

Report of the Directors of CK Hutchison Holdings Limited

The Directors of CK Hutchison Holdings Limited (the “Company”) present their report and the audited financial statements of the Company for the period from 11th December, 2014 (date of incorporation) to 31st December, 2014 on pages 114 to 119.

Principal Activities

The Company did not have any principal activities in the period from 11th December, 2014 (date of incorporation) to 31st December, 2014.

Results and Dividends

The results of the Company for the period from 11th December, 2014 (date of incorporation) to 31st December, 2014 are set out in the income statement of the Company on page 114.

No dividend was declared and paid by the Company for the period.

Summary Financial Information

As this is the first set of financial statements of the Company since its incorporation, no comparative amount is presented.

Directors

As at the date of this report, the Directors of the Company and Cheung Kong (Holdings) Limited (“Cheung Kong”) are identical and are listed on page 188. The Directors’ biographical information is set out on pages 28 to 31.

In accordance with the Company’s Articles of Association, at each annual general meeting one-third of the Directors of the Company shall retire from office. The retiring Director of the Company shall retain office until the close of the meeting at which he retires and shall be eligible for re-election thereat. In addition, any Director of the Company appointed either to fill a casual vacancy or as an addition to the Board shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to the Board) and shall then be eligible for re-election at that meeting provided that any Director of the Company who so retires shall not be taken into account in determining the number of Directors of the Company who are to retire by rotation at an annual general meeting.

Directors’ Interests and Short Positions in Shares, Underlying Shares and Debentures

None of the Directors of the Company was interested in the shares of the Company as at 31st December, 2014.

At no time during the period was the Company a party to any arrangements which enabled any Director of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or of any other body corporate.

No other contracts of significance to which the Company was a party and in which a Director of the Company has a material interest, whether directly or indirectly, subsisted at the period end date or at any time during the period.

None of the Directors of the Company has a service contract with the Company which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

The Articles of Association of the Company provides that every Director of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities incurred or sustained by him as a Director of the Company in defending any proceedings, whether civil or criminal, in which judgment is given in his favour, or in which he is acquitted, and against any loss in respect of his personal liability for the payment of any sum primarily due from the Company. A Directors Liability Insurance is in place to protect the Directors of the Company against potential costs and liabilities arising from claims brought against the Directors.

Interests and Short Positions of Shareholders

As at 31st December, 2014, Cheung Kong was the sole shareholder of the Company.

Connected Transaction

The Company had not entered into any connected transaction or continuing connected transaction since its incorporation up to 31st December, 2014.

Major Customers and Suppliers

The Company did not carry on any business since its incorporation up to 31st December, 2014.

Shares and Debentures issued

The Company issued one ordinary share nil paid to the subscriber on 11th December, 2014 and such share was transferred to Cheung Kong on the same date.

Movements in share capital of the Company during the period and after the period end date are set out in note 6 to the financial statements of the Company.

Pre-emptive Right

There are no provisions for pre-emptive rights under the Company's Articles of Association, or the laws of Cayman Islands, which would oblige the Company to offer new shares on pro-rata basis to existing shareholder.

Purchase, Sale or Redemption of the Company's Listed Securities

The shares of the Company were not listed securities during the period under review.

Sufficiency of Public Float

Based on information publicly available to the Company and within the knowledge of the Directors as at the date of this annual report, the Company has maintained the prescribed public float under the Listing Rules.

Donations

The Company did not make any donation during the period under review.

Auditor

Messrs. PricewaterhouseCoopers, Certified Public Accountants were appointed as the first auditors of the Company. The financial statements of the Company for the period from 11th December, 2014 (date of incorporation) to 31st December, 2014 have been audited by Messrs. PricewaterhouseCoopers, Certified Public Accountants who retire and offer themselves for re-appointment at the 2015 annual general meeting.

Event after the Period End Date

With effect from 18th March, 2015, the effective date of the scheme of arrangement pursuant to Division 2 of Part 13 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) between Cheung Kong and its shareholders, the Company has become the holding company of Cheung Kong and has replaced the listing status of Cheung Kong.

On behalf of the Board

Li Ka-shing

Chairman

Hong Kong, 24th April, 2015

Report of the Directors of Cheung Kong (Holdings) Limited

The Directors of Cheung Kong (Holdings) Limited (“Cheung Kong”) have pleasure in presenting to the shareholders of Cheung Kong their report together with the audited financial statements of Cheung Kong and its subsidiaries (collectively, the “CK Group”) for the year ended 31st December, 2014 on pages 120 to 169.

Principal Activities

The principal activities of the CK Group comprise (i) property development and investment, hotel and serviced suite operation, property and project management, and (ii) investment in infrastructure businesses and securities, and ownership and leasing of movable assets.

Results And Dividends

Results of the CK Group for the year ended 31st December, 2014 are set out in the consolidated income statement on page 120.

The Directors of Cheung Kong have declared a second interim dividend of HK\$3.016 per share in lieu of a final dividend for 2014, together with the first interim dividend of HK\$0.638 per share paid on 12th September, 2014 gives a total of HK\$3.654 per share for the year. In addition, the CK Group has paid a special dividend of HK\$7.00 per share on 14th May, 2014.

Fixed Assets

Movements in fixed assets during the year are set out in note 8 to the financial statements of the CK Group.

Reserves

Movements in reserves of the CK Group during the year are set out in note 21 to the financial statements of the CK Group and in the consolidated statement of changes in equity of the CK Group on pages 124 to 126 respectively.

Group Financial Summary

Results, assets and liabilities of the CK Group for the last ten years are summarised on page 2.

Properties

Particulars of major properties held by the CK Group are set out on pages 108 to 113.

Directors

As at the date of this report, the Directors of Cheung Kong and those of CK Hutchison Holdings Limited are identical and are listed on page 188. The Directors’ biographical information is set out on pages 28 to 31.

