further penetration into top-tier hotels with tourism recovering

<table>
<thead>
<tr>
<th></th>
<th>H1'22</th>
<th>H1'23</th>
</tr>
</thead>
<tbody>
<tr>
<td>(000)</td>
<td>1,378</td>
<td>1,428</td>
</tr>
</tbody>
</table>

+ 4% YoY
5G Continues to Fuel Digital Transformation for Enterprises
5G Applications Expanding to More Industries and Customers

2022

- Smart Retail
- Smart Construction
- Smart Healthcare

2023

- Smart Healthcare: First in HK
  - 5G Private Network to provide a reliable & secure connectivity to support smart healthcare applications:
    1. Remote consultation
    2. VR for healthcare training
    3. AI robotics
    4. Cloud picture archiving system
    5. Real-time asset tracking
  - Benefits:
    • Fully secure, flexible and expandable network for critical healthcare applications

- Smart Campus: New Industry
  - 5G Smart App and IoT to enable users seamlessly control various facilities:
    1. Remote laundry service booking
    2. Remote food ordering
    3. Access real-time information (e.g., temperature, humidity, air quality)
  - Benefits:
    • Deliver digital hostel experience for students and meet ESG objectives

- Smart Property: New Industry
  - 5G Smart Property to elevate guest experience:
    1. Self check-in kiosk
    2. Central room control
    3. IPTV and connected videos
    4. Full Wi-Fi coverage
    5. Mobile app for housekeeping
  - Benefits:
    • Elevate hotel guest experience and improve staff productivity due to manpower shortage with high speed 5G network
Integrated Solutions to Spur Growth in Enterprise Segment

Digital Transformation Solutions integrating Connectivity, Cloud Computing and Cybersecurity to AI-Powered Industry Solutions and Enterprise Managed Services
Increasing Digital Transformation Demand in GBA as Borders Reopen
Integrated Solutions and Enterprise Managed Services to capture opportunities in GBA

China Business
Achieved 21% YoY Growth with Strong Momentum

- Companies expanding from HK to China
- China-based companies going out to HK and beyond
- Growing opportunities to support Macau’s gaming and non-gaming economy development

Leverage digital solutions to cater for fast expansion needs

- SD-WAN, IPLS, Premium Internet, Wi-Fi
- Systems Integration
- Cybersecurity
- Enterprise Managed Services
- Cloud

Retail
Banking & Insurance
Biopharmaceutical
Automobile
Gaming & Entertainment

Awards & Accolades
- "GBA Enterprise Awards 2022" by Hong Kong Business
- "High and New Technology Enterprise" by Beijing Municipal Government
- 2022 Top-10 SD-WAN & SASE Outstanding Application Awards by SDNLAB
AI-enabled, Personalised Digital Services to Club Members
The Club’s Strategy: Focus on Lifestyle Spending with Breadth of Local & International Experience

**The Club Membership**

<table>
<thead>
<tr>
<th></th>
<th>H1’22</th>
<th>H1’23</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3.63M</td>
<td>3.78M</td>
</tr>
</tbody>
</table>

+ 4% YoY

**Lifestyle Spending on The Club**

<table>
<thead>
<tr>
<th></th>
<th>H1’22</th>
<th>H1’23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Travel Insurance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shopping (excl. handsets)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

+ 8% YoY
Scaling for Web 2.0, Ready for Web 3.0

- Financial Services continue steady growth for both B2B & B2C while strengthening its loyalty ecosystem.
- HKT is selected as part of a consortium participating in HKMA’s e-HKD Pilot Programme.

**Merchants**

Comprehensive e-payment solution targeting local SMEs

- Foster digital economy, drive adoption and lower costs for SME with special rate
- 8,000+ subscriptions to our merchant payment solutions as at June 2023, increase of 20% YoY

**Consumers**

Growing transactions with a solid base of young & tech-savvy segment

- Accounts expanded to 3.71M as at June 2023, an increase of 5% YoY
- With the positive impact of CVS, non-CVS spending rose by 9% YoY
  - Leveraging extensive MasterCard, UnionPay and FPS networks to enable travel across China and international destinations, travel-related transactions more than doubled YoY

**Club**

Beginning structural integration of Financial Services offerings into The Club’s ecosystem:

- Introduced Club Points features into Smart POS
- Introduced Club Mini Shop within Tap & Go to strength loyalty and shopping proposition
Leading and Innovative MedTech Platform in Hong Kong

