



**中信國際電訊集團有限公司**  
CITIC TELECOM INTERNATIONAL HOLDINGS LIMITED

(Stock Code: 01883)



***2019***

# **Annual Results Announcement**

3 March 2020



# 1 ➤ Results Summary

## 2 ➤ Financial Performance

## 3 ➤ Operational Performance



# Results Summary of 2019

- Revenue from telecommunications services for the year increased by **3.6%** to **HK\$7,396.4 million** when compared with last year
- Profit attributable to equity shareholders of the Company amounted to **HK\$1,002.2 million**, an increase of **5.4%** as compared against last year; basic earnings per share was **HK27.5 cents**
- Final dividend of **HK15.0 cents** per share. Including an interim dividend of HK5.0 cents per share, dividends per share totaled **HK20.0 cents** for the year (2018: HK18.0 cents), a **11.1%** year-on-year increase

**+3.6%**

Revenue from  
telecommunications  
services

**+5.4%**

Profit attributable to  
equity shareholders

**+11.1%**

Full year dividends



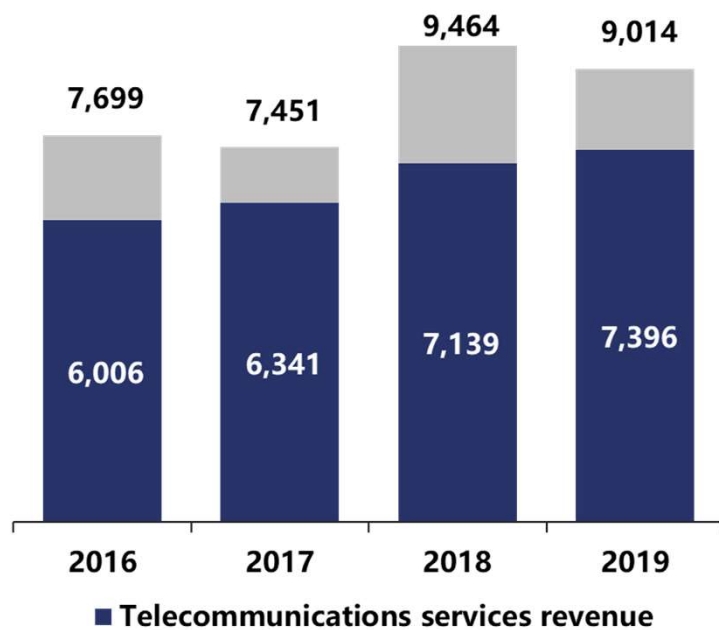
- 1 ➤ Results Summary
- 2 ➤ Financial Performance**
- 3 ➤ Operational Performance



# Financial results overview

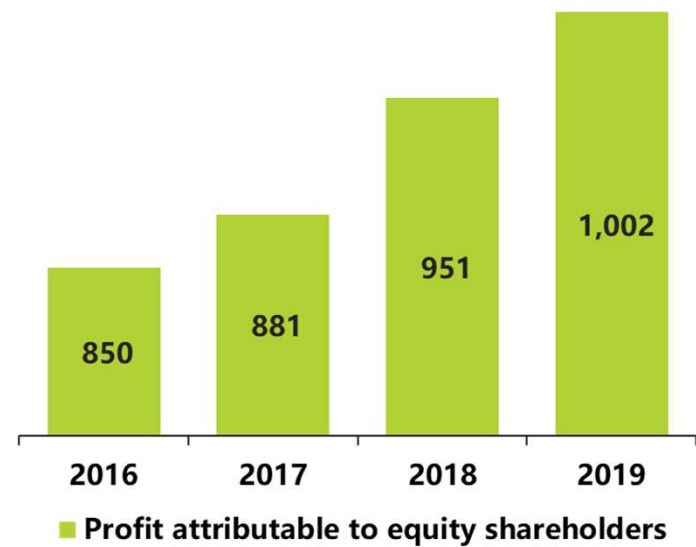
## Total revenue and telecommunications services revenue

