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## **DISCLOSEABLE TRANSACTION**

### **FRAMEWORK AGREEMENT RELATING TO HUTCHISON'S 49% SHAREHOLDING IN VODAFONETHREE**

#### **THE TRANSACTION**

As at the date of this announcement, the issued share capital of VodafoneThree is owned as to 51% by Vodafone and 49% by Hutchison.

On 5 May 2026, the Parties entered into the Framework Agreement pursuant to which, following the satisfaction or waiver of the Conditions and prior to Completion, Vodafone shall contribute to VodafoneThree the Pre-Completion Funding. On the date set for Completion, the Hutchison Shares shall be cancelled at a Consideration Amount of GBP4,300,000,000 (equivalent to HK\$45,494,000,000), and the Consideration Amount shall be paid by VodafoneThree to Hutchison in cash upon the Cancellation becoming effective.

#### **REASONS AND BENEFITS**

The Board believes that the Cancellation will allow the Group to monetise its investment at an attractive valuation. The substantial cash proceeds generated from the Cancellation will:

- (i) strengthen the Group's financial position – by increasing cash reserves and reducing consolidated net financial indebtedness, thereby enhancing overall liquidity and financial stability, consistent with maintaining the Group's existing credit ratings;
- (ii) provide flexible resources for strategic growth – by funding business expansions and infrastructure upgrades, and pursuing potential future investments or acquisitions, while also strengthening the Group's balance sheet; and
- (iii) enhance working capital management – by maintaining appropriate working capital reserves to support day-to-day operations and to cushion against potential market or operational risks.

#### **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios in respect of the Cancellation exceed 5% but all of the applicable percentage ratios are less than 25%, the Cancellation constitutes a discloseable transaction of the Company and is subject to the announcement and notification requirements but is not subject to the circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

## **GENERAL**

**As completion of the Cancellation is subject to the fulfilment of certain terms and conditions under the Framework Agreement, there remains the possibility that the Cancellation may not proceed. Shareholders and potential investors should exercise caution when dealing in the securities of the Company.**

### **1. INTRODUCTION**

The Board announces that, on 5 May 2026 (after the end of the morning trading session in Hong Kong), Vodafone, Vodafone TopCo, Hutchison, CKHGTH and VodafoneThree entered into the Framework Agreement in relation to the capital reduction and cancellation of shares in VodafoneThree by way of the Cancellation.

### **2. FRAMEWORK AGREEMENT**

The principal terms of the Framework Agreement are set out below:

#### **Date**

5 May 2026

#### **Parties**

- (a) Vodafone
- (b) Hutchison
- (c) Vodafone TopCo, as guarantor for Vodafone and VodafoneThree
- (d) CKHGTH, as guarantor for Hutchison
- (e) VodafoneThree

#### **The Transaction**

As at the date of this announcement, the issued share capital of VodafoneThree is owned as to 51% by Vodafone and 49% by Hutchison.

On 5 May 2026, the Parties entered into the Framework Agreement pursuant to which, following the satisfaction or waiver of the Conditions and prior to Completion, Vodafone shall subscribe for, and VodafoneThree shall issue to Vodafone, one A ordinary share in VodafoneThree at a subscription price in cash equal to (i) the Consideration Amount; plus (ii) such other amount as is in aggregate with the Consideration Amount necessary to ensure that (a) each Vodafone-appointed director of VodafoneThree has reasonable grounds for believing the statements contained in the solvency statement to be given in connection with the Cancellation and (b) VodafoneThree is lawfully able to pay Hutchison the Consideration Amount at Completion (the “**Pre-Completion Funding**”), and the Hutchison Shares shall be cancelled as detailed below at Completion.

