

PACIFIC CENTURY REGIONAL DEVELOPMENTS LIMITED

Company Registration No. 196300381N

Second Quarter Financial Statements And Dividend Announcement for the Period Ended 30/06/2017

PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

- 1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year

For the Group's Q2 results for the 3 months ended 30 June 2017, the Group's share of results of PCCW Limited ("PCCW") and the comparative figures for the corresponding 3 months ended 30 June 2016 are not available as Hong Kong Stock Exchange listing rules do not require PCCW to announce quarterly results.

PCCW announced its half-year results for the 6 months ended 30 June 2017 on 10 August 2017. The Group's share of the results of PCCW for half-year 2017 and the comparative figures for half-year 2016 are included in the Group's half-year results for the 6 months ended 30 June 2017.

UNAUDITED CONSOLIDATED INCOME STATEMENT - GROUP

	3 months ended			6 months ended		
	30/06/2017	30/06/2016	% Increase/	30/06/2017	30/06/2016	% Increase/
	S\$'000	S\$'000	(decrease)	S\$'000	S\$'000	(decrease)
Revenue	-	-	n.m.	8,347	6,711	24.4
Other income (Note 1)	80	21	281.0	290	37	683.8
Expenses						
- Depreciation of property, plant and equipment	(12)	(16)	(25.0)	(24)	(33)	(27.3)
- Employee compensation	(478)	(482)	(0.8)	(932)	(885)	5.3
- Foreign exchange (loss) gain, net	(188)	(126)	49.2	(370)	162	n.m.
- Legal and other professional fees	(339)	(246)	37.8	(682)	(640)	6.6
- Rental expense - operating leases	(92)	(92)	0.0	(183)	(183)	0.0
- Travelling expenses	(28)	(19)	47.4	(36)	(29)	24.1
- Subscriptions and donations	(6)	(55)	(89.1)	(27)	(111)	(75.7)
- Others	(136)	(199)	(31.7)	(325)	(328)	(0.9)
- Finance expenses (Note 2)	(848)	(933)	(9.1)	(1,714)	(1,991)	(13.9)
Total expenses	(2,127)	(2,168)	(1.9)	(4,293)	(4,038)	6.3
Share of profit of associated corporations, net of tax (Note 3)	232	95	144.2	53,523	34,622	54.6
(Loss) profit before income tax	(1,815)	(2,052)	(11.5)	57,867	37,332	55.0
Income tax (expense) credit (Note 4)	(14)	9	n.m.	(1,473)	(1,132)	30.1
Total (loss) profit for the period	(1,829)	(2,043)	(10.5)	56,394	36,200	55.8
Attributable to equity holders of the Company	(1,829)	(2,043)	(10.5)	56,394	36,200	55.8

n.m. = not meaningful

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME - GROUP

	3 months ended			6 months ended		
	30/06/2017 S\$'000	30/06/2016 S\$'000	% Increase/ (decrease)	30/06/2017 S\$'000	30/06/2016 S\$'000	% Increase/ (decrease)
Total (loss) profit for the period	(1,829)	(2,043)	(10.5)	56,394	36,200	55.8
Other comprehensive income (loss):						
Items that may be reclassified subsequently to profit or loss:						
Available-for-sale financial assets						
- Fair value gains	7,631	6,118	24.7	17,772	18,195	(2.3)
- Reclassification of fair value gain on disposal of available-for-sale financial assets to income statement	(22)	-	n.m.	(213)	-	n.m.
Currency translation differences arising from consolidation						
- Losses, net	(4,280)	(3,105)	37.8	(44,503)	(33,971)	31.0
Share of comprehensive (loss) income of associated corporations	-	-	n.m.	(6,013)	17,185	n.m.
Other comprehensive income (loss), net of tax	<u>3,329</u>	<u>3,013</u>	<u>10.5</u>	<u>(32,957)</u>	<u>1,409</u>	<u>n.m.</u>
Total comprehensive income for the period	<u>1,500</u>	<u>970</u>	<u>54.6</u>	<u>23,437</u>	<u>37,609</u>	<u>(37.7)</u>
Total comprehensive income attributable to equity holders of the Company	<u>1,500</u>	<u>970</u>	<u>54.6</u>	<u>23,437</u>	<u>37,609</u>	<u>(37.7)</u>