In accordance with Cheung Kong’s Articles of Association, the Directors of Cheung Kong (including Non-executive Directors) shall be subject to retirement by rotation at each annual general meeting. Mr. Kam Hing Lam, Ms. Woo Chia Ching, Grace, Mr. Leung Siu Hon, Mr. Fok Kin Ning, Canning, Mr. Kwok Tun-li, Stanley, Mr. Chow Nin Mow, Albert and Ms. Hung Siu-lin, Katherine will retire from office and, being eligible, offer themselves for re-election at the forthcoming annual general meeting of Cheung Kong.#

Each of the Independent Non-executive Directors of Cheung Kong had made an annual confirmation of independence pursuant to Rule 3.13 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”). Cheung Kong considered that all Independent Non-executive Directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines.

Disclosure of Interests

Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures

As at 31st December, 2014, the interests or short positions of the Directors and chief executives of Cheung Kong in the shares, underlying shares and debentures of Cheung Kong or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were notified to Cheung Kong and The Stock Exchange of Hong Kong Limited ("Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by Cheung Kong under Section 352 of the SFO, or which were required, pursuant to the Model Code for Securities Transactions by Directors adopted by Cheung Kong (the "Model Code"), to be notified to Cheung Kong and the Stock Exchange, were as follows:

1. Long Positions in Shares

(a) Cheung Kong

| Name of Director | Capacity | Number of Ordinary Shares | | | | Total | Approximate % of Shareholding |
|-------------------------|--|---------------------------|-----------------|------------------------|-------------------------|---------------|-------------------------------|
| | | Personal Interest | Family Interest | Corporate Interest | Other Interest | | |
| Li Ka-shing | Interest of controlled corporations & founder of discretionary trusts | - | - | 67,189,000 (Note 1) | 936,462,744 (Note 2) | 1,003,651,744 | 43.33 % |
| Li Tzar Kuoi, Victor | Beneficial owner, interest of child or spouse, interest of controlled corporations & beneficiary of trusts | 220,000 | 200,000 | 1,529,000 (Note 4) | 936,462,744 (Note 2) | 938,411,744 | 40.51% |
| Kam Hing Lam | Beneficial owner | 10,000 | - | - | - | 10,000 | 0.0004% |
| Leung Siu Hon | Beneficial owner & interest of child or spouse | 645,500 | 64,500 | - | - | 710,000 | 0.03% |
| Chow Kun Chee, Roland | Beneficial owner | 65,600 | - | - | - | 65,600 | 0.003% |
| George Colin Magnus | Beneficial owner, interest of child or spouse & beneficiary of trust | 56,000 | 10,000 | - | 184,000 (Note 5) | 250,000 | 0.01% |
| Lee Yeh Kwong, Charles | Beneficial owner | 30,000 | - | - | - | 30,000 | 0.001% |
| Yeh Yuan Chang, Anthony | Interest of child or spouse | - | 3,000 | - | - | 3,000 | 0.0001% |
| Hung Siu-lin, Katherine | Beneficial owner | 20,000 | - | - | - | 20,000 | 0.0009% |

Report of the Directors of Cheung Kong (Holdings) Limited (*continued*)

(b) Associated Corporations

Hutchison Whampoa Limited

| Name of Director | Capacity | Number of Ordinary Shares | | | | Total | Approximate % of Shareholding |
|-------------------------|--|---------------------------|-----------------|------------------------|---------------------------|---------------|-------------------------------|
| | | Personal Interest | Family Interest | Corporate Interest | Other Interest | | |
| Li Ka-shing | Interest of controlled corporations & founder of discretionary trusts | – | – | 94,534,000 (Note 1) | 2,141,698,773 (Note 3) | 2,236,232,773 | 52.45% |
| Li Tzar Kuoi, Victor | Interest of child or spouse, interest of controlled corporations & beneficiary of trusts | – | 300,000 | 1,086,770 (Note 4) | 2,141,698,773 (Note 3) | 2,143,085,543 | 50.26% |
| Kam Hing Lam | Beneficial owner & interest of child or spouse | 60,000 | 40,000 | – | – | 100,000 | 0.002% |
| Leung Siu Hon | Beneficial owner & interest of child or spouse | 27,000 | 28,600 | – | – | 55,600 | 0.0013% |
| Fok Kin Ning, Canning | Interest of controlled corporation | – | – | 6,010,875 (Note 7) | – | 6,010,875 | 0.14% |
| Frank John Sixt | Beneficial owner | 200,000 | – | – | – | 200,000 | 0.005% |
| Chow Kun Chee, Roland | Beneficial owner | 49,931 | – | – | – | 49,931 | 0.001% |
| George Colin Magnus | Beneficial owner, interest of child or spouse & founder & beneficiary of a discretionary trust | 40,000 | 9,900 | – | 950,100 (Note 6) | 1,000,000 | 0.02% |
| Lee Yeh Kwong, Charles | Beneficial owner, interest of child or spouse & interest of controlled corporation | 1,070,358 | 55,000 | 10,000 (Note 15) | – | 1,135,358 | 0.03% |
| Yeh Yuan Chang, Anthony | Interest of child or spouse | – | 130,000 | – | – | 130,000 | 0.003% |
| Chow Nin Mow, Albert | Beneficial owner | 97 | – | – | – | 97 | ≈ 0% |
| Hung Siu-lin, Katherine | Beneficial owner | 34,000 | – | – | – | 34,000 | 0.0008% |

Cheung Kong Infrastructure Holdings Limited

| Name of Director | Capacity | Number of Ordinary Shares | | | | Total | Approximate % of Shareholding |
|-----------------------|---------------------------------|---------------------------|-----------------|--------------------|---------------------------|---------------|-------------------------------|
| | | Personal Interest | Family Interest | Corporate Interest | Other Interest | | |
| Li Ka-shing | Founder of discretionary trusts | – | – | – | 1,912,109,945 (Note 9) | 1,912,109,945 | 78.37% |
| Li Tzar Kuoi, Victor | Beneficiary of trusts | – | – | – | 1,912,109,945 (Note 9) | 1,912,109,945 | 78.37% |
| Kam Hing Lam | Beneficial owner | 100,000 | – | – | – | 100,000 | 0.004% |
| Chow Kun Chee, Roland | Beneficial owner | 10,000 | – | – | – | 10,000 | 0.0004% |