## **Guarantees**

CKHGTH has agreed to guarantee the performance and observance of the obligations and liabilities of Hutchison under the Framework Agreement. Vodafone TopCo has agreed to guarantee the performance and observance of (i) the obligations and liabilities of Vodafone under the Framework Agreement; and (ii) following the Cancellation becoming effective, certain obligations and liabilities of VodafoneThree under the Framework Agreement (including payment of the Consideration Amount to Hutchison). VodafoneThree has agreed to guarantee the performance and observance of the obligations and liabilities of relevant members of the Vodafone group (including VodafoneThree and members of the VodafoneThree group) under certain contracts listed in the Framework Agreement.

## **Consideration**

The consideration for the Cancellation shall be GBP4,300,000,000 (equivalent to HK\$45,494,000,000) (the “**Consideration Amount**”).

The Consideration Amount was determined based on arm’s length negotiations between the Parties, with the Company having taken into account factors including: (i) the performance of the business conducted by VodafoneThree; (ii) the information set out under the section headed “5. *Reasons and Benefits*” of this announcement; and (iii) the terms of the Shareholders’ Agreement and the potential amount receivable on the earliest exercisable date among the Options.

The Consideration Amount shall be paid by VodafoneThree to Hutchison in cash upon the Cancellation taking effect.

## **Conditions**

Completion under the Framework Agreement is in all respects conditional upon satisfaction or, where applicable, waiver of the following Conditions:

- (i) to the extent the Transaction triggers a mandatory filing under the National Security and Investment Act 2021, such filing having been accepted and in respect of such filing either (a) the Secretary of State confirming that no further action will be taken in relation to the Transaction; or (b) if the Secretary of State issues a call-in notice in relation to the Transaction, (1) the Secretary of State giving a final notification that no further action will be taken in relation to the Transaction; or (2) the Secretary of State making a final order which does not prohibit the Transaction, or which allows the Transaction to proceed on terms satisfactory to Vodafone TopCo;
- (ii) the Secretary of State varying or revoking the final order made by the Secretary of State in relation to the formation of VodafoneThree such that the final order shall not apply to the Company, Hutchison and CKHGTH from Completion, on terms satisfactory to Vodafone and Hutchison; and
- (iii) the earlier to occur of (a) each member of Hutchison’s group that is a controller in respect of the FCA authorised entities in the VodafoneThree group having given notice to the FCA of its intention to dispose of its control in respect of such entities in accordance with FSMA; and (b) two months having expired since the date of the Framework Agreement.

Each of the Conditions shall only be waivable with the consent of both Vodafone and Hutchison.

If any of the Conditions is not satisfied or waived on or before 5:00 p.m. (London time) on the Long Stop Date, either Hutchison (if it was Vodafone’s obligation to satisfy the relevant Condition), or Vodafone (if it was Hutchison’s obligation to satisfy the relevant Condition), may extend the Long Stop Date by ten Business Days.

If any of the Conditions is not satisfied or waived on or before 5:00 p.m. (London time) on the Long Stop Date and the Long Stop Date is not extended or the Conditions remain not satisfied or waived by 5:00 p.m. (London time) on the extended Long Stop Date, Vodafone or Hutchison may terminate the Framework Agreement by written notice to the other.

### **Transfer of VodafoneThree shares**

Prior to the termination of the Framework Agreement, Hutchison shall not be permitted to transfer any of the shares they hold in VodafoneThree to any other person. Prior to Completion, Vodafone shall not be permitted to transfer any of the shares they hold in VodafoneThree to any other person.

### **Completion**

Completion shall take place on the tenth London Business Day following the date on which the satisfaction or waiver of the Conditions takes place, provided that if such date is not a Business Day, Completion shall occur on the next Business Day following such date, or such other date as may be agreed between Vodafone and Hutchison.

Hutchison shall procure the resignation of Hutchison-appointed directors from the VodafoneThree board of directors prior to Completion. At or prior to Completion, VodafoneThree, Vodafone and Hutchison shall comply with their respective closing obligations under the Framework Agreement, including taking all steps necessary to effect the Cancellation on the date of Completion and delivery to each other of various closing deliverables. In consideration for the Cancellation, VodafoneThree shall, upon the Cancellation taking effect, pay to Hutchison the Consideration Amount in cash.