HK\$ Million



## Profit attributable to equity shareholders

HK\$ Million



# EBITDA, Capital Expenditure & Liquidity

	2018	2019
HK\$ Million	Year ended 31 December	
<b>EBITDA*</b>	<b>2,192.3</b>	<b>2,493.6</b>
<b>Capital expenditure</b>	<b>575.8</b>	<b>446.5</b>

HK\$ Million	At 31 December	
<b>Cash and bank deposits</b>	<b>1,049.1</b>	<b>1,312.8</b>
<b>Total debt @^</b>	<b>6,857.5</b>	<b>6,277.9</b>
<b>Net Debt</b>	<b>5,808.4</b>	<b>4,965.1</b>
<b>Net gearing ratio#</b>	<b>40%</b>	<b>35%</b>

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

# Net gearing ratio = Net debt / (Total Equity Attributable to Equity Shareholders + Net Debt) X 100%

@ Includes current and non-current bank and other borrowings

^ Comparatives were amended to conform to current year presentation



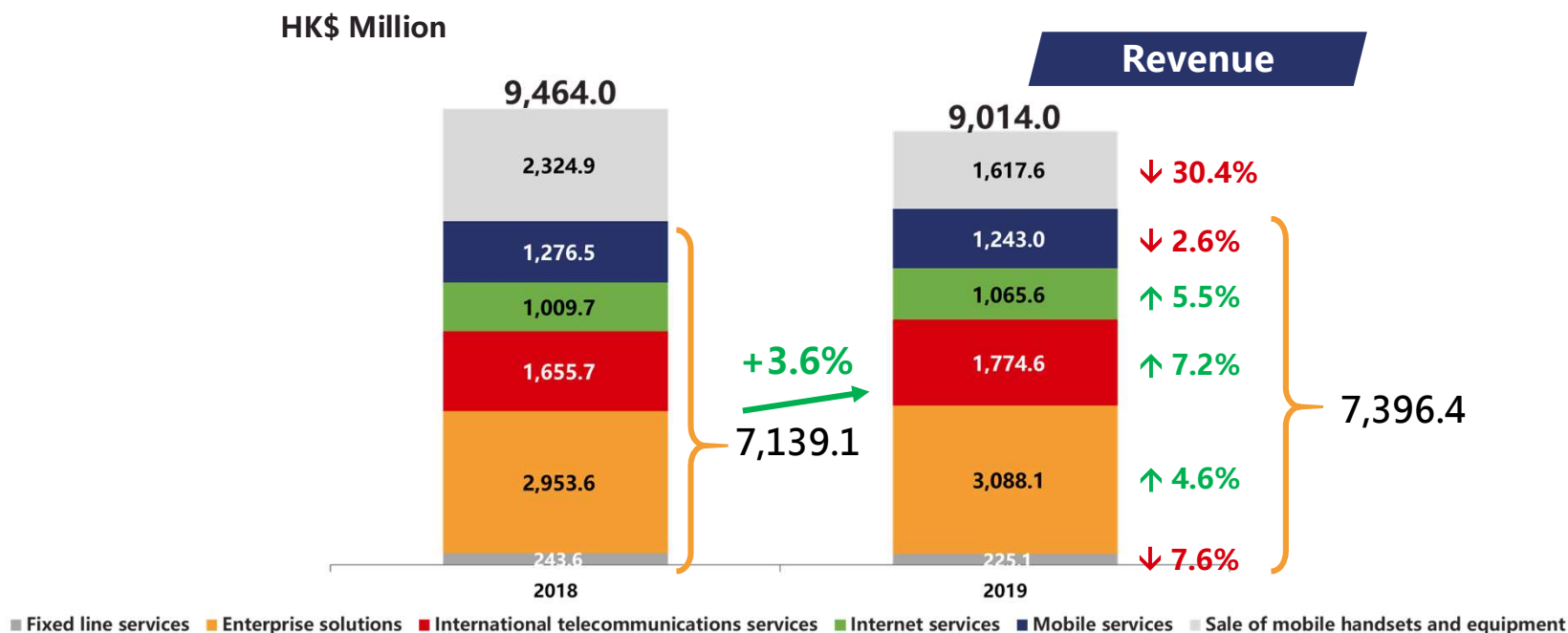
- 1 ➤ Results Summary
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- 3 ➤ **Operational Performance**