CK Life Sciences Int'l., (Holdings) Inc.

| Name of Director | Capacity | Number of Ordinary Shares | | | | Total | Approximate % of Shareholding |
|-------------------------|--|---------------------------|-----------------|----------------------------|----------------------------|---------------|-------------------------------|
| | | Personal Interest | Family Interest | Corporate Interest | Other Interest | | |
| Li Ka-shing | Interest of controlled corporations & founder of discretionary trusts | – | – | 2,835,759,715 (Note 14) | 4,355,634,570 (Note 10) | 7,191,394,285 | 74.82% |
| Li Tzar Kuoi, Victor | Beneficial owner, interest of controlled corporations & beneficiary of trusts | 2,250,000 | – | 2,835,759,715 (Note 14) | 4,355,634,570 (Note 10) | 7,193,644,285 | 74.84% |
| Kam Hing Lam | Interest of child or spouse | – | 6,225,000 | – | – | 6,225,000 | 0.06% |
| Ip Tak Chuen, Edmond | Beneficial owner | 2,250,000 | – | – | – | 2,250,000 | 0.02% |
| Chung Sun Keung, Davy | Beneficial owner | 375,000 | – | – | – | 375,000 | 0.004% |
| Pau Yee Wan, Ezra | Beneficial owner | 900,000 | – | – | – | 900,000 | 0.009% |
| Woo Chia Ching, Grace | Beneficial owner | 1,125,000 | – | – | – | 1,125,000 | 0.01% |
| Leung Siu Hon | Beneficial owner, interest of child or spouse & interest of controlled corporation | 1,688,130 | 2,000 | 2,970 (Note 8) | – | 1,693,100 | 0.017% |
| Fok Kin Ning, Canning | Interest of controlled corporation | – | – | 1,500,000 (Note 7) | – | 1,500,000 | 0.015% |
| Frank John Sixt | Beneficial owner | 900,000 | – | – | – | 900,000 | 0.009% |
| Chow Kun Chee, Roland | Beneficial owner | 903,936 | – | – | – | 903,936 | 0.009% |
| George Colin Magnus | Beneficial owner, interest of child or spouse & beneficiary of trust | 753,360 | 600 | – | 11,040 (Note 5) | 765,000 | 0.008% |
| Kwok Tun-li, Stanley | Interest of child or spouse | – | 200,000 | – | – | 200,000 | 0.002% |
| Hung Siu-lin, Katherine | Beneficial owner | 9,000 | – | – | – | 9,000 | ≈ 0% |

Report of the Directors of Cheung Kong (Holdings) Limited (continued)

Other Associated Corporations

| Name of Company | Name of Director | Capacity | Number of Ordinary Shares | | | | Total | Approximate % of Shareholding |
|--|-----------------------|---|---------------------------|-----------------|-----------------------|--------------------------|-------------|-------------------------------|
| | | | Personal Interest | Family Interest | Corporate Interest | Other Interest | | |
| Beautiland Company Limited | Li Ka-shing | Founder of discretionary trusts | - | - | - | 100,000,000 (Note 11) | 100,000,000 | 100% |
| | Li Tzar Kuoi, Victor | Beneficiary of trusts | - | - | - | 100,000,000 (Note 11) | 100,000,000 | 100% |
| Jabrin Limited | Li Ka-shing | Founder of discretionary trusts | - | - | - | 10,000 (Note 11) | 10,000 | 100% |
| | Li Tzar Kuoi, Victor | Beneficiary of trusts | - | - | - | 10,000 (Note 11) | 10,000 | 100% |
| Kobert Limited | Li Ka-shing | Founder of discretionary trusts | - | - | - | 4,900 (Note 11) | 4,900 | 100% |
| | Li Tzar Kuoi, Victor | Beneficiary of trusts | - | - | - | 4,900 (Note 11) | 4,900 | 100% |
| Hutchison Telecommunications (Australia) Limited | Fok Kin Ning, Canning | Beneficial owner & interest of controlled corporation | 4,100,000 | - | 1,000,000 (Note 7) | - | 5,100,000 | 0.037% |
| | Frank John Sixt | Beneficial owner | 1,000,000 | - | - | - | 1,000,000 | 0.007% |

| Name of Company | Name of Director | Capacity | Number of Ordinary Shares | | | | Total | Approximate % of Shareholding |
|---|-----------------------|--|---------------------------|-----------------|-------------------------|----------------------------|---------------|-------------------------------|
| | | | Personal Interest | Family Interest | Corporate Interest | Other Interest | | |
| Hutchison Telecommunications Hong Kong Holdings Limited | Li Ka-shing | Interest of controlled corporations & founder of discretionary trusts | - | - | 403,979,499 (Note 1) | 3,185,136,120 (Note 12) | 3,589,115,619 | 74.48% |
| | Li Tzar Kuoi, Victor | Interest of child or spouse, interest of controlled corporations & beneficiary of trusts | - | 192,000 | 2,519,250 (Note 4) | 3,185,136,120 (Note 12) | 3,187,847,370 | 66.15% |
| | Fok Kin Ning, Canning | Interest of controlled corporation | - | - | 1,202,380 (Note 7) | - | 1,202,380 | 0.025% |
| | George Colin Magnus | Beneficial owner & interest of child or spouse | 13,201 | 132 | - | - | 13,333 | 0.0003% |