n.m. = not meaningful

DETAILED NOTES - GROUP

	3 months ended		6 months ended	
	30/06/2017 S\$'000	30/06/2016 S\$'000	30/06/2017 S\$'000	30/06/2016 S\$'000
(Note 1)				
Other income :				
Interest income	52	8	65	11
Management fee	3	3	6	6
Rental income	-	10	-	20
Gain on disposal of available-for-sale financial assets	22	-	213	-
Other income	<u>3</u>	<u>-</u>	<u>6</u>	<u>-</u>
	<u>80</u>	<u>21</u>	<u>290</u>	<u>37</u>
(Note 2)				
Finance expenses :				
Interest expense				
- bank borrowings	(213)	(427)	(627)	(967)
- finance lease liability	-	(1)	(1)	(2)
Finance facility fees	<u>(635)</u>	<u>(505)</u>	<u>(1,086)</u>	<u>(1,022)</u>
	<u>(848)</u>	<u>(933)</u>	<u>(1,714)</u>	<u>(1,991)</u>

(Note 3)

Share of profit of associated corporations, net of tax :

The Group's Unaudited Consolidated Income Statement for the 6 months ended 30 June 2017 and 2016 includes the Group's share of results of PCCW for H1 2017 and H1 2016 respectively.

The Group's Unaudited Consolidated Income Statement for the 3 months ended 30 June 2017 and 2016 excludes the Group's share of results of PCCW for the quarters as the information is not available. Hong Kong Stock Exchange listing rules do not require PCCW to announce quarterly results but only half year and full year results.

The Group's share of profit from its 49.87% associated corporation, KSH Distriparks Private Limited ("KSH"), amounted to \$232K in Q2 2017 compared to \$95K in Q2 2016.

(Note 4)

Income tax (expense) credit :

The tax expense for H1 2017 of \$1.5 million and H1 2016 of \$1.1 million comprise mainly deferred tax provided on distributions from HKT Trust and HKT Limited ("HKT").

Profits before tax for H1 2017 and H1 2016 include the Group's share of PCCW H1 2017 and H1 2016 profits, respectively, which are net of taxes.

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

		Group		Company	
	Notes	30/06/2017	31/12/2016	30/06/2017	31/12/2016
		S\$'000	S\$'000	S\$'000	S\$'000
ASSETS					
Current assets					
Cash and cash equivalents	1	56,028	42,367	38,353	31,316
Trade and other receivables		159	27	20	6
Other current assets		731	706	366	473
		<u>56,918</u>	<u>43,100</u>	<u>38,739</u>	<u>31,795</u>
Non-current assets					
Available-for-sale financial assets	2	267,723	274,273	239,364	233,696
Investments in associated corporations	3	1,121,993	860,784	1,044,569	1,098,119
Investments in subsidiary corporations		-	-	102,313	108,661
Property, plant and equipment		107	132	-	-
Other non-current assets		520	596	147	333
		<u>1,390,343</u>	<u>1,135,785</u>	<u>1,386,393</u>	<u>1,440,809</u>
Total assets		<u>1,447,261</u>	<u>1,178,885</u>	<u>1,425,132</u>	<u>1,472,604</u>
LIABILITIES					
Current liabilities					
Trade and other payables		2,317	2,729	42,998	7,916
Current income tax liabilities		-	4	-	-
Borrowings	4	33,759	100,830	-	100,814
		<u>36,076</u>	<u>103,563</u>	<u>42,998</u>	<u>108,730</u>
Non-current liabilities					
Borrowings	4	34	43	-	-
Deferred income tax liabilities	5	9,049	8,061	9,049	8,061
		<u>9,083</u>	<u>8,104</u>	<u>9,049</u>	<u>8,061</u>
Total liabilities		<u>45,159</u>	<u>111,667</u>	<u>52,047</u>	<u>116,791</u>
NET ASSETS		<u>1,402,102</u>	<u>1,067,218</u>	<u>1,373,085</u>	<u>1,355,813</u>
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital		457,283	457,283	457,283	457,283
Other reserves		236,965	270,890	59,553	109,732
Retained profits		707,854	339,045	856,249	788,798
Total equity		<u>1,402,102</u>	<u>1,067,218</u>	<u>1,373,085</u>	<u>1,355,813</u>