# Revenue by Business Segment

Growth in majority of major businesses

- Revenue from telecommunications services increased by **3.6%** to **HK\$7,396.4 million** from last year

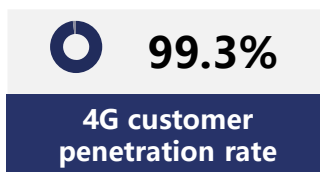
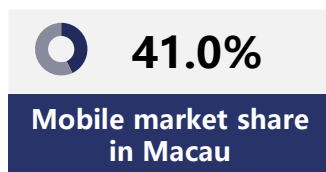




# Mobile Services

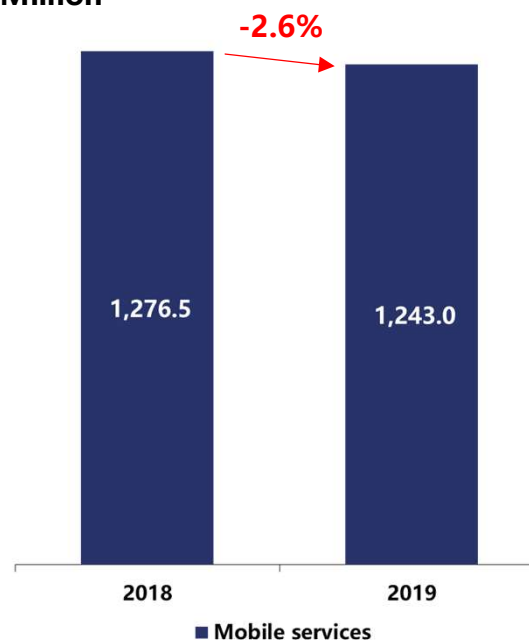
## Mobile services income was stable

- Revenue from Mobile services slightly decreased by **2.6%** to **HK\$1,243.0 million** as compared to 2018, mainly due to social unrest in Hong Kong
- As at 31 December 2019, mobile market share in Macau was **41.0%**, and **41.9%** market share in Macau 4G market, leading position has been maintained with approximately 1,146,000 subscribers
- The first operator to engage in 5G network trial in Macau with 5G network expected to be rolled-out in 2020
- In alignment with the Cybersecurity Law, CTM launched the prepaid card registration services



### Revenue – Mobile Services

HK\$ Million



# Internet Services

Revenue up by 5.5% year-on-year, mainly driven by fibre broadband

- Revenue from Internet services increased by **5.5%** to **HK\$1,065.6 million** as compared to 2018 mainly due to increase in revenue from fibre broadband
- The total number of broadband subscribers increased by approx. 3% to over 193,000 users and Internet market share in Macau was around **96.9%**
- Established the first Macau government approved overseas data centre in Hong Kong located at CITIC Telecom Tower
- CTM Data center successfully obtained the first ISO 22301:2012 Business Continuous Management for Data Center in Macau
- Data Centre Phase 3 (A) at CITIC Telecom Tower was launched. Phase 3 (B) is expected to be launched to the market in 1H2021