2. Long Positions in Underlying Shares

| Name of Company | Name of Director | Capacity | Number of Underlying Shares | | | | Total |
|---|------------------|------------------|-----------------------------|-----------------|--------------------|----------------|---------|
| | | | Personal Interest | Family Interest | Corporate Interest | Other Interest | |
| Hutchison Telecommunications Hong Kong Holdings Limited | Frank John Sixt | Beneficial owner | 255,000 (Note 13) | - | - | - | 255,000 |

Report of the Directors of Cheung Kong (Holdings) Limited (continued)

3. Long Positions in Debentures

| Name of Company | Name of Director | Capacity | Amount of Debentures | | | | Total |
|---|-----------------------|------------------------------------|--|-----------------|---|----------------|---|
| | | | Personal Interest | Family Interest | Corporate Interest | Other Interest | |
| Hutchison Whampoa International (09) Limited | Li Tzar Kuoi, Victor | Interest of controlled corporation | – | – | US\$45,792,000 7.625% Notes due 2019 (Note 4) | – | US\$45,792,000 7.625% Notes due 2019 |
| Hutchison Whampoa International (09/19) Limited | Fok Kin Ning, Canning | Interest of controlled corporation | – | – | US\$4,000,000 5.75% Notes due 2019 (Note 7) | – | US\$4,000,000 5.75% Notes due 2019 |
| Hutchison Whampoa International (10) Limited | Li Tzar Kuoi, Victor | Interest of controlled corporation | – | – | US\$35,395,000 Subordinated Guaranteed Perpetual Capital Securities (Note 4) | – | US\$35,395,000 Subordinated Guaranteed Perpetual Capital Securities |
| | Fok Kin Ning, Canning | Interest of controlled corporation | – | – | US\$5,000,000 Subordinated Guaranteed Perpetual Capital Securities (Note 7) | – | US\$5,000,000 Subordinated Guaranteed Perpetual Capital Securities |
| | Frank John Sixt | Beneficial owner | US\$1,000,000 Subordinated Guaranteed Perpetual Capital Securities | – | – | – | US\$1,000,000 Subordinated Guaranteed Perpetual Capital Securities |
| Hutchison Whampoa International (12) Limited | Li Tzar Kuoi, Victor | Interest of controlled corporation | – | – | US\$16,800,000 Subordinated Guaranteed Perpetual Capital Securities (Note 4) | – | US\$16,800,000 Subordinated Guaranteed Perpetual Capital Securities |
| PHBS Limited | Li Ka-shing | Interest of controlled corporation | – | – | US\$9,100,000 Perpetual Capital Securities (Note 1) | – | US\$9,100,000 Perpetual Capital Securities |

Notes:

- (1) Such interests are held by certain companies of which Mr. Li Ka-shing is interested in the entire issued share capital.
- (2) The two references to 936,462,744 shares relate to the same block of shares in Cheung Kong. Mr. Li Ka-shing is the settlor of each of The Li Ka-Shing Unity Discretionary Trust (“DT1”) and another discretionary trust (“DT2”). Each of Li Ka-Shing Unity Trustee Corporation Limited (“TDT1”, which is the trustee of DT1) and Li Ka-Shing Unity Trustcorp Limited (“TDT2”, which is the trustee of DT2) holds units in The Li Ka-Shing Unity Trust (“UT1”) but is not entitled to any interest or share in any particular property comprising the trust assets of the said unit trust. The discretionary beneficiaries of each of DT1 and DT2 are, inter alia, Mr. Li Tzar Kuoi, Victor, his wife and children, and Mr. Li Tzar Kai, Richard. Li Ka-Shing Unity Trustee Company Limited (“TUT1”) as trustee of UT1 and companies controlled by TUT1 as trustee of UT1 (“TUT1 related companies”) hold a total of such 936,462,744 shares.

The entire issued share capital of TUT1 and of the trustees of DT1 and DT2 are owned by Li Ka-Shing Unity Holdings Limited (“Unity Holdco”). Mr. Li Ka-shing and Mr. Li Tzar Kuoi, Victor are respectively interested in one-third and two-third of the entire issued share capital of Unity Holdco. TUT1 is only interested in the shares of Cheung Kong by reason only of its obligation and power to hold interests in those shares in its ordinary course of business as trustee and, when performing its functions as trustee, exercises its power to hold interests in the shares of Cheung Kong independently without any reference to Unity Holdco or any of Mr. Li Ka-shing and Mr. Li Tzar Kuoi, Victor as a holder of the shares of Unity Holdco as aforesaid.

As Mr. Li Ka-shing may be regarded as a founder of each of DT1 and DT2 for the purpose of the SFO and Mr. Li Tzar Kuoi, Victor is a discretionary beneficiary of each of DT1 and DT2, and by virtue of the above, both Mr. Li Ka-shing and Mr. Li Tzar Kuoi, Victor are taken to have a duty of disclosure in relation to the shares of Cheung Kong held by TUT1 as trustee of UT1 and TUT1 related companies under the SFO as Directors of Cheung Kong.

- (3) The two references to 2,141,698,773 shares in Hutchison Whampoa Limited (“HWL”) relate to the same block of shares comprising:
 - (a) 2,130,202,773 shares held by certain subsidiaries of Cheung Kong. By virtue of the interests in shares of Cheung Kong in relation to which each of Mr. Li Ka-shing and Mr. Li Tzar Kuoi, Victor has a duty of disclosure under the SFO in the issued share capital of Cheung Kong as described in Note (2) above and as a Director of Cheung Kong, they are taken to have a duty of disclosure in relation to the said shares of HWL under the SFO; and

Report of the Directors of Cheung Kong (Holdings) Limited (continued)

- (b) 11,496,000 shares held by Li Ka-Shing Castle Trustee Company Limited ("TUT3") as trustee of The Li Ka-Shing Castle Trust ("UT3"). Mr. Li Ka-shing is the settlor of each of the two discretionary trusts ("DT3" and "DT4"). Each of Li Ka-Shing Castle Trustee Corporation Limited ("TDT3", which is the trustee of DT3) and Li Ka-Shing Castle Trustcorp Limited ("TDT4", which is the trustee of DT4) holds units in UT3 but is not entitled to any interest or share in any particular property comprising the trust assets of the said unit trust. The discretionary beneficiaries of each of DT3 and DT4 are, inter alia, Mr. Li Tzar Kuoi, Victor, his wife and children, and Mr. Li Tzar Kai, Richard.