The Group

Note 1

Cash and cash equivalents increased by \$13.7 million mainly due to :

	S\$' million
Refund of capital contribution from available-for-sale financial assets	7.5
Proceeds from disposal of available-for-sale financial assets	3.9
Dividends from HKT and PCCW	<u>71.9</u>
	83.3
Less:	
Net repayment of borrowings	(62.8)
Payment of finance expenses	(1.4)
Net cash used in operating activities	(3.4)
Effects of currency translation on cash and cash equivalents	<u>(2.0)</u>
	<u>13.7</u>

For more details, please refer to Section 1(c), statement of cash flows.

Note 2

Available-for-sale financial assets decreased by \$6.6 million mainly due to :

	S\$' million
Refund of capital contribution from available-for-sale financial assets	(7.5)
Disposal of available-for-sale financial assets	(3.9)
Decrease in the fair value, including translation differences, of the Group's available-for-sale financial assets	<u>(0.9)</u>
	(12.3)
Less: Net fair value gain on the Company's holding of SSUs in HKT	<u>5.7</u>
	<u>(6.6)</u>

Note 3

Investments in associated corporations increased by \$261.2 million mainly due to :

	S\$' million
The Group's share of PCCW's H1 2017 profit	53.1
Increase in PCCW's revenue reserve from the gain on disposal of PCCW's equity interests in HKT which was recognised in reserves as equity attributable to the equity holders of PCCW	<u>311.4</u>
	364.5
Less:	
Dividends received from PCCW	(63.6)
Decrease in PCCW's other reserves	(31.6)
Unrealised exchange loss on the Company's Hong Kong Dollar ("HKD") investments in PCCW reflecting the weakening of the HKD against the Singapore Dollar ("SGD")	<u>(8.7)</u>
	<u>260.6</u>

Note 4

Borrowings decreased by \$67.1 million mainly due to repayment of borrowings of \$96.5 million and an unrealised exchange gain of \$4.2 million on HKD borrowings due to the weakening of the HKD against the SGD partially offset by proceeds from borrowings of \$33.7 million.

Note 5

Deferred income tax liabilities relate to deferred tax provided on distributions from HKT.

1(b)(ii) In relation to the aggregate amount of group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:-

The Group

Amount repayable in one year or less, or on demand

As at 30/06/2017 S\$'000		As at 31/12/2016 S\$'000	
Secured	Unsecured	Secured	Unsecured
<u>33,759</u>	<u>-</u>	<u>100,830</u>	<u>-</u>

Amount repayable after one year

As at 30/06/2017 S\$'000		As at 31/12/2016 S\$'000	
Secured	Unsecured	Secured	Unsecured
<u>34</u>	<u>-</u>	<u>43</u>	<u>-</u>

Details of any collateral

	30/06/2017 S\$' million	31/12/2016 S\$' million
Carrying values of shares in PCCW pledged for bank borrowings	<u>79.3</u>	<u>214.4</u>

