



Trading update
for the quarter ended 30 September 2024

Disclaimer

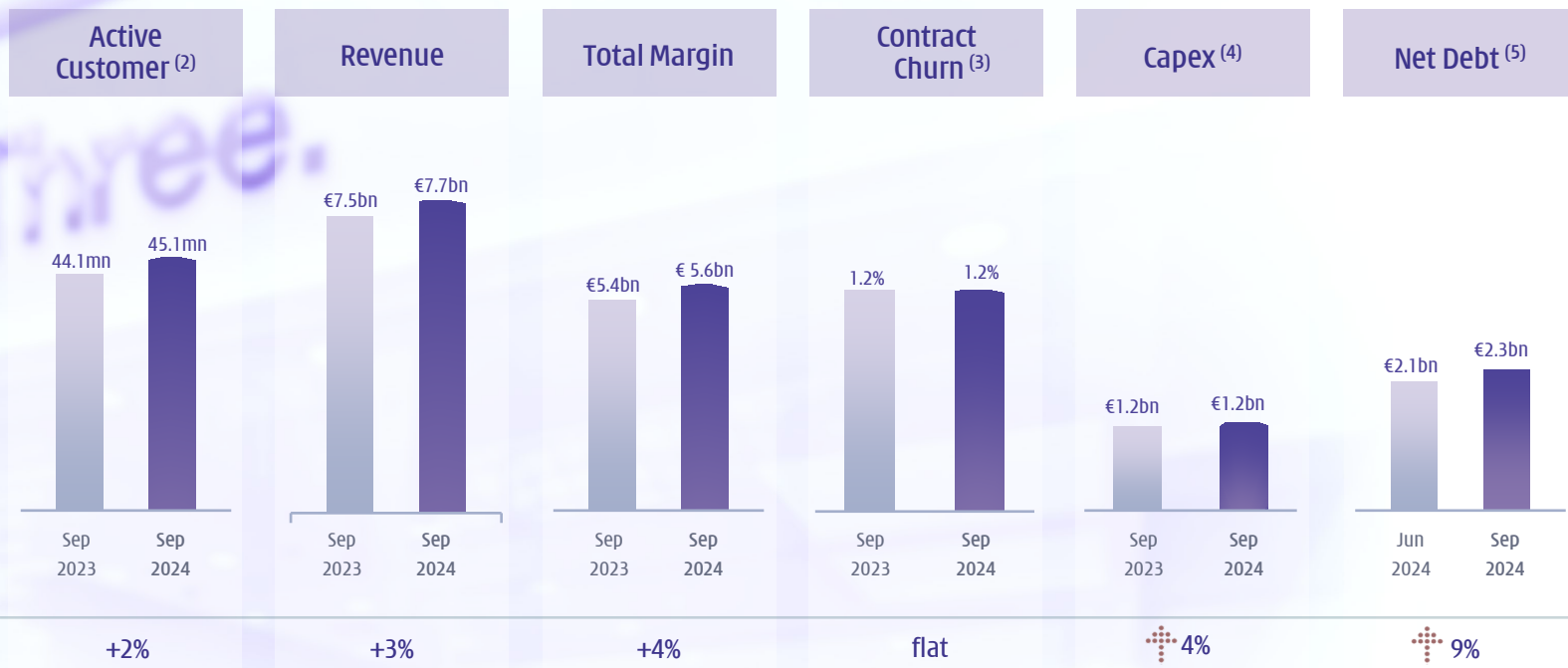
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CK Hutchison Group Telecom



(1) Unless otherwise specified, the discussion of the Group's operating results in this presentation is on a Pre-IFRS 16 basis.

(2) An active customer is one that generated revenue from an outgoing call, incoming call or data/content service in the preceding three months.

(3) Represents monthly average churn of contract customers.

(4) Capex amount excludes licence costs.

(5) Total bank and other debts are defined, for the purpose of "Net debt" calculation, as the total principal amount of bank and other debts. Net debt is defined as total bank and other debts less total cash and cash equivalents.