Upon Completion, the Options under the Shareholders' Agreement shall terminate in accordance with the terms of the Shareholders' Agreement and Framework Agreement. Certain residual obligations of the Group under the Shareholders' Agreement and the Contribution Agreement, such as representations, warranties, and indemnities, will remain in effect; the Board considers that these continuing obligations will not have a material impact on the expected benefits of the Transaction.

## **3. INFORMATION ON VODAFONETHREE**

The principal business of VodafoneThree is mobile network operations, and it is currently the largest mobile network operator in the United Kingdom with over 28 million customers.

VodafoneThree was incorporated on 30 May 2023 and remained dormant with no trading activities during the period from its date of incorporation to 31 March 2024. On 2 September 2024, VodafoneThree acquired the UK telecommunications business of Vodafone TopCo. Subsequently, on 31 May 2025, the merger between Vodafone's and Hutchison's UK telecommunication operations was completed. Following the merger, the share capital of VodafoneThree is now held as to 51% by Vodafone and 49% by Hutchison.

Prior to the Cancellation, the Group accounted for its 49% interest in VodafoneThree as an associated company using the equity method of accounting, presented under "Associated companies" in the Group's consolidated statement of financial position.

VodafoneThree maintains a financial year-end of 31 March. It was exempted from preparing consolidated accounts for the period from its date of incorporation to 31 March 2025. Its first audited (non-consolidated) accounts for the year ended 31 March 2025 (with comparative figures for the period ended 31 March 2024) were issued on 18 December 2025. These accounts were prepared in accordance with UK adopted international accounting standards.

According to these audited accounts, the net asset value of VodafoneThree as at 31 March 2025 amounted to GBP1,469 million (equivalent to approximately HK\$15,542 million), and VodafoneThree’s loss before and after taxation for the two financial years/periods ended 31 March 2025 are set out below:

| <b>Items</b>                | <b>Year ended 31 March 2025</b>                                      | <b>Period from the date of<br/>incorporation of 30 May 2023<br/>to 31 March 2024</b> |
|-----------------------------|--|--|
| <b>Loss before taxation</b> | GBP131 million<br>(equivalent to approximately<br>HK\$1,388 million) | -  |
| <b>Loss after taxation</b>  | GBP98 million<br>(equivalent to approximately<br>HK\$1,041 million)  | -  |

The amounts set out above in respect of VodafoneThree’s net asset value and its loss before and after taxation have been extracted from VodafoneThree’s latest audited accounts, which are prepared on a non-consolidated basis.

For additional context and information, the amounts included in the consolidation of the Group’s audited consolidated accounts as at and for the year ended 31 December 2025 in respect of the Group’s net investment in VodafoneThree as at 31 December 2025 was HK\$40,148 million, and the Group’s share of the pre-tax results of VodafoneThree for the seven months following completion of the merger to 31 December 2025 was a loss of HK\$611 million and the Group’s share of the after-tax results of VodafoneThree for the same seven-month period was a loss of HK\$519 million.

#### **4. FINANCIAL EFFECTS OF THE CANCELLATION AND USE OF PROCEEDS**

Prior to the Cancellation, the Group accounted for its 49% interest in VodafoneThree as an associated company using the equity method of accounting, presented under “Associated companies” in the Group’s consolidated statement of financial position.

The Group will account for the Cancellation as a derecognition (effectively a disposal) of its entire interest in VodafoneThree. This is considered a deemed disposal because the Group’s ownership interest will drop to zero, achieving the same economic result as a full divestment. Consequently, the Group will cease to have significant influence over VodafoneThree, as it will no longer possess the power to participate in financial or operating policy decisions of VodafoneThree.