Increasing Consultations as Telemedicine Gains Acceptance

- With the pandemic having accelerated the popularisation of healthtech, market demand for DrGo telemedicine platform has maintained its steady growth
  - 371K registered users as at June 2023, an increase of 12% YoY
  - >70% YoY growth in the number of completed video consultations in H1’23
- 130+ doctors/healthcare professionals from 16 medical consultation service partners
- Extend healthcare services from online to offline offering vaccination and medical checkup packages
  - >160% YoY growth in GMV in H1’23

Comprehensive Services & Features to Enhance User Well-being

- Diverse range of telemedicine services
  - General Practice
  - Chinese Medicine Practitioner
  - Speciality (Paediatrics, Family Medicine, Psychiatric and Psychological Services)
  - Dietetic Service
- Comprehensive free in-app features
  - FibriCheck for atrial fibrillation detection
  - Women’s wellness
  - My Health for vital signs monitoring
  - Walk-to-Earn for fitness habit
- Launch of DrGo private label, Me+ personalised health supplements in late August
Contribute to a Sustainable Future

Community Impact

- **Strive and Rise Programme (共創明Teen)** – Support development and upward mobility of underprivileged youth through corporate volunteering and activities, e.g. Now TV, Viu TV and HKT Innovation Lab visits
- Volunteering hours in H1’23 close to 2,800 hours

Climate Change Resilience

- **Sustainability-linked loans**: Committed about US$2.7 billion

Smart City Transformation

- **Launch of Smart Kiosks** - Revitalise traditional telephone booths to become one-stop service station – payphone, Wi-Fi, USB chargers, community information, news, weather and transportation updates – for residents and visitors alike
- The Smart Kiosks also extend the reach of Dementia’s Secret Angel to help locate dementia-afflicted missing persons
Highlights

1. **Unique Quad Play Experience** – Only service provider that can offer voice, broadband, mobile and content to individuals, households, enterprises and government bodies

2. **Customer-Centric Approach** – Continue to invest in technologies, talent and customer support to provide innovative services, gain better customer insight and elevate the overall customer experience

3. **Enriched Digital Ecosystem** – with digital based activity becoming more prevalent, further enhance our applications, platforms and content to enrich the customer’s online and, in the future, virtual experience

4. **Smart City Development** – Continue to support smart city development in Hong Kong and mainland China by extending 5G applications to new industries and leveraging AI & cloud to drive enterprise digital transformation

5. **Expansion into GBA** – continuing integration of Hong Kong into the broader GBA market will increase cross border activity and drive future growth in consumer spending as well as demand for enterprise solutions
Financial Review

Patrick Poon
Chief Financial Officer
## Resilient Financial Performance

<table>
<thead>
<tr>
<th>(US$ million)</th>
<th>H1’22</th>
<th>H1’23</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted Funds Flow</td>
<td>305</td>
<td>311</td>
<td>+ 2.2%</td>
</tr>
<tr>
<td>Revenue</td>
<td>2,071</td>
<td>2,103</td>
<td>+ 2%</td>
</tr>
<tr>
<td><strong>Revenue (excluding Mobile Product Sales)</strong></td>
<td>1,906</td>
<td>1,955</td>
<td>+ 3%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>748</td>
<td>770</td>
<td>+ 3%</td>
</tr>
<tr>
<td><strong>EBITDA Margin (excluding Mobile Product Sales)</strong></td>
<td>39%</td>
<td>39%</td>
<td></td>
</tr>
<tr>
<td>Overall EBITDA Margin</td>
<td>36%</td>
<td>37%</td>
<td></td>
</tr>
<tr>
<td>Profit Attributable to Holders of Share Stapled Units</td>
<td>245</td>
<td>250</td>
<td>+ 2.2%</td>
</tr>
</tbody>
</table>
TSS Continued to Demonstrate Business Strength

- Local TSS revenue grew by 2% underpinned by strong growth in local data services
- Pay TV services delivered a steady performance with higher commercial subscription revenue particularly from hospitality sector
- International telecom services experienced lower revenue from wholesale voice business and absence of one-off cable revenues
- Total EBITDA up 3% driven by further operating efficiencies and ongoing focus on cost initiatives leading to a margin of 36%

- Local data revenue achieved impressive growth of 10% reflecting the accelerated demand for our unique integrated digital transformation solutions across different industries that incorporate 5G applications with smart city solutions in HK and GBA
- Broadband revenue grew by 2% as demand for our high-speed, reliable fibre network from individuals, households and enterprises continued in the new normal
- As a result, Local Data Services registered a solid revenue growth of 7% in the first half of 2023
Mobile Benefiting from Gradual Recovery in Roaming

