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長江和記實業有限公司
CK HUTCHISON HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1)

**OVERSEAS REGULATORY ANNOUNCEMENT
AND INSIDE INFORMATION ANNOUNCEMENT
ON THE QUARTERLY TRADING UPDATE FOR
CK HUTCHISON GROUP TELECOM HOLDINGS LIMITED**

This announcement is made by CK Hutchison Holdings Limited (the “Company”) pursuant to Rules 13.09(2)(a) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company would like to draw the attention of its shareholders and potential investors to the appended presentation of 2021 Q3 trading update, which contains certain unaudited financial information in relation to the performance of CK Hutchison Group Telecom Holdings Limited (“CKHGT”, an indirect wholly-owned subsidiary of the Company) and its subsidiaries for the quarter ended 30 September 2021. Such presentation has been published by CK Hutchison Group Telecom Finance S.A. (a wholly-owned subsidiary of CKHGT) on the website of the Luxembourg Stock Exchange and has also been made available at the website of CKHGT respectively on 4 November 2021.

Shareholders and potential investors of the Company are advised that the financial information of CKHGT and its subsidiaries referenced above is unaudited as of the date of this announcement and is included for reference only, they should not place undue reliance on such financial information and should exercise caution when dealing in the securities of the Company.

By Order of the Board

Edith Shih

Executive Director and Company Secretary

Hong Kong, 4 November 2021

As at the date of this announcement, the Directors of the Company are:

Executive Directors:

Mr LI Tzar Kuoi, Victor (*Chairman and
Group Co-Managing Director*)
Mr FOK Kin Ning, Canning
(*Group Co-Managing Director*)
Mr Frank John SIXT (*Group Finance Director
and Deputy Managing Director*)
Mr IP Tak Chuen, Edmond
(*Deputy Managing Director*)
Mr KAM Hing Lam
(*Deputy Managing Director*)
Mr LAI Kai Ming, Dominic
(*Deputy Managing Director*)
Ms Edith SHIH

Non-executive Directors:

Mr CHOW Kun Chee, Roland
Mrs CHOW WOO Mo Fong, Susan
Mr LEE Yeh Kwong, Charles
Mr George Colin MAGNUS

Independent Non-executive Directors:

Mr CHENG Hoi Chuen, Vincent
The Hon Sir Michael David KADOORIE
Ms LEE Wai Mun, Rose
Mr William Elkin MOCATTA
(*Alternate to The Hon Sir Michael
David Kadoorie*)
Mr Paul Joseph TIGHE
Mr WONG Kwai Lam
Dr WONG Yick-ming, Rosanna



Trading update

for the quarter ended 30 September 2021



The information, statements and opinions contained in this Presentation and subsequent discussion do not constitute an offer to sell or solicitation of any offer to subscribe for or purchase any securities or other financial instruments or any advice or recommendation in respect of such securities or other financial instruments.

Potential investors and shareholders of the Company (the "Potential Investors and Shareholders") are reminded that information contained in this Presentation and subsequent discussion comprises extracts of operational data and financial information of the Group for the nine-month period ended 30 September 2021. The information included in this Presentation and subsequent discussion, which does not purport to be comprehensive nor render any form of financial or other advice, has been provided by the Group for general information purposes only and certain information has not been independently verified. No representations or warranties, expressed or implied, are made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information, statements or opinions presented or contained in this Presentation and any subsequent discussions or any data which such information generates.

The performance data and the results of operations of the Group contained in this Presentation and subsequent discussion are historical in nature, and past performance is no guarantee of the future results of the Group. Any forward-looking statements and opinions contained in this Presentation and subsequent discussion are based on current plans, beliefs, expectations, estimates and projections at the date the statements are made, and therefore involve risks and uncertainties. There can be no assurance that any of the matters set out in such forward-looking statements are attainable, will actually occur or will be realised or are complete or accurate. Actual results may differ materially from those stated, implied and/or reflected in such forward-looking statements and opinions. The Group, the Directors, officers, employees and agents of the Group assume (a) no obligation to correct, update or supplement the forward-looking statements or opinions contained in this Presentation and subsequent discussion; and (b) no liability in the event that any of the forward-looking statements or opinions do not materialise or turn out to be incorrect.

Potential Investors and Shareholders should exercise caution when investing in or dealing in the securities of the Company.