In accordance with applicable accounting standards, the equity method must be discontinued upon the loss of significant influence. At Completion, the Group will derecognise its investment in VodafoneThree and recognise a gain or loss on disposal in the consolidated income statement, calculated as the difference between the Consideration received and the carrying value of the investment at the date of Completion; and reclassify cumulative amounts previously recognised in Other Comprehensive Income (“OCI”), primarily foreign exchange reserves, to the consolidated income statement.

Based on currently available information, the Group expects to recognise a gain of approximately HK\$4.7 billion. This estimate is derived from the Consideration Amount under the terms of the Cancellation, adjusted for relevant consolidation and reclassification adjustments. The final amount remains subject to the carrying value of the investment, transaction-related expenses, and prevailing exchange rates at Completion.

Under applicable accounting standards, the Group must reclassify amounts comprising primarily cumulative foreign exchange gains or losses from OCI to the consolidated income statement as a reclassification adjustment. For illustrative purposes, based on an accumulated net foreign exchange loss of approximately HK\$0.1 billion as of 31 December 2025, the Group would recognise a loss of the same amount in the consolidated income statement at Completion. It should be noted that this reclassification loss is already factored into the estimated net gain of HK\$4.7 billion mentioned above.

As the actual amounts of the items described above may differ from those used in the current calculation at Completion, the final gain recognised may vary from the amount presented herein.

At Completion, the Group will receive the Cancellation proceeds in cash. The net proceeds are intended to be used for general corporate purposes, including but not limited to: (i) reducing consolidated net financial indebtedness, consistent with the Group's existing credit ratings; (ii) funding business expansion, infrastructure upgrades, and potential future investments or acquisitions, while also strengthening the Group's balance sheet; and (iii) enhancing appropriate working capital reserves to support day-to-day operations and mitigate potential risks.

## **5. REASONS AND BENEFITS**

The Board believes that the Cancellation will allow the Group to monetise its investment at an attractive valuation. The substantial cash proceeds generated from the Cancellation will:

- (i) strengthen the Group's financial position – by increasing cash reserves and reducing consolidated net financial indebtedness, thereby enhancing overall liquidity and financial stability, consistent with maintaining the Group's existing credit ratings;
- (ii) provide flexible resources for strategic growth – by funding business expansions and infrastructure upgrades, and pursuing potential future investments or acquisitions, while also strengthening the Group's balance sheet; and
- (iii) enhance working capital management – by maintaining appropriate working capital reserves to support day-to-day operations and to cushion against potential market or operational risks.

For the above reasons, the Directors consider that the terms of the Cancellation are normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole.

None of the Directors has any material interest in the transaction herein announced except by virtue of being a director of and/or through a shareholding in the Company (or any of its subsidiaries) or VodafoneThree (or any of its subsidiaries or holding companies), and no Directors were required to abstain from voting on the Board resolutions passed in connection with the Cancellation.

## **6. INFORMATION ON THE GROUP AND OTHER PARTIES**

### **6.1. The Group**

The Group is principally engaged in four core businesses: ports and related services, retail, infrastructure and telecommunications. The diverse businesses of the Company and its subsidiaries and associated companies operate in over 50 countries/markets across the world.

### **6.2. Hutchison**

Hutchison is an indirect wholly-owned subsidiary of CKHGTH. Hutchison is an investment holding company.

### 6.3. CKHGTH

CKHGTH is an indirect wholly-owned subsidiary of the Company. CKHGTH together with its subsidiaries is a worldwide operator of mobile telecommunications networks, with operations in six European countries and Hong Kong. Its telecom operations in Europe comprise telecommunications businesses in the UK, Italy, Sweden, Denmark, Austria and Ireland, offering telecommunication services. Its telecommunications operations in Hong Kong comprise an approximately 66.09% interest in Hutchison Telecommunications Hong Kong Holdings Limited, which is listed on the Stock Exchange.