Mobile Business

- Mobile business recorded a 5% growth in services revenue to US$489 million
- Post-paid customer base further expanded to 3.383 million, a net gain of 78,000 or 2% growth year-on-year
- 5G customer base reached 1.194 million as at end of June 2023, representing 35% of post-paid base
- Lower Mobile product sales impacted by cautious retail sentiment, lack of new handsets and longer handset replacement cycle

Mobile Services Revenue

- Mobile services revenue grew 5% in H1’23, underpinned by the gradual recovery in roaming revenue and higher 5G adoption across our post-paid base
- Roaming revenue soared by 166% year-on-year as travel resumed with full border reopening
- Post-paid exit ARPU up by 1% to HK$189
- Mobile services EBITDA rose 4% to US$281 million with margin of 58%
Continued Focus on Driving Operating Efficiencies

- Opex savings of 4% in H1’23, with opex to revenue ratio further improving to 12.9%
- Sustained efficiency gains from mobile network operations including improved cell site architecture enabling network design optimisation
- Continued focus on improving efficiencies across each of the business lines through digitalising business processes as well as optimising O2O sales channels and retail footprint to drive higher sales efficiency

### Operating Expenses

<table>
<thead>
<tr>
<th></th>
<th>H1’22 (US$ million)</th>
<th>H1’23 (US$ million)</th>
<th>Opex to Revenue Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Others</td>
<td>153</td>
<td>149</td>
<td>13.5%</td>
</tr>
<tr>
<td>Mobile</td>
<td>82</td>
<td>78</td>
<td></td>
</tr>
<tr>
<td>TSS</td>
<td>46</td>
<td>44</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>281</strong></td>
<td><strong>271</strong></td>
<td><strong>12.9%</strong></td>
</tr>
</tbody>
</table>

-4% YoY
Disciplined Capital Investments to Support Business Growth

- Disciplined capital investments with capex to revenue ratio improving to 6.9%, well within stated guidance
- Lower Mobile capex reflecting the completion of our territory-wide 5G coverage rollout in 2022, with ongoing capex focusing on capacity upgrades and indoor coverage enhancement
- TSS capex dropped slightly, with spending mainly to support growing demand for our unique integrated digital transformation solutions including smart city solutions for enterprises

### Capex

<table>
<thead>
<tr>
<th>(US$ million)</th>
<th>H1’22</th>
<th>H1’23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile</td>
<td>56</td>
<td>50</td>
</tr>
<tr>
<td>TSS</td>
<td>88</td>
<td>86</td>
</tr>
<tr>
<td>others</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td>Capex to Revenue Ratio:</td>
<td>7.3%</td>
<td>6.9%</td>
</tr>
</tbody>
</table>

- 4% YoY
### Adjusted Funds Flow

<table>
<thead>
<tr>
<th>(US$ million)</th>
<th>H1’22</th>
<th>H1’23</th>
<th>YoY Better/ (Worse)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EBITDA</strong></td>
<td>748</td>
<td>770</td>
<td>3%</td>
</tr>
<tr>
<td>Less cash outflows in respect of capital expenditures, customer acquisition costs and licence fees:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital expenditures</td>
<td>(146)</td>
<td>(138)</td>
<td></td>
</tr>
<tr>
<td>Customer acquisition costs and licence fees</td>
<td>(76)</td>
<td>(102)</td>
<td></td>
</tr>
<tr>
<td>Fulfilment costs</td>
<td>(40)</td>
<td>(35)</td>
<td></td>
</tr>
<tr>
<td>Right-of-use (“ROU”) assets</td>
<td>(88)</td>
<td>(87)</td>
<td></td>
</tr>
<tr>
<td><strong>Adjusted Funds Flow before tax paid, net finance costs paid and changes in working capital</strong></td>
<td>398</td>
<td>408</td>
<td>3%</td>
</tr>
<tr>
<td>Adjusted for:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net finance costs paid</td>
<td>(45)</td>
<td>(89)</td>
<td></td>
</tr>
<tr>
<td>Tax payment</td>
<td>(10)</td>
<td>(32)</td>
<td></td>
</tr>
<tr>
<td>Changes in working capital</td>
<td>(38)</td>
<td>24</td>
<td></td>
</tr>
<tr>
<td><strong>Adjusted Funds Flow for the period</strong></td>
<td>305</td>
<td>311</td>
<td>2.2%</td>
</tr>
<tr>
<td>Adjusted Funds Flow per Share Stapled Unit (HK cents)</td>
<td>31.36</td>
<td>32.05</td>
<td></td>
</tr>
<tr>
<td>Interim Distribution per Share Stapled Unit (HK cents)</td>
<td>31.36</td>
<td>32.05</td>
<td>2.2%</td>
</tr>
</tbody>
</table>
## Income Statement