The entire issued share capital of TUT3 and the trustees of DT3 and DT4 are owned by Li Ka-Shing Castle Holdings Limited ("Castle Holdco"). Mr. Li Ka-shing and Mr. Li Tzar Kuoi, Victor are respectively interested in one-third and two-third of the entire issued share capital of Castle Holdco. TUT3 is only interested in the shares of HWL by reason only of its obligation and power to hold interests in those shares in its ordinary course of business as trustee and, when performing its functions as trustee, exercises its power to hold interests in the shares of HWL independently without any reference to Castle Holdco or any of Mr. Li Ka-shing and Mr. Li Tzar Kuoi, Victor as a holder of the shares of Castle Holdco as aforesaid.

As Mr. Li Ka-shing may be regarded as a founder of each of DT3 and DT4 for the purpose of the SFO and Mr. Li Tzar Kuoi, Victor is a discretionary beneficiary of each of DT3 and DT4, and by virtue of the above, both Mr. Li Ka-shing and Mr. Li Tzar Kuoi, Victor are taken to have a duty of disclosure in relation to the said shares of HWL held by TUT3 as trustee of UT3 under the SFO as Directors of Cheung Kong.

- (4) Such interests are held by certain companies of which Mr. Li Tzar Kuoi, Victor is interested in the entire issued share capital.
- (5) Such interests in the shares are held by a company controlled by a trust under which Mr. George Colin Magnus is a discretionary beneficiary.
- (6) Such interests are indirectly held by a trust of which Mr. George Colin Magnus is the settlor and a discretionary beneficiary.
- (7) Such interests are held by a company which is equally owned by Mr. Fok Kin Ning, Canning and his wife.
- (8) Such interests are held by a company which is wholly-owned by Mr. Leung Siu Hon and his wife.

- (9) The two references to 1,912,109,945 shares in Cheung Kong Infrastructure Holdings Limited (“CKI”) relate to the same block of shares comprising:
- (a) 1,906,681,945 shares held by a subsidiary of HWL. Certain subsidiaries of Cheung Kong hold more than one-third of the issued share capital of HWL. Mr. Li Ka-shing and Mr. Li Tzar Kuoi, Victor, as Directors of Cheung Kong, by virtue of their deemed interests in the shares of Cheung Kong as described in Note (2) above, are taken to have a duty of disclosure in relation to such shares of CKI held by the subsidiary of HWL under the SFO; and
 - (b) 5,428,000 shares held by TUT1 as trustee of UT1. By virtue of the deemed interests in TUT1 as trustee of UT1 as described in Note (2) above, each of Mr. Li Ka-shing and Mr. Li Tzar Kuoi, Victor is taken to have a duty of disclosure in relation to such shares of CKI under the SFO.
- (10) The two references to 4,355,634,570 shares in CK Life Sciences Int’l., (Holdings) Inc. (“CKLS”) relate to the same block of shares which are held by a subsidiary of Cheung Kong. Mr. Li Ka-shing and Mr. Li Tzar Kuoi, Victor, as Directors of Cheung Kong, are taken to have a duty of disclosure in relation to such shares of CKLS held by the subsidiary of Cheung Kong by virtue of their deemed interests in the shares of Cheung Kong as described in Note (2) above under the SFO.
- (11) These are subsidiaries of Cheung Kong and such shares are held through Cheung Kong and TUT1 as trustee of UT1. Mr. Li Ka-shing and Mr. Li Tzar Kuoi, Victor, as Directors of Cheung Kong, by virtue of their deemed interests in the shares of Cheung Kong and TUT1 as trustee of UT1 as described in Note (2) above, are taken to have a duty of disclosure in relation to such shares under the SFO.
- (12) Such shares of Hutchison Telecommunications Hong Kong Holdings Limited (“HTHKH”) comprise:
- (a) 3,184,982,840 ordinary shares of which 52,092,587 ordinary shares and 3,132,890,253 ordinary shares are held by certain wholly-owned subsidiaries of Cheung Kong and HWL respectively. By virtue of the interests in the shares of Cheung Kong and HWL in relation to which Mr. Li Ka-shing and Mr. Li Tzar Kuoi, Victor have a duty of disclosure under the SFO in the issued share capital of each of Cheung Kong and HWL as described in Notes (2) and (3) above and as Directors of Cheung Kong, Mr. Li Ka-shing and Mr. Li Tzar Kuoi, Victor are taken to have a duty of disclosure in relation to the said shares of HTHKH under the SFO; and
 - (b) 153,280 ordinary shares held by TUT3 as trustee of UT3. Mr. Li Ka-shing and Mr. Li Tzar Kuoi, Victor, as Directors of Cheung Kong, by virtue of Mr. Li Ka-shing may being regarded as a founder and Mr. Li Tzar Kuoi, Victor as a discretionary beneficiary of each of DT3 and DT4 and their deemed interests in TUT3 as trustee of UT3 as described in Note (3)(b) above, are taken to have a duty of disclosure in relation to the said shares of HTHKH under the SFO.
- (13) Such underlying shares are derived from the 17,000 American Depositary Shares (each representing 15 ordinary shares) in HTHKH beneficially owned by Mr. Frank John Sixt.