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

Cash flow statement for the period ended 30 June - Group

		3 months ended		6 months ended	
	Note	30/06/2017 S\$'000	30/06/2016 S\$'000	30/06/2017 S\$'000	30/06/2016 S\$'000
Cash flow from operating activities:					
(Loss) profit after tax		(1,829)	(2,043)	56,394	36,200
Adjustments for :					
- Income tax expense (credit)		14	(9)	1,473	1,132
- Depreciation of property, plant and equipment		12	16	24	33
- Dividend income		-	-	(8,347)	(6,711)
- Interest income		(52)	(8)	(65)	(11)
- Finance expenses		848	933	1,714	1,991
- Unrealised currency translation gains		(70)	(183)	(37)	(369)
- Gain on disposal of available-for-sale financial assets		(22)	-	(213)	-
- Share of profit of associated corporations, net of tax		(232)	(95)	(53,523)	(34,622)
		(1,331)	(1,389)	(2,580)	(2,357)
Change in working capital:					
- Trade and other receivables		(162)	(16)	(194)	555
- Trade and other payables		(223)	(131)	(576)	(79)
Cash used in operations		(1,716)	(1,536)	(3,350)	(1,881)
Interest received		52	8	65	11
Income tax paid		(32)	(8)	(72)	(13)
Net cash used in operating activities		(1,696)	(1,536)	(3,357)	(1,883)
Cash flow from investing activities:					
Purchase of property, plant and equipment		-	-	-	(2)
Refund of capital contribution from available-for-sale financial assets		-	434	7,466	620
Dividends from HKT		8,263	6,711	8,263	6,711
Dividends from PCCW		63,625	-	63,625	-
Proceeds from disposal of available-for-sale financial assets		725	-	3,880	-
Net cash provided by investing activities		72,613	7,145	83,234	7,329
Cash flow from financing activities:					
Payment of finance expenses		(466)	(642)	(1,362)	(1,358)
Proceeds from borrowings		33,688	120,481	33,688	198,050
Repayment of borrowings		(96,523)	(116,772)	(96,527)	(237,981)
Purchases of the Company's shares		-	-	-	(1,130)
Net cash (used in) provided by financing activities		(63,301)	3,067	(64,201)	(42,419)
Net increase (decrease) in cash and cash equivalents	1	7,616	8,676	15,676	(36,973)
Cash and cash equivalents at beginning of period		48,878	23,331	42,367	69,760
Effects of currency translation on cash and cash equivalents		(466)	(198)	(2,015)	(978)
Cash and cash equivalents at end of period		56,028	31,809	56,028	31,809
Summary of cash and cash equivalents:					
Cash at bank and on hand		18,527	9,236	18,527	9,236
Short-term bank deposits		37,501	22,573	37,501	22,573
		56,028	31,809	56,028	31,809

Note 1

The net cash inflows of \$7.6 million and \$15.7 million for Q2 2017 and H1 2017 respectively were mainly due to :

	Q2 2017 S\$' million	H1 2017 S\$' million
Proceeds from borrowings	33.7	33.7
Refund of capital contribution from available-for-sale financial assets	-	7.5
Proceeds from disposal of available-for-sale financial assets	0.7	3.9
Dividends from HKT	8.3	8.3
Dividends from PCCW	63.6	63.6
	106.3	117.0
Less:		
Repayment of borrowings	(96.5)	(96.5)
Payment of finance expenses	(0.5)	(1.4)
Net cash used in operating activities	(1.7)	(3.4)
	7.6	15.7

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Changes in equity for the 3 months ended 30 June

The Group	Share capital S\$'000	Other reserves S\$'000	Retained profits S\$'000	Total equity S\$'000	
Balance at 1 April 2017	457,283	266,228	344,212	1,067,723	
Total comprehensive income (loss) for the period	-	3,329	(1,829)	1,500	
Balance at 30 June 2017	457,283	269,557	342,383	1,069,223	Note 1
Balance at 1 April 2016	457,283	239,503	255,456	952,242	
Total comprehensive income (loss) for the period	-	3,013	(2,043)	970	
Balance at 30 June 2016	457,283	242,516	253,413	953,212	Note 1

Note 1:

The Group's Consolidated Statement of Changes in Equity for the 3 months ended 30 June 2017 and 2016 excludes the Group's share of results of PCCW as the information is not available. Hong Kong Stock Exchange listing rules do not require PCCW to announce quarterly results but only half year and full year results.

Changes in equity for the 6 months ended 30 June

The Group	Share capital S\$'000	Other reserves S\$'000	Retained profits S\$'000	Total equity S\$'000	
Balance at 1 January 2017	457,283	270,890	339,045	1,067,218	
Total comprehensive (loss) income for the period	-	(32,957)	56,394	23,437	
Share of reserves of associated corporations	-	(968)	312,415	311,447	
Balance at 30 June 2017	457,283	236,965	707,854	1,402,102	
Balance at 1 January 2016	457,283	238,609	252,659	948,551	
Total comprehensive income for the period	-	1,409	36,200	37,609	
Purchase and cancellation of shares	-	-	(1,130)	(1,130)	
Share of reserves of associated corporations	-	(621)	1,203	582	
Balance at 30 June 2016	457,283	239,397	288,932	985,612	

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Changes in equity for the 3 months ended 30 June