**96.9%**

Group's Internet  
market share in Macau



**~100%**

FTTB coverage

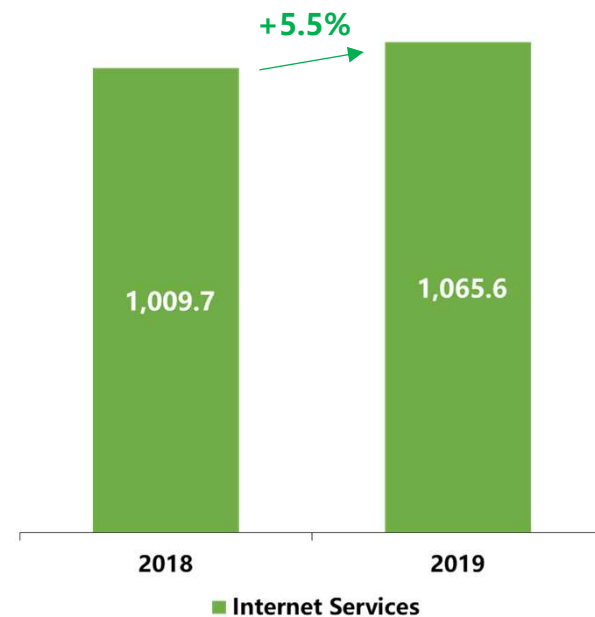


**91%**

Residential fibre broadband  
penetration rate

## Revenue – Internet Services

HK\$ Million



# International Telecommunications Services

## A2P messaging businesses delivers encouraging results

- Revenue from international telecommunications services increased by **7.2%** when compared with 2018 to **HK\$1,774.6 million**
- Effective results in messaging business Internet transformation, as more demand for SMS based services (e.g. authentication services, transaction confirmation etc.) and more enterprises using A2P SMS as a key CRM tool, A2P messaging business grew significantly with revenue grew **74.3%** to **HK\$674.1 million**
- “DataMall 自由行” was updated to offer 4G services and the deployment of our eSIM service was completed during the year.

**+ 74.3%**

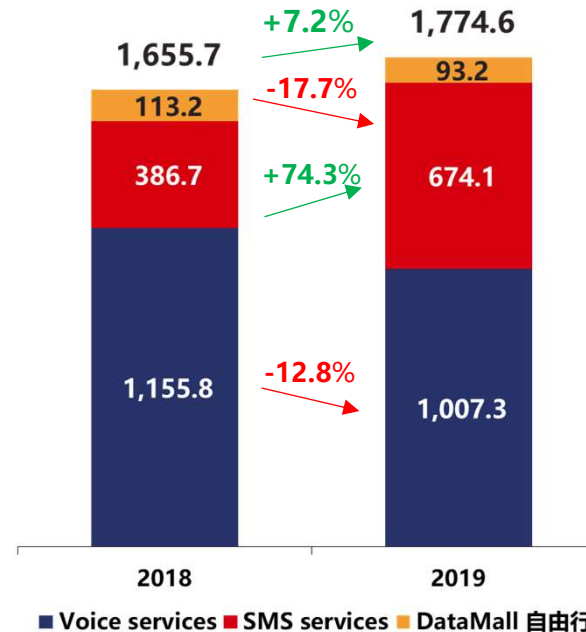
**Revenue of SMS  
Business**

 **4G/eSIM**

**DataMall  
自由行**

### Revenue — International Telecommunications Services

HK\$ Million



■ Voice services ■ SMS services ■ DataMall 自由行

 **中信國際電訊**  
CITIC TELECOM INTERNATIONAL

# Enterprise Solutions

Expanded coverage, stronger capabilities, rising revenue

- Revenue increased by **4.6%** to **HK\$3,088.1 million** when compared with last year
- Over 140 Points-of-Presence ( “PoPs” ) around the world with 9 new PoPs deployed in FY2019
- Multi-Cloud Connect services connected to Multi-Cloud platforms with up to 10Gbps allowing customers to continuous collaboration with more partners for extending Cloud connectivity services as well as multi-cloud management services
- One-stop Cloud Services Centers in Moscow (Russia), Frankfurt (Germany) and London (United Kingdom), providing enterprises with a highly reliable and high level security protection which addresses to their compliance needs and supports their business operations
- CTM launched new Cloud Service powered by the Tencent technology
- “AR Field Service Management Solution” – a joint-force research and development with ASTRI for next-generation operations and maintenance technologies using Augmented Reality (AR) glasses, to be launched soon



