

SHAREHOLDER LETTER

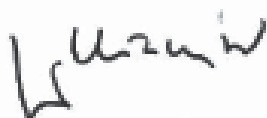
Dear Fellow Shareholders,

Since our IPO in March 2015, the entry of Over-The-Top (OTT) players has created a disruptive opportunity to accelerate our market share ambitions. We have secured partnerships with two major OTT operators: 1) LeEco to break the Pay-TV industry's decade long exclusive access to English Premier League Soccer (EPL) and 2) TVB for access to Hong Kong's most comprehensive local drama content source. Together we are now offering the best value triple play package with OTT content, whereas in the past, we were only strong in broadband and voice. We must act assertively, as we expect the window for disruption to remain open for only a couple of years starting after the current now TV exclusive broadcast rights of EPL ends this summer.

On the enterprise side, post IPO, we completed our acquisition of New World Telecom on 31 March 2016, which has more than doubled our enterprise revenue to over HK\$1 billion for an estimated market share of 5% in the enterprise space. Looking ahead, this combined scale will enable us to deliver continued growth for our enterprise business. Please refer to Page 4 for a memo from our management committee to welcome the new joiners.

In conclusion for the next two years, our priority is to take advantage of these unprecedented changes in the residential and enterprise segments to strengthen our foundation for cash flow growth in 3-5 years' time.

Sincerely yours and on behalf of our fellow >270 Co-Owners,



William Yeung
Chief Executive Officer and Co-Owner



NiQ Lai
Chief Talent & Financial Officer and Co-Owner



22 February 2016

Dear Future HKBNers
(cc Existing HKBNers)

On behalf of all HKBNers, we would like to extend a warm welcome to our future HKBNers to our elite HKBN sports team.


Our goal for the combined HKBN/NWT entity is to drive value via growth rather than cost cutting, to improve net profit rather than lower costs. Our combined networks, service portfolio and most importantly, Talent profile, are far stronger than as separate companies. We see revenue growth as unlimited, whereas cost cutting is limited.

HKBN will be a great place to build your career in the years to come. Let's get ready to KickAss our competitors and to "Make our Hong Kong a better place to live". To get a glimpse of our HKBN culture, please check out our Glossary of HKBN Terms <http://www.hkbn.net/new/en/about-us--company-profile--our-talent-culture--glossary-of-terms.shtml>

我們是一間不斷壯大及成長的公司。
我們的策略是以攻為守。
我們專注於增加生意額，多於控制成本。

We look forward to greeting you in person at the annual dinner on 25 February.

With warmest regards from Management Committee,




William



Billy



Gary



Selina



Eric



NiQ