Report of the Directors of Cheung Kong (Holdings) Limited (*continued*)

(14) Such 2,835,759,715 shares are held by two subsidiaries of Li Ka Shing Foundation Limited ("LKSF"). By virtue of the terms of the constituent documents of LKSF, each of Mr. Li Ka-shing and Mr. Li Tzar Kuoi, Victor may be regarded as having the ability to exercise or control the exercise of one-third or more of the voting power at general meetings of LKSF.

(15) Such interests are held by a company which is wholly-owned by Mr. Lee Yeh Kwong, Charles.

As at 31st December, 2014, by virtue of their deemed interests in the share capital of Cheung Kong as described in Note (2) above and as Directors of Cheung Kong, Mr. Li Ka-shing and Mr. Li Tzar Kuoi, Victor, are deemed to be interested in the securities of the subsidiaries and associated companies of Cheung Kong held through Cheung Kong under the provisions of the SFO, in addition to any separate interest held by them in Cheung Kong and its subsidiaries and associated companies. A waiver from compliance with the disclosure requirement under paragraph 13(1) of Appendix 16 to the Listing Rules in respect of the above-mentioned deemed interests of Mr. Li Ka-shing and Mr. Li Tzar Kuoi, Victor to be disclosed in this annual report, on the ground that compliance with such paragraph would result in particulars being given which were not material in the context of the CK Group and were of excessive length, had been obtained from the Stock Exchange.

Certain Directors of Cheung Kong held qualifying shares in certain subsidiaries in trust for Cheung Kong and other subsidiaries.

Save as disclosed above, none of the Directors or chief executives of Cheung Kong had, as at 31st December, 2014, any interests or short positions in the shares, underlying shares and debentures of Cheung Kong or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to Cheung Kong and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by Cheung Kong under Section 352 of the SFO, or which were required to be notified to Cheung Kong and the Stock Exchange pursuant to the Model Code.

At no time during the year was Cheung Kong or subsidiary a party to any arrangements which enabled any Director to acquire benefits by means of the acquisition of shares in or debentures of Cheung Kong or of any other body corporate.

No other contracts of significance to which Cheung Kong or a subsidiary was a party and in which a Director has a material interest subsisted at the year end date or at any time during the year.

None of the Directors of Cheung Kong has a service contract with Cheung Kong which is not determinable by Cheung Kong within one year without payment of compensation (other than statutory compensation).

The Articles of Association of Cheung Kong provides that every Director of Cheung Kong shall be entitled to be indemnified out of the assets of Cheung Kong against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto. A Directors Liability Insurance is in place to protect the Directors of Cheung Kong against potential costs and liabilities arising from claims brought against the Directors.

Interests and Short Positions of Shareholders

So far as is known to any Director or chief executive of Cheung Kong, as at 31st December, 2014, shareholders of Cheung Kong (other than Directors or chief executives of Cheung Kong) who had interests or short positions in the shares or underlying shares of Cheung Kong which would fall to be disclosed to Cheung Kong under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by Cheung Kong under Section 336 of the SFO were as follows:

1. Long Positions of Substantial Shareholders in the Shares of Cheung Kong

| Name of Shareholder | Capacity | Number of Ordinary Shares | Approximate % of Shareholding |
|---|-------------------------------------|---------------------------|-------------------------------|
| Li Ka-Shing Unity Trustee Company Limited as trustee of The Li Ka-Shing Unity Trust | Trustee | 936,462,744 (Note 1) | 40.43% |
| Li Ka-Shing Unity Trustee Corporation Limited as trustee of The Li Ka-Shing Unity Discretionary Trust | Trustee & beneficiary of a trust | 936,462,744 (Note 1) | 40.43% |
| Li Ka-Shing Unity Trustcorp Limited as trustee of another discretionary trust | Trustee & beneficiary of a trust | 936,462,744 (Note 1) | 40.43% |

2. (a) Long Positions of Other Persons in the Shares and Underlying Shares of Cheung Kong

| Name of Shareholder | Capacity | Number of Shares/ Underlying Shares | Total | Approximate % of Shareholding |
|----------------------|---|--|-------------------------|----------------------------------|
| JPMorgan Chase & Co. | (i) Beneficial owner | 12,644,665) | | |
| | (ii) Investment manager | 31,725,155) | | |
| | (iii) Trustee | 17,597) | | |
| | (iv) Custodian corporation/ approved lending agent | 81,971,328) | 126,358,745 (Note 2) | 5.45% |

(b) Short Positions of Other Persons in the Shares and Underlying Shares of Cheung Kong

| Name of Shareholder | Capacity | Number of Shares/ Underlying Shares | Total | Approximate % of Shareholding |
|----------------------|------------------|--|------------------------|----------------------------------|
| JPMorgan Chase & Co. | Beneficial owner | 15,273,321 | 15,273,321 (Note 3) | 0.65% |

Report of the Directors of Cheung Kong (Holdings) Limited (*continued*)

(c) Lending Pool of Other Persons in the Shares and Underlying Shares of Cheung Kong

| Name of Shareholder | Capacity | Number of Shares/ Underlying Shares | Total | Approximate % of Shareholding |
|----------------------|--|--|------------|----------------------------------|
| JPMorgan Chase & Co. | Custodian corporation/ approved lending agent | 81,971,328 | 81,971,328 | 3.53% |

Notes:

- (1) The three references to 936,462,744 shares relate to the same block of shares in Cheung Kong. Each of TUT1 as trustee of UT1, TDT1 as trustee of DT1 and TDT2 as trustee of another discretionary trust is taken to have a duty of disclosure in relation to the said shares of Cheung Kong as described in Note (2) under the section headed "Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures" under the SFO.
- (2) Such long position includes derivative interests in 4,336,909 underlying shares of Cheung Kong of which 2,218,027 underlying shares are derived from listed and physically settled derivatives, 49,000 underlying shares are derived from listed and cash settled derivatives, 1,054,909 underlying shares are derived from unlisted and physically settled derivatives and 1,014,973 underlying shares are derived from unlisted and cash settled derivatives.
- (3) Such short position includes derivative interests in 15,273,321 underlying shares of Cheung Kong of which 340,000 underlying shares are derived from listed and physically settled derivatives, 3,014,500 underlying shares are derived from listed and cash settled derivatives and 11,918,821 underlying shares are derived from unlisted and cash settled derivatives.