Active Customer ⁽²⁾
41.5mn
 Y-o-Y 1%

Revenue
€7.4bn
 Y-o-Y 2%

Total Margin
€5.2bn
 Y-o-Y 4%

Contract Churn ⁽³⁾
1.1%
 Y-o-Y 0.1%-pt

Capex ⁽⁴⁾
€1.7bn
 Y-o-Y 34%

Net Debt ⁽⁵⁾
€1.6bn
 Y-o-Y 77%

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

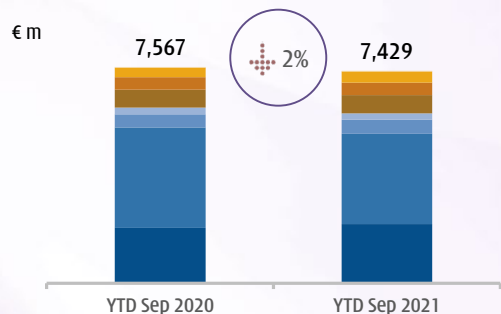
(2) An active customer is a mobile customer that generated revenue from an outgoing call, incoming call or data/content service in the preceding three months.

(3) Represents monthly average churn of contract customers.

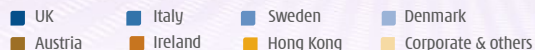
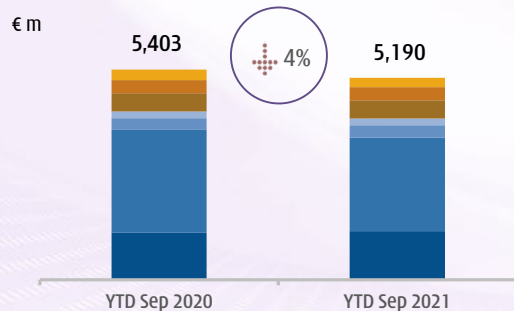
(4) Capex amount excludes licence costs.

(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.

Revenue

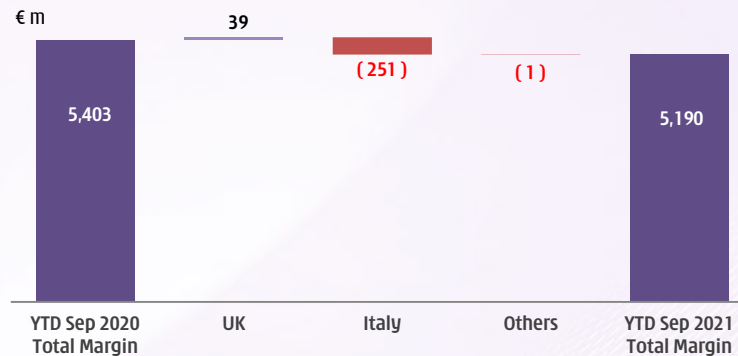


Total Margin

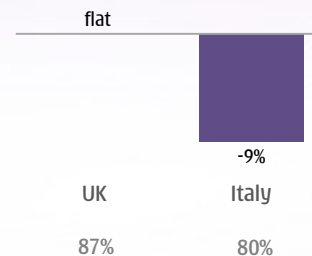


Total Margin

€5,190m
-4%



Total Margin
Change %
(in local currencies)

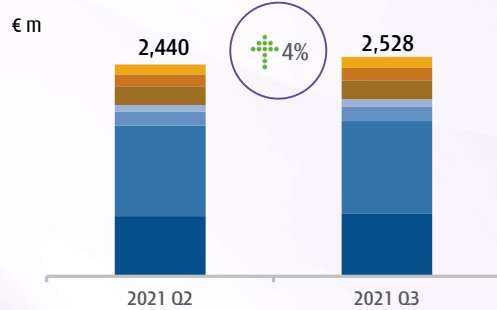


Total Margin %

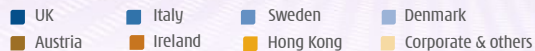
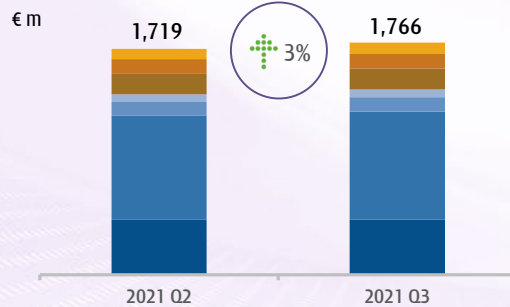
UK	Italy
87%	80%