<table>
<thead>
<tr>
<th>(US$ million)</th>
<th>H1’22</th>
<th>H1’23</th>
<th>YoY Better/(Worse)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>2,071</td>
<td>2,103</td>
<td>2%</td>
</tr>
<tr>
<td>Revenue (excluding Mobile Product Sales)</td>
<td>1,906</td>
<td>1,955</td>
<td>3%</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>(1,042)</td>
<td>(1,062)</td>
<td>(2)%</td>
</tr>
<tr>
<td>Opex</td>
<td>(281)</td>
<td>(271)</td>
<td>4%</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>748</td>
<td>770</td>
<td>3%</td>
</tr>
<tr>
<td>Depreciation &amp; amortisation expenses</td>
<td>(362)</td>
<td>(346)</td>
<td></td>
</tr>
<tr>
<td>Net other gains</td>
<td>—</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Net finance costs</td>
<td>(80)</td>
<td>(118)</td>
<td>(48)%</td>
</tr>
<tr>
<td>Share of results of associates &amp; JVs</td>
<td>(5)</td>
<td>(8)</td>
<td></td>
</tr>
<tr>
<td><strong>Profit before income tax</strong></td>
<td>301</td>
<td>299</td>
<td></td>
</tr>
<tr>
<td>Income tax</td>
<td>(56)</td>
<td>(49)</td>
<td></td>
</tr>
<tr>
<td><strong>Effective tax rate</strong></td>
<td>18.5%</td>
<td>16.2%</td>
<td></td>
</tr>
<tr>
<td><strong>Profit for the period</strong></td>
<td>245</td>
<td>250</td>
<td>2.2%</td>
</tr>
<tr>
<td>Attributable to:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Holders of Share Stapled Units</strong></td>
<td>245</td>
<td>250</td>
<td>2.2%</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>—</td>
<td>—</td>
<td></td>
</tr>
</tbody>
</table>
# Solid Financial Position

**Investment Grade Credit Ratings**

<table>
<thead>
<tr>
<th></th>
<th>As of Dec 2022</th>
<th>As of Jun 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gross Debt (1)</strong></td>
<td>5,664</td>
<td>5,784</td>
</tr>
<tr>
<td><strong>Gross Debt to EBITDA (2)</strong></td>
<td>3.38x</td>
<td>3.41x</td>
</tr>
<tr>
<td><strong>Cash Balance (3)</strong></td>
<td>271</td>
<td>244</td>
</tr>
<tr>
<td><strong>Undrawn Facilities</strong></td>
<td>1,854</td>
<td>1,387</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,125</td>
<td>1,631</td>
</tr>
</tbody>
</table>

(1) Gross debt refers to the principal amount of short-term and long-term borrowings
(2) Based on gross debt as at year end divided by EBITDA for the 12-month period
(3) Including short-term deposits

Investment Grade Rating: BBB/Baa2
Debt Maturity Profile
Impact of Interest Rate Hike Cushioned by Healthy Mix of Fixed & Floating Rate Debt

As of 30 June 2023

- Current mix of fixed and floating rate debt approx. 55:45
- Effective interest rate approx. 3.77% in H1 2023
- Average maturity was approx. 4 years
Highlights

1. **Unique Quad Play Experience** – Only service provider that can offer voice, broadband, mobile and content to individuals, households, enterprises and government bodies.

2. **Customer-Centric Approach** – Continue to invest in technologies, talent and customer support to provide innovative services, gain better customer insight and elevate the overall customer experience.

3. **Enriched Digital Ecosystem** – With digital based activity becoming more prevalent, further enhance our applications, platforms and content to enrich the customer’s online and, in the future, virtual experience.

4. **Smart City Development** – Continue to support smart city development in Hong Kong and mainland China by extending 5G applications to new industries and leveraging AI & cloud to drive enterprise digital transformation.

5. **Expansion into GBA** – Continuing integration of Hong Kong into the broader GBA market will increase cross border activity and drive future growth in consumer spending as well as demand for enterprise solutions.