Save as disclosed above, as at 31st December, 2014, Cheung Kong had not been notified by any persons (other than Directors or chief executives of Cheung Kong) who had interests or short positions in the shares or underlying shares of Cheung Kong which would fall to be disclosed to Cheung Kong under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by Cheung Kong under Section 336 of the SFO.

Connected Transaction

Wholly owned subsidiaries of Cheung Kong entered into sale and purchase agreements with, among others, (a) GE Capital Aviation Services Limited to purchase a total of 21 aircraft for a total consideration of approximately US\$816,000,000 on 25th August, 2014, (b) BOC Aviation Pte. Ltd. to purchase up to 10 aircraft for a total base purchase price of US\$492,000,000 on 4th November, 2014, and (c) Jackson Square Aviation, LLC to purchase up to 14 aircraft for a consideration of US\$584,200,000 on 4th November, 2014. Further, on 4th November, 2014, a wholly owned subsidiary of the Cheung Kong entered into a subscription agreement ("Subscription Agreement"), pursuant to which such wholly owned subsidiary and MC Aviation Partners Inc. ("MCAP") agreed, on a 60:40 basis, to subscribe for the equity interest in JV Aviation (HK) Limited (the "JV Company", now known as Vermillion Aviation Holdings Limited) which will indirectly hold a portfolio of up to 15 aircraft at a consideration payable by the CK Group of up to US\$132,000,000. The aggregate base purchase price of the 15 aircraft is expected to be approximately US\$733,500,000. In January 2015, Cheung Kong, such wholly owned subsidiary, MCAP, the JV Company, Li Ka Shing (Overseas) Foundation ("LKSOF") and Vermillion Global Limited ("VGL", a wholly owned subsidiary of LKSOF) entered into a deed of amendment to amend the Subscription Agreement by the adoption of an amended subscription agreement. Under the amended subscription agreement, (i) the parties agreed to vary the shareholding structure of the JV Company, by including VGL as a shareholder, and (ii) such wholly owned subsidiary of the Cheung Kong, MCAP and VGL agreed to subscribe for 50%, 40% and 10% of the equity interest of the JV Company, respectively, for an aggregate maximum consideration of approximately US\$110 million, US\$88 million and US\$22 million, respectively.

The above transactions were subject to the reporting and announcement requirements but exempt from the independent shareholders' approval requirements under the Listing Rules.

Major Customers and Suppliers

During the year, 48% of the CK Group's purchases were attributable to the CK Group's five largest suppliers with the largest supplier accounted for 16% of the CK Group's purchases. The CK Group's turnover attributable to the CK Group's five largest customers was less than 30%.

As at 31st December, 2014, JPMorgan Chase & Co., a shareholder of Cheung Kong held 2,880,020 shares of Louis XIII Holdings Limited, being one of the five largest suppliers of the CK Group. Save as disclosed, no other Directors, their associates or any shareholder of Cheung Kong (which to the knowledge of the Directors of Cheung Kong owns more than 5% of Cheung Kong's issued share capital) has any interest in the CK Group's five largest suppliers.

Report of the Directors of Cheung Kong (Holdings) Limited (*continued*)

Directors' Interests in Competing Businesses

During the year, the interests of Directors of Cheung Kong in the businesses which compete or are likely to compete, either directly or indirectly, with the businesses of the CK Group ("Competing Business") as required to be disclosed pursuant to the Listing Rules were as follows:

1. Core Business Activities of the CK Group

- (1) Property development and investment
- (2) Hotel and serviced suite operation
- (3) Property and project management
- (4) Investment in infrastructure businesses
- (5) Investment in securities
- (6) Ownership and leasing of movable assets
- (7) Information technology, e-commerce and new technology

2. Interests in Competing Business

| Name of Director | Name of Company | Nature of Interest | Competing Business (Note) |
|----------------------|---|--|-------------------------------|
| Li Ka-shing | Hutchison Whampoa Limited | Chairman | (1), (2), (3), (4), (5) & (7) |
| Li Tzar Kuoi, Victor | Hutchison Whampoa Limited | Deputy Chairman | (1), (2), (3), (4), (5) & (7) |
| | Cheung Kong Infrastructure Holdings Limited | Chairman | (4) & (5) |
| | Power Assets Holdings Limited | Non-executive Director * | (4), (5) & (7) |
| | CK Life Sciences Int'l., (Holdings) Inc. | Chairman | (5) & (7) |
| Kam Hing Lam | HK Electric Investments and HK Electric Investments Limited | Deputy Chairman and Non-executive Director *** | (4) |
| | Hutchison Whampoa Limited | Executive Director | (1), (2), (3), (4), (5) & (7) |
| | Cheung Kong Infrastructure Holdings Limited | Group Managing Director | (4) & (5) |
| | Power Assets Holdings Limited | Executive Director * | (4), (5) & (7) |
| Ip Tak Chuen, Edmond | CK Life Sciences Int'l., (Holdings) Inc. | President and Chief Executive Officer | (5) & (7) |
| | Hui Xian Asset Management Limited | Chairman | (1), (2) & (3) |
| | Cheung Kong Infrastructure Holdings Limited | Executive Director and Deputy Chairman | (4) & (5) |
| Ip Tak Chuen, Edmond | CK Life Sciences Int'l., (Holdings) Inc. | Senior Vice President and Chief Investment Officer | (5) & (7) |
| | TOM Group Limited | Non-executive Director | (5) & (7) |
| | ARA Asset Management Limited | Non-executive Director | (3) & (5) |
| | ARA Asset Management (Fortune) Limited | Non-executive Director | (3) |
| | ARA Trust Management (Suntec) Limited | Director ** | (3) |
| | Hui Xian Asset Management Limited | Non-executive Director | (1), (2) & (3) |
| | AVIC International Holding (HK) Limited | Non-executive Director | (1), (5) & (6) |
| | Shougang Concord International Enterprises Company Limited | Non-executive Director | (5) |