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

Revenue

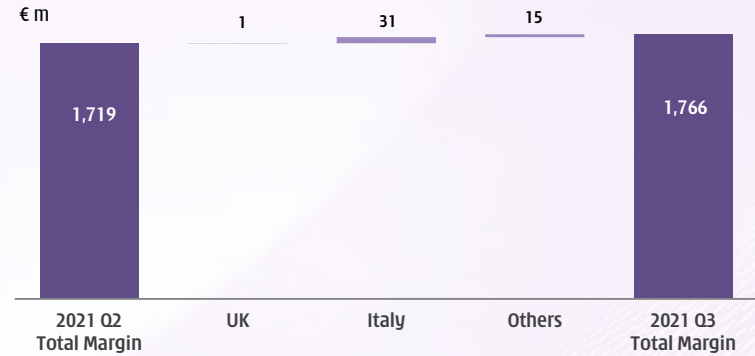


Total Margin

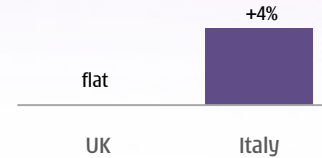


Total Margin

€1,766m
+3%



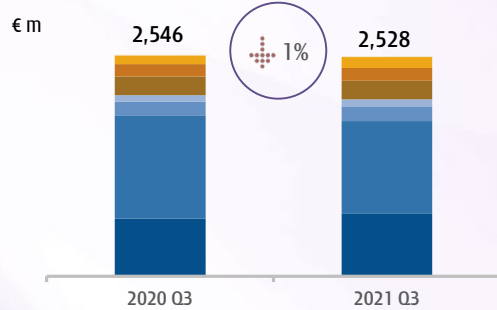
Total Margin
Change %
(in local currencies)



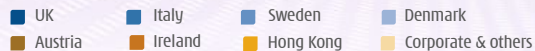
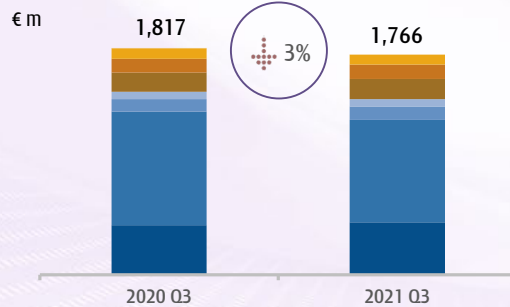
Total Margin %

Category	Total Margin %
UK	84%
Italy	80%

Revenue

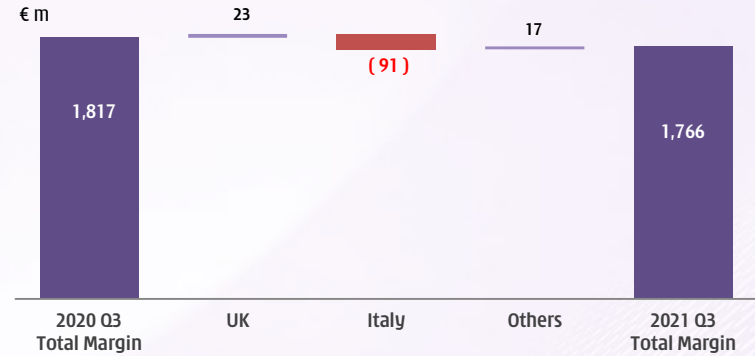


Total Margin

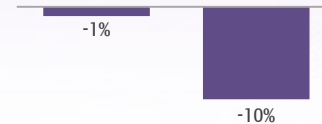


Total Margin

€1,766m
-3%



Total Margin
Change %
(in local currencies)



Total Margin %



Key Financials

£ m	YTD Sep 2021	YTD Sep 2020	% Variance
Total Revenue	1,790	1,719	+4%
Total Margin	1,077	1,074	-
Total Margin (%) ⁽¹⁾	87%	85%	+2%-pts
Capex ⁽²⁾	(498)	(395)	+26%
Licence	(280)	-	
Net ARPU (£) ⁽³⁾	12.89	12.66	+2%
Net AMPU (£) ⁽⁴⁾	11.40	11.07	+3%
Active customer ('000) ⁽⁵⁾	9,621	9,909	-3%
Active contract customer ('000)	7,951	7,386	+8%
Monthly average contract churn (%)	1.2%	1.4%	

Results Highlights

- Market landscape remained challenging for most of 2021 with consumer sentiments impacted by the pandemic
- Encouragingly, total margin has been relatively stable year-on-year
- Total margin % remains strong through retention of higher value customers
- The proportion of active contract customers continues to increase (2021: 83%; 2020: 75%), providing stable margin contributions
- Churn % trend has been stable with reduced churn in 2021 due to long periods of lockdown
- Capex increase as 3UK progresses to complete IT transformation and planned acceleration of 5G rollout

(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.

