

*For Immediate release*

## **Acquisition by CVC Capital Partners Completed**

### **Hong Kong Broadband Network Sets Sight for Enhanced Growth**

(Hong Kong, 30 May 2012) – CVC Capital Partners (“CVC”), a world’s leading private equity management and investment advisory firm, completed today the acquisition of Hong Kong Broadband Network Limited (“HKBN”) and IDD businesses from City Telecom (HK) Limited, following an announcement on 11 April 2012.

The transaction is valued at approximately HK\$5.1 billion. The acquisition combines CVC’s financial strengths and extensive network with HKBN’s established capabilities, and is expected to contribute towards an enhanced competitive position of HKBN in both business and residential telecom markets in Hong Kong. CVC was advised by JPMorgan, Standard Chartered, Roland Berger, PwC and Clifford Chance.

HKBN owns and operates one of the largest fiber optic networks in Hong Kong, which passes approximately 1.99 million homes and 1,700 commercial buildings. It offers a wide range of integrated telecom services with over 1.3 million subscriptions for broadband, local telephony, IDD and IP-TV services.

Roy Kuan, Managing Partner – Asia at CVC said, “We are most impressed by the quality and successful track record of HKBN, as well as the entrepreneurial spirit of its Talents. We fully support the commitment of the current key management team to operate the business and capture opportunities for growth.”

Lorne Somerville, Partner at CVC’s Telecoms, Media and Technology team added, “We are proud that HKBN will join our family and we look forward to learning from it as well as contributing to the company.”

William Yeung, Chief Executive Officer of HKBN said, “The vast network and experience of CVC are a strong complement to our fast-growing business, accelerating our strategic goal of expanding market share and increasing efficiencies, and bringing ultimate benefits to customers, our Talents and investors.”

Under the leadership of CEO William Yeung, the management team and the Talents of HKBN will continue to operate the business. The key executives include NiQ Lai (Head of Talent Engagement and Chief Financial Officer), Selina Chong (Chief Marketing Officer), John Chong (Chief Operating Officer – Corporate Division) and Lo Sui Lun (Chief Technology Officer).

To allow HKBN Talents to take ownership of the company's strategy, preliminary discussions were conducted with HKBN's top 85 managers, inviting them to co-invest with CVC, turning themselves into HKBN's owner-managers. "The preliminary discussions with our managers have met with overwhelming response," continued William Yeung. "The management equity is well over-subscribed because we are all confident of HKBN's future prospects. We, as a team, are set to be stronger and better."

#### **About Hong Kong Broadband Network Limited**

Hong Kong Broadband Network Limited ("HKBN") is the fastest growing broadband service provider in Hong Kong, offering a diversified portfolio of innovative products such as broadband, local telephony, IDD and IP-TV services to over 1.3 million subscribers. As the owner and operator of one of the biggest fiber optic networks in Hong Kong, HKBN offers premier telecommunications services to both business and residential markets. The company takes great pride in developing its 3,000-strong Talent force into a competitive advantage, and has established a solid market position for sustaining growth and success. HKBN is majority-owned by CVC Capital Partners. More information of HKBN can be found at [www.hkbn.net](http://www.hkbn.net).

#### **About CVC Capital Partners**

CVC Capital Partners ('CVC') is one of the world's leading private equity and investment advisory firms. Founded in 1981, CVC has a network of 20 offices and some 260 employees throughout Europe, US and Asia. CVC Funds seek to identify attractive investments and develop sustainable, long-term value in close partnership with management teams. To date, CVC has raised over US\$44 billion in funds, and has completed over 290 investments in a wide range of industries and countries across the globe. CVC Funds currently own 61 companies worldwide, employing around 400,000 people. Together these companies have combined annual sales of over US\$136 billion. More information on CVC can be found by visiting [www.cvc.com](http://www.cvc.com).

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