Major bandwidth boost for Africa as PEACE heads south

HKT (SEHK:6823) – Hong Kong, January 20, 2020 – PCCW Global, the international operating division of HKT, Hong Kong's premier telecommunications service provider, and PEACE Cable International Network Co., Limited, will cooperate on the PEACE South extension of the Pakistan East Africa Connecting Europe (PEACE) submarine cable system. This cooperation positions PEACE as a major cable system to head south from the crucial high-speed Europe-Asia route, in a move that will deliver far-reaching connectivity benefits to the entire southern African region.

The cooperation on extension of PEACE to southern Africa follows the overall success of the cable development project and the smooth implementation of operations, from survey activities and the issuing of the relevant country permits through to manufacturing and factory acceptance. An experienced development team has successfully steered the overall project, including the implementation of an innovative commercial component to bundle traditional and new capacity products and services on the same cable system.

New technologies deployed in the construction phase of the project will enable each country's bandwidth allocation to be modified during the lifetime of the cable. Once the cable is live, individual cable stakeholders will have the ability to independently structure the network according to their own specifications, without affecting others using the same cable system.

The PEACE South extension will have an important impact on connectivity from its current African landing point in Mombasa all the way to South Africa, opening new Southern African Development Community (SADC) and East African markets to cable partners. In addition, PEACE South will provide alternative routes for existing systems, connecting southern Africa to Europe and Asia with newer, faster high-bandwidth technology and assisting the region to improve Internet usage and reduce the cost of connectivity.

When completed, the high-speed PEACE cable system will offer very low latency routes from China to both Europe and Africa, interconnecting three of the world's most populous continents, whilst delivering a superior connectivity experience which will be ideal for a vast array of commercial and consumer applications. While still in development, the PEACE cable system has already proved itself as being the fastest and most agile cable connecting Africa and the Middle East to Europe.

Mr. Frederick Chui, Chief Commercial Officer, PCCW Global, said, "Since the construction of Peace East and Peace Med are both expected to be completed on time, on budget and within the originally specified plan of work, the planned extension through Peace South is a natural expansion for Asian investment in Africa, enhancing cooperation and shared economic benefits in the exchange of goods, technology and ideas."

Mr. Sun Xiaohua, Chief Operating Officer, PEACE Cable International, said, "We see the PEACE project as a strategic pivot for the HENGTONG Group to further expand as a subsea cable investor and we look forward to identifying new investment opportunities in this market. Investment in the PEACE South extension is being provided solely by the PEACE partnership, with commercial implementation assistance from PCCW Global. This illustrates the extent of our commitment to the project as a major strategic opportunity to spearhead the deployment and commercialization of better connectivity between Africa, Europe and Asia."

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PCCW Global and PEACE Cable International announce their collaboration on the PEACE South extension of PEACE submarine cable system.

About PCCW Global

PCCW Global is the international operating division of HKT, Hong Kong's premier telecommunications service provider, which is majority-owned by PCCW Limited. Covering more than 3,000 cities and 160 countries, the PCCW Global network supports a portfolio of integrated global communications services including connectivity, applications, and tailored solutions facilitated by its on-demand digital software defined interconnection system.

PCCW Global is headquartered in Hong Kong, and maintains regional centers in Belgium, China, France, Greece, Japan, Korea, Singapore, South Africa, the United Arab Emirates, the United Kingdom and the United States of America. To learn more about PCCW Global, please visit www.pccwglobal.com.

About HKT

HKT (SEHK: 6823) is Hong Kong's premier telecommunications service provider and leading operator in fixed-line, broadband and mobile communication services. It meets the needs of the Hong Kong public and local and international businesses with a wide range of services including local telephony, local data and broadband, international telecommunications, mobile, enterprise solutions, and other telecommunications businesses such as customer premises equipment sales, outsourcing, consulting, and contact centers.

HKT offers a unique quadruple-play experience in Hong Kong delivering media content on its fixed-line, broadband Internet access and mobile platforms jointly with its parent company, PCCW Limited.

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HKT also provides a range of innovative and smart living services beyond connectivity to make the daily lives of customers smarter, whether they are at home, in the workplace, or on the go. Consumers and merchants alike may also enjoy HKT's financial-related services such as mobile payment, smart mobile point-of-sale solutions, and insurance.

For enterprises, HKT delivers end-to-end integrated solutions employing emerging technologies such as cloud computing, Internet of Things (IoT) and Artificial Intelligence (AI) to accelerate their digital transformation, contributing to Hong Kong's development into a smart city.

The Club is HKT's loyalty program and one of the largest of its kind in Hong Kong, not only offering a variety of privileges and benefits to enrich the lifestyle of members, but also increasingly amalgamating merchants and becoming an integral part of a new digital ecosystem connecting consumers and merchants.

For more information, please visit www.hkt.com.

About PEACE

PEACE Cable International Network Co., Limited was founded in 2018 and registered in Hong Kong. It is a wholly-owned subsidiary of HENGTONG, a Global Information and Energy Network Service Provider. PEACE Cable International aims to be a leading international submarine cable operator.

The PEACE (Pakistan & East Africa Connecting Europe) submarine cable system provides open, flexible and carrier-neutral services for its customers. PEACE is targeted for completion in 2021.

HENGTONG is listed on Shanghai Stock Exchange in August 2003, HENGTONG Optic-Electric Co., LTD. (SH.600487), with a market share of 15% of the global market, ranking No.2 in China, serves over 30 countries. HENGTONG will continue adhering to the vision of "becoming a world-renowned brand and international outstanding enterprise" and making further contributions to the development of global optical communication and power transmission.

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