The Company	Share capital S\$'000	Other reserves S\$'000	Retained profits S\$'000	Total equity S\$'000
Balance at 1 April 2017	457,283	70,900	793,653	1,321,836
Total comprehensive (loss) income for the period	-	(11,347)	62,596	51,249
Balance at 30 June 2017	<u>457,283</u>	<u>59,553</u>	<u>856,249</u>	<u>1,373,085</u>
Balance at 1 April 2016	457,283	58,760	714,331	1,230,374
Total comprehensive (loss) income for the period	-	(399)	48,526	48,127
Balance at 30 June 2016	<u>457,283</u>	<u>58,361</u>	<u>762,857</u>	<u>1,278,501</u>

Changes in equity for the 6 months ended 30 June

The Company	Share capital S\$'000	Other reserves S\$'000	Retained profits S\$'000	Total equity S\$'000
Balance at 1 January 2017	457,283	109,732	788,798	1,355,813
Total comprehensive (loss) income for the period	-	(50,179)	67,451	17,272
Balance at 30 June 2017	<u>457,283</u>	<u>59,553</u>	<u>856,249</u>	<u>1,373,085</u>
Balance at 1 January 2016	457,283	83,375	711,113	1,251,771
Total comprehensive (loss) income for the period	-	(25,014)	52,874	27,860
Purchase and cancellation of shares	-	-	(1,130)	(1,130)
Balance at 30 June 2016	<u>457,283</u>	<u>58,361</u>	<u>762,857</u>	<u>1,278,501</u>

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year**

The Company's issued share capital as at 30 June 2017, 31 March 2017 and 30 June 2016 is summarised as follows: -

	30/06/2017		31/03/2017		30/06/2016	
	No. of shares	\$	No. of shares	\$	No. of shares	\$
Issued and paid up share capital including treasury shares	2,649,740,300	457,282,366	2,649,740,300	457,282,366	2,649,740,300	457,282,366
Issued and paid up share capital excluding treasury shares	2,649,740,300		2,649,740,300		2,649,740,300	

During Q2 2017 and Q2 2016, the Company did not purchase any shares in the Company.

The Company does not have any convertibles or treasury shares as at 30 June 2017 and 30 June 2016.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	Number of shares	
	As at 30/06/2017	As at 31/12/2016
Issued ordinary shares, excluding treasury shares	2,649,740,300	2,649,740,300

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

NIL.

- 2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).**

N.A.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Except for the adoption of new or amended Singapore Financial Reporting Standards as described in Section 5, the Group has applied the same accounting policies and methods of computation in these results as in the audited financial statements for the year ended 31 December 2016.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

On 1 January 2017, the Group adopted certain new or amended Singapore Financial Reporting Standards (FRS) and Interpretations of FRS (INT FRS) that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the accounting policies of the Group and the Company, and had no material effect on the amounts reported for the current or prior financial years.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:-

Group			
		Q2 2017	Q2 2016
Net loss attributable to equity holders of the Company (S\$'000)		(1,829)	(2,043)
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)		2,649,740	2,649,740
(i) Basic loss per share (Cents per share)		(0.069)	(0.077)
(ii) On a fully diluted basis (Cents per share)		(0.069)	(0.077)

The Group's results for Q2 2017 and Q2 2016 exclude the Group's share of results of PCCW as the information is not available. Hong Kong Stock Exchange listing rules do not require PCCW to announce quarterly results but only half year and full year results.

Group			
		H1 2017	H1 2016
Net profit attributable to equity holders of the Company (S\$'000)		56,394	36,200
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)		2,649,740	2,649,879
(i) Basic earnings per share (Cents per share)		2.128	1.366
(ii) On a fully diluted basis (Cents per share)		2.128	1.366

Basic earnings (loss) per share is calculated by dividing the net profit (loss) attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings (loss) per share is the same as basic earnings (loss) per share as there was no dilutive effect on earnings (loss) per share calculations due to the absence of any dilutive financial instruments during the period.