Key Financials

£ m	2021 Q3	2020 Q3	% Variance	2021 Q2	% Variance
Total Revenue	614	603	+2%	595	+3%
Total Margin	358	361	-1%	360	-
Total Margin (%)	84%	85%	-1%-pts	86%	-2%-pts
Capex	(191)	(203)	⬆️6%	(155)	⬆️23%
Licence	-	-		(280)	
Net ARPU (£)	12.89	12.66	+2%	12.82	+1%
Net AMPU (£)	11.40	11.07	+3%	11.32	+1%
Active customer ('000)	9,621	9,909	-3%	9,449	+2%
Active contract customer ('000)	7,951	7,386	+8%	7,730	+3%
Monthly average contract churn (%)	1.2%	1.6%		1.2%	

Results Highlights

- Competitive market remains despite increased social mobility as restrictions begin to lift
- Encouragingly, total margin has been relatively stable year-on-year as well as quarter on quarter
- Total margin % varied slightly across the periods, mainly due to different revenue mix, but remained at a healthy level throughout each quarter
- Lower active customer base year on year mainly due to non-contract churn from MVNO competition, encouragingly, active customer base has increased compared with 2021 Q2. Furthermore, the proportion of active contract customers continues to increase (Q3 2021: 83%; Q3 2020: 75%; Q2 2021: 82%), providing stable margin contributions
- Contract churn % has been stable in 2021, partly due to lockdowns as well as strong retention initiatives
- Effort on network investments throughout 2020 and 2021 has been rewarded with recognition as UK's fastest 5G network, enhancing customer experience and satisfaction

Key Financials

€ m	YTD Sep 2021	YTD Sep 2020	% Variance
Total Revenue	3,155	3,513	-10%
Total Margin	2,402	2,653	-9%
Total Margin (%)	80%	80%	-
Capex	(770)	(542)	+42%
Net ARPU (€)	10.89	11.01	-1%
Net AMPU (€)	9.42	9.33	+1%
Active customer ('000)	19,201	19,897	-3%
Active contract customer ('000)	9,442	9,775	-3%
Monthly average contract churn (%)	1.3%	1.3%	

Results Highlights

- Aggressive competition from Iliad and other MVNOs remained high, with a slight reprieve during the lockdown periods
- Revenue and margin declined as a result, but Margin % remained relatively stable at approximately 80%
- Positive AMPU trend as a result of customer value management initiatives
- Strategically maintaining a high proportion of active contract customers at approximately 50%, in a predominantly prepaid market
- Churn rates gradually stabilised since mid 2019, with churn of 1.3% for both 2021 and 2020
- Best network with fastest upload and download speed based on independent surveys, enhancing customer experience and satisfaction

Key Financials

€ m	2021 Q3	2020 Q3	% Variance	2021 Q2	% Variance
Total Revenue	1,070	1,189	-10%	1,043	+3%
Total Margin	822	913	-10%	791	+4%
Total Margin (%)	80%	81%	-1%-pt	80%	-
Capex	(152)	(194)	↓22%	(190)	↓20%
Net ARPU (€)	10.89	11.01	-1%	10.91	-
Net AMPU (€)	9.42	9.33	+1%	9.41	-
Active customer ('000)	19,201	19,897	-3%	19,230	-
Active contract customer ('000)	9,442	9,775	-3%	9,479	-
Monthly average contract churn (%)	1.3%	1.5%		1.4%	

Results Highlights

- Intense competition has seen active customer base decline, in particular for non-contract customers. The trend has relatively stabilised since Wind Tre launched second brand "Very" Mobile to compete in the prepaid segment
- Revenue declined year on year as a result but Margin % remained strong at approximately 80%. Encouragingly, both revenue and margin improved quarter on quarter
- Positive AMPU trend year on year as a result of customer value management initiatives
- Churn % improvement year on year as well as quarter on quarter, partly driven by enhanced customer experience through network quality.
- Strategically maintaining a high proportion of active contract customers at approximately 50%, in a predominantly prepaid market