**140+**

Global PoPs

**18**

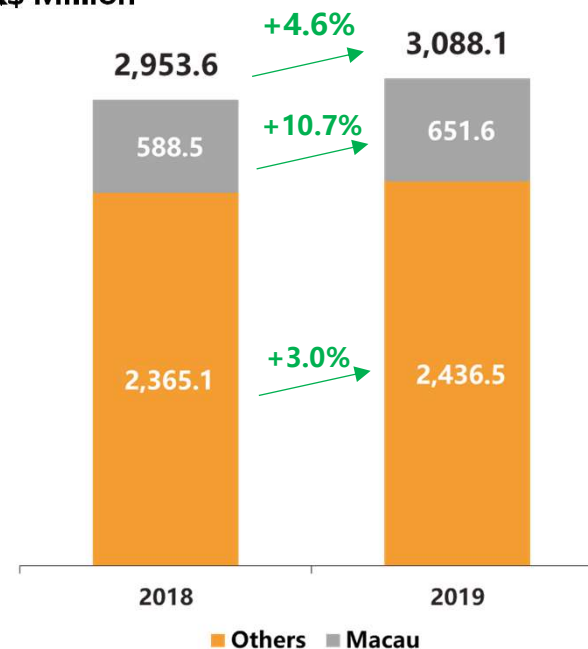
Cloud Services  
Centers



Multi-Cloud  
Connect

## Revenue — Enterprise Solutions

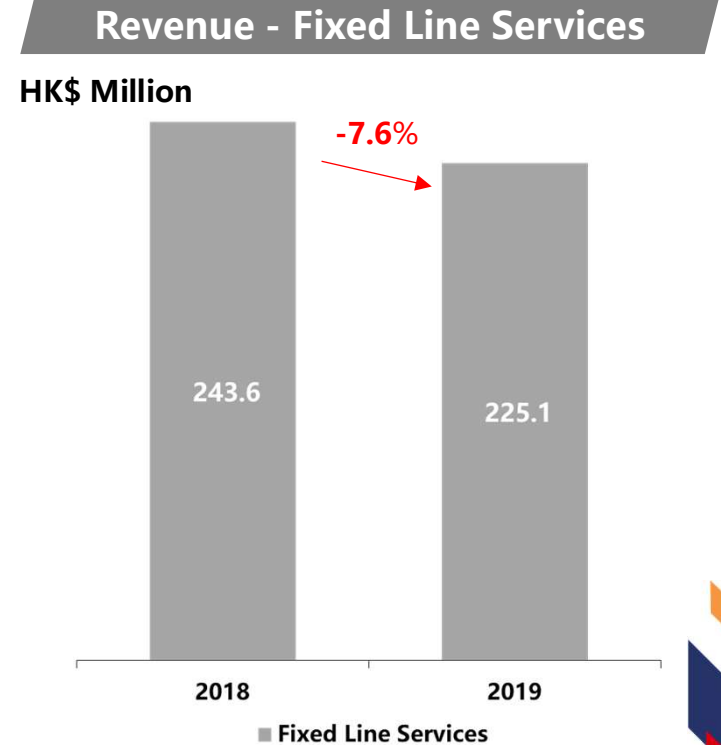
HK\$ Million



# Fixed Line Services

Subscribers & revenue continued to drop, echoing global trend

- Fixed line services revenue dropped **7.6%** to **HK\$225.1 million**, mainly due to drop in number of domestic fixed line users, which is in line with global industry trend



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# Q&A





## Industry Recognitions

"Best Infrastructure and Public Utilities Stock Company" - 4th Golden Hong Kong Stocks Awards -- *zhitongcaijing.com* and *10jqka.com*

"Outstanding ICT Solution Provider 2019" -- *Quamnet*

"Most Trusted Service Partner Award 2019" -- *China Unicom*

"2019 Best Practices Award" Asia-Pacific Managed Cloud Services Competitive Strategy Innovation Leadership Award -- *Frost & Sullivan*

"Major Player in the Asia/Pacific" Managed Cloud Services Marketscape (2019) -- *IDC*

"SME Partner Awards of Excellence 2019 Managed SD-WAN Solutions Provider" -- *Hong Kong Economic Journal*

"Supreme Brand Awards 2019" Supreme ICT Services Brand -- *Capital CEO*

"Dun & Bradstreet (D&B) Business Eminence Award 2019" -- *Dun & Bradstreet*

"2018 Top Performing Business Partner for Hardware and Software" -- *IBM*

*Singapore*

"Hong Kong Awards for Environmental Excellence Silver Award" -- *Hong Kong Productivity Council*

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# Thanks!

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