CKHGT

YTD 2024 vs YTD 2023

Revenue

€7,707m

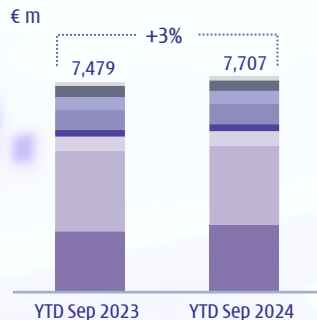
+3%

Total Margin

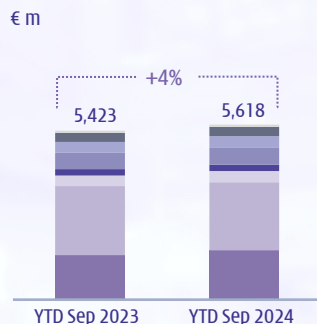
€5,618m

+4%

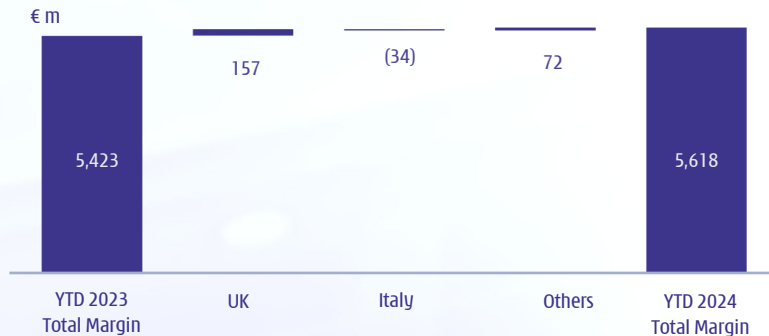
Revenue



Total Margin

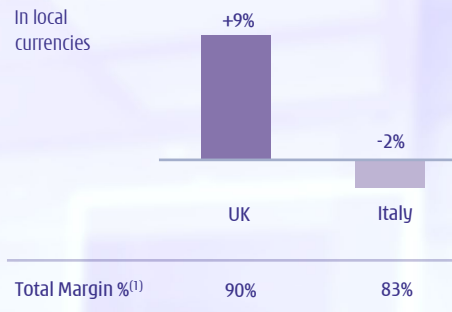


Total Margin Change



Total Margin Change Percentage

In local currencies



- UK
- Italy
- Sweden
- Denmark
- Austria
- Ireland
- Hong Kong
- Corporate & Others

(1) Total margin % represents total margin as a % of total revenue excluding handset revenue.

CKHGT

2024 Q3 vs 2024 Q2

Revenue

€2,636m

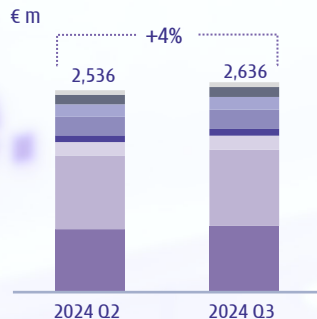
+4%

Total Margin

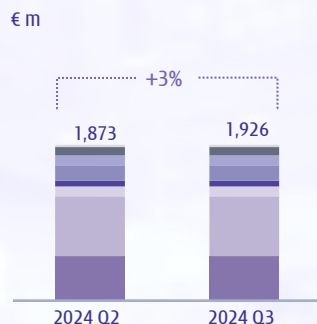
€1,926m

+3%

Revenue



Total Margin

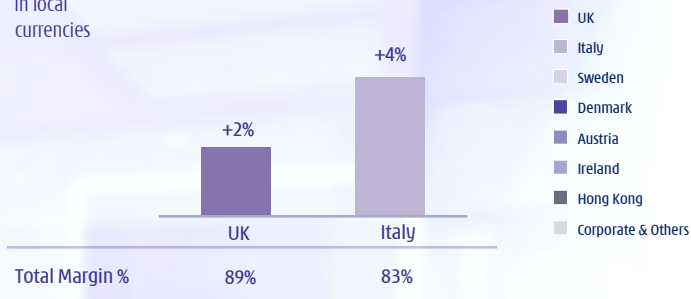


Total Margin Change



Total Margin Change Percentage

In local currencies



- UK
- Italy
- Sweden
- Denmark
- Austria
- Ireland
- Hong Kong
- Corporate & Others

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2024 Q3 vs 2023 Q3

Revenue

€2,636m

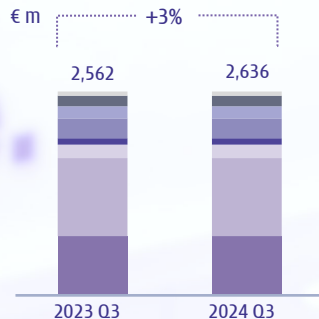
+3%

Total Margin

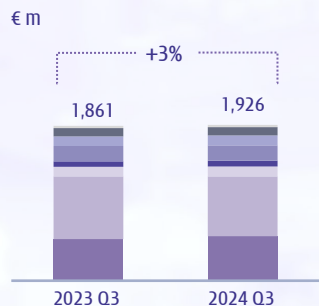
€1,926m

+3%

Revenue



Total Margin

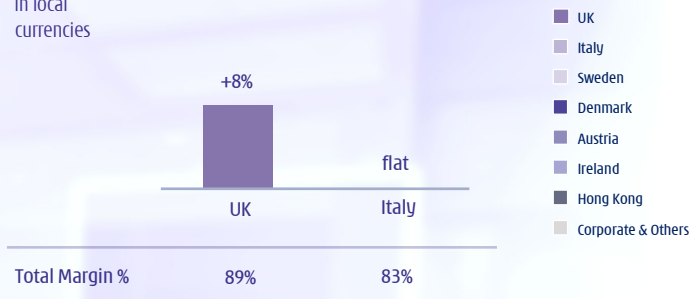


Total Margin Change



Total Margin Change Percentage

In local currencies



- UK
- Italy
- Sweden
- Denmark
- Austria
- Ireland
- Hong Kong
- Corporate & Others