### 6.4. Vodafone

Vodafone is an indirect wholly-owned subsidiary of Vodafone TopCo and its principal function is as a holding company in the Vodafone group.

### 6.5. Vodafone TopCo

Vodafone TopCo is a leading European and African telecoms company which serves over 360 million mobile and broadband customers, operating networks in 15 countries with investments in a further five and partners with mobile networks in over 40 more. Vodafone TopCo has capacity on more than 70 subsea cable systems – the backbone of the internet – and are developing a new direct-to-mobile satellite communications service to connect areas without coverage. Vodafone TopCo runs one of the world's largest IoT platforms, with over 230 million connections globally, and provides financial services to around 94 million customers across seven countries – managing more transactions than any other provider.

Hutchison Telecommunications (Australia) Pty Limited (an indirect wholly-owned subsidiary of the Company) and Vodafone TopCo are each interested in 23.73% of TPG Telecom Limited, a company listed on the Australian Securities Exchange. Notwithstanding such common interest in TPG Telecom Limited, to the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, VodafoneThree, Vodafone, Vodafone TopCo and their ultimate beneficial owners (i) are not connected persons of the Company; and (ii) are otherwise third parties independent of the Company and connected persons of the Company.

## 7. IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios in respect of the Cancellation exceed 5% but all of the applicable percentage ratios are less than 25%, the Cancellation constitutes a discloseable transaction of the Company and is subject to the announcement and notification requirements but is not subject to the circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

## 8. GENERAL

**As completion of the Cancellation is subject to the fulfilment of certain terms and conditions under the Framework Agreement, there remains the possibility that the Cancellation may not proceed. Shareholders and potential investors should exercise caution when dealing in the securities of the Company.**

## 9. DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

|                                 |  |
|---------------------------------|--|
| <b>“Board”</b>                  | the board of Directors   |
| <b>“Business Days”</b>          | means a day on which commercial banks are open for general business in London and Hong Kong, but excluding a Saturday, Sunday or public holiday in any of London or Hong Kong                        |
| <b>“Cancellation”</b>           | the reduction of the capital of VodafoneThree by way of cancellation of the Hutchison Shares in accordance with the procedure set out in the Companies Act 2006                                      |
| <b>“CKHGTH”</b>                 | CK Hutchison Group Telecom Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability, being an indirect wholly-owned subsidiary of the Company                 |
| <b>“Company”</b>                | CK Hutchison Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1) |
| <b>“Completion”</b>             | the Cancellation becoming effective in accordance with all applicable laws and the Consideration Amount being paid by VodafoneThree to Hutchison   |
| <b>“Condition(s)”</b>           | the Conditions set out under paragraphs (i) to (iii) under the section headed “ <i>2. Framework Agreement – Conditions</i> ” of this announcement  |
| <b>“Consideration Amount”</b>   | has the meaning given to it under the section headed “ <i>2. Framework Agreement - Consideration</i> ” of this announcement  |
| <b>“Contribution Agreement”</b> | the contribution agreement dated 14 June 2023 entered into between the Company, Hutchison, CKHGTH, Vodafone, Vodafone TopCo and VodafoneThree (as may be amended from time to time)                  |
| <b>“Director(s)”</b>            | the director(s) of the Company   |
| <b>“Framework Agreement”</b>    | the framework agreement dated 5 May 2026 entered into between Vodafone, Vodafone TopCo, Hutchison, CKHGTH and VodafoneThree in relation to the Transaction   |
| <b>“FCA”</b>                    | the Financial Conduct Authority in the United Kingdom  |
| <b>“FSMA”</b>                   | the Financial Services and Markets Act 2000, as amended, modified or re-enacted from time to time  |
| <b>“GBP”</b>                    | British pounds, the lawful currency of the United Kingdom  |