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year.**

	Group		Company	
	30/06/2017	31/12/2016	30/06/2017	31/12/2016
Net asset value (\$'000)	1,402,102	1,067,218	1,373,085	1,355,813
Number of issued shares excluding treasury shares ('000)	2,649,740	2,649,740	2,649,740	2,649,740
Net asset value per ordinary share based on issued share capital at the end of the period	\$0.529	\$0.403	\$0.518	\$0.512

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

The Group's revenue relates to distributions by HKT. The Group's revenue for both Q2 2017 and Q2 2016 was nil. The Group's revenue for H1 2017 was \$8.3 million compared to \$6.7 million in H1 2016.

Total expenses for Q2 2017 amounted to \$2.1 million compared to a \$2.2 million for Q2 2016.

The Group's share of profit of associated companies for H1 2017 was \$53.5 million as compared to \$34.6 million for H1 2016. This includes the Group's share of profit from PCCW for H1 2017 of \$53.1 million compared to \$34.3 million for H1 2016.

Core revenue of PCCW for H1 2017 decreased by 5% to \$3,174.3 million (HK\$17,576 million) due to a slowdown in Mobile handset sales at HKT. Excluding Mobile handset sales, core revenue was steady at \$2,988.8 million (HK\$16,549 million). The Solutions and over-the-top ("OTT") businesses showed continued growth momentum with their revenues increasing by 6% and 24%, respectively, for the six months ended June 30, 2017, compared to a year ago. Both HKT and the Solutions business reported growth in EBITDA during the 6 months though this was largely offset by continued investments in the OTT and Free TV segments of the Media business. Core EBITDA increased only slightly to \$1,038.3 million (HK\$5,749 million). Pacific Century Premium Developments Limited is still to attain scale, while it is developing a number of projects and has yet to contribute materially to the consolidated results. Consolidated revenue for the 6 months decreased by 5% to \$3,193.6 million (HK\$17,683 million) and consolidated EBITDA increased slightly to \$1,017.3 million (HK\$5,633 million). During the period, PCCW disposed of its non-core wireless broadband business in the United Kingdom and recognised a one-time gain on disposal. After accounting for the reduction in PCCW's attributable interest in HKT following the placement of an approximate 11% interest, consolidated profit attributable to equity holders of PCCW increased by 49% to \$233.5 million (HK\$1,293 million).

The Group's results for Q2 2017 do not include the Group's share of results of PCCW. The Q2 results of PCCW are not available as Hong Kong Stock Exchange listing rules do not require PCCW to publish quarterly results, only half year and full year results.

The Group's share of profit of its 49.87% associated company, KSH increased to \$232K for Q2 2017 compared to \$95K for Q2 2016.

Without the Group's share of results for PCCW, the Group recorded a loss attributable to equity holders of \$1.8 million for Q2 2017 as compared to \$2.0 million for Q2 2016.

The Group recorded a profit attributable to equity holders of \$56.4 million for H1 2017 as compared to \$36.2 million for H1 2016.

9. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

N.A.

- 10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The results of the Group are substantially dependent on the results of the Group's major investments, PCCW and HKT.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? None

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None

Name of Dividend

Dividend Type

Dividend Rate

Tax Rate

(c) The date the dividend is payable.

N.A.

(d) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

N.A.

12. If no dividend has been declared (recommended), a statement to that effect.

No dividend has been declared or recommended.

13. If the Group has obtained a general mandate from shareholders for Interested Person Transactions (IPTs), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a general mandate from the shareholders of the Company for interested person transactions. During the financial quarter under review, the following interested person transactions were entered into by the Group:

Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
None, all IPTs below \$100,000	N.A.

14. Negative confirmation pursuant to Rule 705(5). (Not required for announcement on full year results).

The Directors have confirmed that, to the best of their knowledge, nothing has come to their attention which may render the unaudited financial results for the quarter and the six months ended 30 June 2017 to be false or misleading in any material aspect.

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

The Company hereby confirms that it has procured undertakings from all its directors and executive officers under Rule 720(1).

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

16. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

N.A.

17. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

N.A.

18. A breakdown of sales

N.A.

19. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-

Total Annual Dividend:

	Latest Full Year 31/12/2016 S\$'000	Previous Full Year 31/12/2015 S\$'000
Ordinary	-	-
Preference	-	-
Total:	-	-

N.A.

20. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the prescribed format. If there are no such persons, the issuer must make an appropriate negative statement.

N.A.

BY ORDER OF THE BOARD

Lim Beng Jin
Company Secretary
11/08/2017