Results Highlights

- Customer churn increases year-on-year from market competition putting pressure on churn rate in the core business areas of Contract and Prepay Voice
- Smarty, Business and Home segments continued to contribute growth and mitigate the declining core business areas through increases in active base, revenue and margin. Non-customer margin also continuing to grow driven through MVNO and Bulk messaging revenue
- Reduced capex spending after network investment and IT transformation projects in previous years
- Operation is still in negative free cash flow position despite margin growth and the execution of a range of initiatives to mitigate cost base increase and inflationary impacts

Key Financials

£ m	YTD Sep 2024	YTD Sep 2023	% Variance
Total Revenue	2,039	1,871	+9%
Total Margin	1,345	1,239	+9%
Total Margin (%) ⁽¹⁾	90%	89%	+1%-pt
Capex ⁽²⁾	(338)	(350)	+3%
Net ARPU (£) ⁽³⁾	13.56	13.21	+3%
Net AMPU (£) ⁽⁴⁾	12.30	11.87	+4%
Active customer ('000) ⁽⁵⁾	10,931	10,735	+2%
Active contract customer ('000)	9,273	8,928	+4%
Monthly average contract churn (%)	1.6%	1.4%	

(1) Total margin % represents total margin as a % of total revenue excluding handset revenue.

(2) Capex amount excludes licence costs.

(3) Net ARPU equals total monthly revenue, including incoming mobile termination revenue but excluding contributions for a handset/device in contract bundled plans, divided by the average number of active customers during the year.

(4) Net AMPU equals total monthly revenue, including incoming mobile termination revenue but excluding contributions for a handset/device in contract bundled plans, less direct variable costs (including interconnection charges and roaming costs) (i.e. net customer service margin), divided by the average number of active customers during the year.

(5) An active customer is one that generated revenue from an outgoing call, incoming call or data/content service in the preceding three months.

Results Highlights

- Continued customer growth year-on-year and quarter-on-quarter, from Smarty, Business and Home segments
- Net AMPU increased against the same period last year driven by contractual price increase
- Customer churn increases year-on-year from market competition putting pressure on churn rate in the core business areas of Contract and Prepay Voice
- Increased capex spending in Q3 year-on-year driven by seasonality and timing of spend

Key Financials

£ m	2024 Q3	2023 Q3	% Variance	2024 Q2	% Variance
Total Revenue	704	644	+9%	671	+5%
Total Margin	466	431	+8%	455	+2%
Total Margin (%)	89%	89%	-	90%	-1%pt
Capex	(108)	(75)	-44%	(100)	-8%
Net ARPU (£)	13.56	13.21	+3%	13.49	+1%
Net AMPU (£)	12.30	11.87	+4%	12.20	+1%
Active customer ('000)	10,931	10,735	+2%	10,897	-
Active contract customer ('000)	9,273	8,928	+4%	9,222	+1%
Monthly average contract churn (%)	1.6%	1.4%		1.6%	

Results Highlights

- Wind Tre continues its strategy on retaining customers with higher lifetime value, hence despite year-on-year active base decline, active contract base has remained relatively stable
- Net AMPU increased year-on-year, driven by aforementioned customer lifetime value management and revenue initiatives
- Revenue and margin declined year-on-year mainly due to reduced wholesale revenue, while net customer service gross margin has remained relatively stable with growth in the fixed segment largely offsetting the mobile service margin decline
- Contract customer churn % moderately improved from strong retention initiatives and measured pricing strategies
- Increased capex driven by seasonality with full year investment expected to be stable

Key Financials

€ m	YTD Sep 2024	YTD Sep 2023	% Variance
Total Revenue	2,809	2,878	-2%
Total Margin	2,190	2,224	-2%
Total Margin (%)	83%	81%	+2%-pt
Capex	(445)	(420)	-6%
Net ARPU (€)	10.62	10.69	-1%
Net AMPU (€)	9.92	9.74	+2%
Active customer ('000)	17,837	18,260	-2%
Active contract customer ('000)	9,102	9,165	-1%
Monthly average contract churn (%)	1.3%	1.4%	

Results Highlights

- Both active base and net AMPU stable quarter-on-quarter as Wind Tre maintains customer base through competitive pricing
- Revenue and margin increased quarter-on-quarter from seasonality of wholesale revenue. Net customer service gross margin was stable against Q2 2024
- Contract customer churn % lower quarter-on-quarter partly due to seasonality. Overall churn % has moderately trended downwards over the past 12 months
- Capex decreased against Q2 2024 due to seasonality. Overall capital expenditure has gradually stabilised, as Wind Tre has already achieved 97% FDD and 75% TDD 5G coverage.

Key Financials

€ m	2024 Q3	2023 Q3	% Variance	2024 Q2	% Variance
Total Revenue	956	980	-2%	928	+3%
Total Margin	752	755	-	721	+4%
Total Margin (%)	83%	81%	+2%-pt	82%	+1%-pt
Capex	(147)	(136)	-8%	(166)	+11%
Net ARPU (€)	10.62	10.69	-1%	10.68	-1%
Net AMPU (€)	9.92	9.74	+2%	9.92	-
Active customer ('000)	17,837	18,260	-2%	17,850	-
Active contract customer ('000)	9,102	9,165	-1%	9,120	-
Monthly average contract churn (%)	1.2%	1.2%		1.3%	