| Name of Director | Name of Company | Nature of Interest | Competing Business (Note) |
|------------------------|---|--------------------------------------|-------------------------------|
| Chiu Kwok Hung, Justin | ARA Asset Management Limited | Chairman | (3) & (5) |
| | ARA Asset Management (Fortune) Limited | Chairman | (3) |
| | ARA Trust Management (Suntec) Limited | Chairman ** | (3) |
| | ARA Asia Dragon Limited | Director | (1) & (3) |
| | ARA Asset Management (Prosperity) Limited | Chairman | (3) |
| Leung Siu Hon | Rich Surplus Limited | Director and Substantial Shareholder | (1) & (2) |
| | Rich More Enterprises Limited | Director and Substantial Shareholder | (1) |
| Fok Kin Ning, Canning | Hutchison Whampoa Limited | Group Managing Director | (1), (2), (3), (4), (5) & (7) |
| | Cheung Kong Infrastructure Holdings Limited | Deputy Chairman | (4) & (5) |
| | Power Assets Holdings Limited | Chairman | (4), (5) & (7) |
| | Hutchison Harbour Ring Limited | Chairman **** | (1) |
| | Hutchison Telecommunications Hong Kong Holdings Limited | Chairman and Alternate Director | (7) |
| | HK Electric Investments and HK Electric Investments Limited | Chairman | (4) |
| Frank John Sixt | Hutchison Whampoa Limited | Group Finance Director | (1), (2), (3), (4), (5) & (7) |
| | Cheung Kong Infrastructure Holdings Limited | Executive Director | (4) & (5) |
| | Power Assets Holdings Limited | Executive Director * | (4), (5) & (7) |
| | TOM Group Limited | Non-executive Chairman | (5) & (7) |
| | Hutchison Telecommunications Hong Kong Holdings Limited | Non-executive Director | (7) |
| George Colin Magnus | Hutchison Whampoa Limited | Non-executive Director | (1), (2), (3), (4), (5) & (7) |
| | Cheung Kong Infrastructure Holdings Limited | Non-executive Director | (4) & (5) |
| Lee Yeh Kwong, Charles | Hutchison Whampoa Limited | Non-executive Director | (1), (2), (3), (4), (5) & (7) |

Note: Such businesses may be conducted through subsidiaries, associated companies or by way of other forms of investments.

* With effect from 29th January, 2014, Mr. Li Tzar Kuoi, Victor and Mr. Frank John Sixt have been re-designated as Non-executive Directors and Mr. Kam Hing Lam has resigned as Executive Director of Power Assets Holdings Limited.

** With effect from 17th April, 2014, Mr. Ip Tak Chuen, Edmond has resigned as Director and Mr. Chiu Kwok Hung, Justin has resigned as Executive Director and the Chairman of ARA Trust Management (Suntec) Limited.

*** With effect from 28th November, 2014, Mr. Li Tzar Kuoi, Victor has been appointed as Deputy Chairman and a Non-executive Director of HK Electric Investments and HK Electric Investments Limited.

**** With effect from 19th December, 2014, Mr. Fok Kin Ning, Canning has resigned as Executive Director and the Chairman of Hutchison Harbour Ring Limited.

Save as disclosed above, none of the Directors of Cheung Kong is interested in any business apart from the CK Group's businesses which competes or is likely to compete, either directly or indirectly, with businesses of the CK Group.

Report of the Directors of Cheung Kong (Holdings) Limited (*continued*)

Purchase, Sale or Redemption of Cheung Kong's Listed Securities

During the year ended 31st December, 2014, neither Cheung Kong nor any of its subsidiaries has purchased, sold or redeemed any of Cheung Kong's listed securities.

Sufficiency of Public Float

Based on information publicly available to Cheung Kong and within the knowledge of the Directors of Cheung Kong as at the date of this Report of Directors^{##}, Cheung Kong has maintained the prescribed public float under the Listing Rules.

Community Relations

During the year, the CK Group supported a wide variety of charitable activities of the community. Donations of approximately HK\$29,000,000 were made by the CK Group to various charitable organisations.

Audit Committee

The CK Group's annual report for the year ended 31st December, 2014 has been reviewed by the audit committee of Cheung Kong (the "Audit Committee"). Information on the work of Audit Committee and its composition are set out in the Code Provision C.3 of the Corporate Governance Report on pages 74 to 76.

Auditor

At the close of the 2012 annual general meeting held on 25th May, 2012, Messrs. Deloitte Touche Tohmatsu, Certified Public Accountants retired as auditor of the CK Group upon expiration of its term of office and Messrs. PricewaterhouseCoopers, Certified Public Accountants was appointed as new auditor of the CK Group to hold office until the conclusion of the 2013 annual general meeting.

The financial statements for the year have been audited by Messrs. PricewaterhouseCoopers, Certified Public Accountants who will retire and offer themselves for re-appointment at the 2015 annual general meeting.

On behalf of the Board

Li Ka-shing

Chairman

Hong Kong, 26th February, 2015

On 31st March, 2015, Cheung Kong has adopted a new set of the Articles of Association. In accordance with Cheung Kong's new Articles of Association, all Directors of Cheung Kong hold office for an unlimited period of time and none of them shall be subject to retirement from office at any general meeting.

With effect from 18th March, 2015, the effective date of the scheme of arrangement pursuant to Division 2 of Part 13 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) between Cheung Kong and its shareholders, Cheung Kong became a wholly owned subsidiary of CK Hutchison Holdings Limited and its listing status was replaced by CK Hutchison Holdings Limited.