|                                  |  |
|----------------------------------|--|
| <b>“Group”</b>                   | the Company and its subsidiaries   |
| <b>“HK\$”</b>                    | Hong Kong dollars, the lawful currency of Hong Kong  |
| <b>“Hong Kong”</b>               | Hong Kong Special Administrative Region of the People’s Republic of China  |
| <b>“Hutchison”</b>               | Brilliant Design (BVI) Limited (formerly known as Brilliant Design Limited), a company incorporated in the British Virgin Islands, being an indirect wholly-owned subsidiary of the Company  |
| <b>“Hutchison Shares”</b>        | the 4,900,000 A ordinary shares and the 392,000,000 B ordinary shares in VodafoneThree, each held by Hutchison as at the date of the Framework Agreement, together with any other shares in VodafoneThree acquired by Hutchison between the date of the Framework Agreement and Completion |
| <b>“Listing Rules”</b>           | the Rules Governing the Listing of Securities on the Stock Exchange  |
| <b>“London Business Day”</b>     | means a day on which commercial banks are open for general business in London, but excluding a Saturday, Sunday or public holiday in London  |
| <b>“Long Stop Date”</b>          | the date that is six months from the date of the Framework Agreement or such later date as the Parties agree in writing  |
| <b>“Options”</b>                 | means the “Options” as defined in the Company’s circular to shareholders dated 24 September 2024 in relation to the establishment of a joint venture in mobile telecommunications operations in the United Kingdom   |
| <b>“Parties”</b>                 | Vodafone, Vodafone TopCo, Hutchison, CKHGTH and VodafoneThree  |
| <b>“percentage ratios”</b>       | shall have the meaning ascribed to such term in Chapter 14 of the Listing Rules  |
| <b>“Pre-Completion Funding”</b>  | has the meaning given to it under the section headed “2. Framework Agreement – The Transaction” of this announcement   |
| <b>“Secretary of State”</b>      | the Secretary of State responsible for the application of the National Security and Investment Act 2021  |
| <b>“Shareholders’ Agreement”</b> | the shareholders’ agreement in relation to VodafoneThree entered into between the Parties on 31 May 2025 (as may be amended from time to time)   |
| <b>“Stock Exchange”</b>          | The Stock Exchange of Hong Kong Limited  |
| <b>“Transaction”</b>             | the transactions being implemented under the Framework Agreement, including the Pre-Completion Funding and the Cancellation  |

|                  |   |
|------------------|---|
| “United Kingdom” | the United Kingdom of Great Britain and Northern Ireland  |
| “Vodafone”       | Vodafone International Operations Limited, a company incorporated in England and Wales, being an indirect wholly-owned subsidiary of Vodafone TopCo   |
| “Vodafone TopCo” | Vodafone Group Plc, a company incorporated in England and Wales, the shares of which are admitted to the equity shares (commercial companies) listing segment of the Official List of the FCA and to trading on London Stock Exchange plc’s main market for listed securities |
| “VodafoneThree”  | VodafoneThree Holdings Limited, a company incorporated in England and Wales, with an issued share capital which is held as at the date of this announcement as to 51% by Vodafone and 49% by Hutchison  |
| “%”              | per cent  |

*Note: For the purpose of this announcement, the conversion of amounts in GBP into Hong Kong dollars has been made at the rate of HK\$10.58 to GBP1.0. The conversion should not be construed as a representation that amounts in GBP have been, or could be, converted into Hong Kong dollars at this or any other rate.*

By Order of the Board

**Edith Shih**

*Executive Director and Company Secretary*

Hong Kong, 5 May 2026

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

**Executive Directors:**

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

**Non-executive Directors:**

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

**Independent Non-executive Directors:**

Ms CHOW Ching Yee, Cynthia  
 Mr Graeme Allan JACK  
 Mr Philip Lawrence KADOORIE  
 Mrs LEUNG LAU Yau Fun, Sophie  
 Mr Paul Joseph TIGHE  
 Ms TSIM Sin Ling, Ruth  
 Mr WONG Kwai Lam