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

2024
Annual Report

Corporate Information

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS

LI Tzar Kuoi, Victor, BSc, MSc, LLD (Hon)
Grande Ufficiale dell'Ordine della Stella d'Italia
Chairman

FOK Kin Ning, Canning, BA, DFM, FCA (ANZ)
Deputy Chairman

Frank John SIXT, MA, LLL
Group Co-Managing Director and Group Finance Director

LAI Kai Ming, Dominic, BSc, MBA
Group Co-Managing Director

IP Tak Chuen, Edmond, BA, MSc
Deputy Managing Director

KAM Hing Lam, BSc, MBA
Deputy Managing Director

Edith SHIH, BSE, MA, MA, EdM, Solicitor, FCG, HKFCG

Andrew John HUNTER, MA, MBA, CA, CPA

NON-EXECUTIVE DIRECTORS

CHOW Kun Chee, Roland, LLM

LEE Yeh Kwong, Charles, GBM, GBS, OBE, JP

George Colin MAGNUS (1), OBE, BBS, MA

WOO Mo Fong, Susan, BSc
(alias CHOW WOO Mo Fong, Susan)

INDEPENDENT NON-EXECUTIVE DIRECTORS

CHOW Ching Yee, Cynthia, BA, MBA

Graeme Allan JACK (2), BCom, CA(ANZ), FCPA

Philip Lawrence KADOORIE, BSc

LAU Yau Fun, Sophie, GBS, SBS, OBE, JP
(alias LEUNG LAU Yau Fun, Sophie)

Paul Joseph TIGHE, BSc

TSIM Sin Ling, Ruth, MBA, CPA, CGA, FCA, FCCA, FCPA

WONG Kwai Lam, BA, PhD

SENIOR ADVISOR

LI Ka-shing, GBM, KBE, LLD (Hon), DSSc (Hon)
Grande Ufficiale Ordine al Merito della Repubblica Italiana
Commandeur de la Légion d'Honneur
Commandeur de l'Ordre de Léopold
Grand Officer of the Order Vasco Nunez de Balboa

AUDIT COMMITTEE

WONG Kwai Lam *(Chairman)*
CHOW Ching Yee, Cynthia
Graeme Allan JACK (2)
Paul Joseph TIGHE
TSIM Sin Ling, Ruth

NOMINATION COMMITTEE

Paul Joseph TIGHE *(Chairman)*
LI Tzar Kuoi, Victor
LAU Yau Fun, Sophie

REMUNERATION COMMITTEE

WONG Kwai Lam *(Chairman)*
LI Tzar Kuoi, Victor
CHOW Ching Yee, Cynthia

SUSTAINABILITY COMMITTEE

Frank John SIXT *(Chairman)*
Edith SHIH
TSIM Sin Ling, Ruth

COMPANY SECRETARY

Edith SHIH

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants
Registered Public Interest Entity Auditor

Notes:
(1) Retired as Non-executive Director and appointed as Special Advisor to the Board with effect from 21 March 2025
(2) Appointed on 13 December 2024

Contents

Corporate Profile

CK Hutchison Group (the "Group") is a renowned multinational conglomerate committed to development, innovation and technology in many different sectors. We operate a variety of businesses in about 50 countries/markets across the world with over 300,000 employees. Our operations consist of four core businesses – ports and related services, retail, infrastructure and telecommunications.

The Group has a strong commitment to the highest standards of corporate governance, transparency and accountability. We take environmental and social sustainability responsibilities seriously with programmes and innovations across our businesses to address related challenges.

Ports and Related Services

As the world's leading port investor, developer and operator, the Group's ports division holds interests in 53 ports comprising 295 operational berths in 24 countries. In 2024, the division handled a total throughput of 87.5 million twenty-foot equivalent units ("TEU"). It also engages in river trade, cruise terminal operations and ports related logistic services.

Retail

The Group's retail division is the world's largest international health and beauty retailer, with over 16,900 stores in 30 markets worldwide. Its diverse retail portfolio comprises health and beauty products, supermarkets, consumer electronics and electrical appliances, wine and luxury perfumeries & cosmetics. It also manufactures and distributes bottled water and beverage products in Hong Kong and Mainland China.

Infrastructure

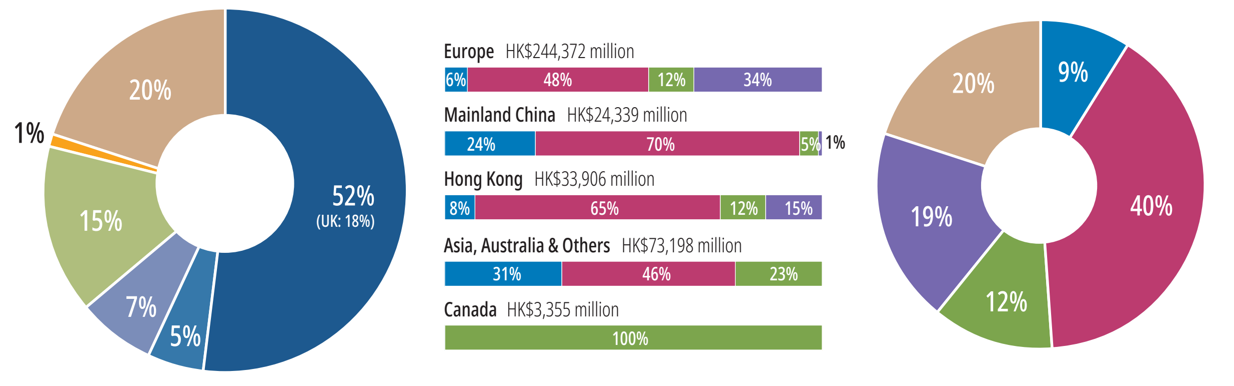
The Group's infrastructure business includes its shareholding in CK Infrastructure Holdings Limited ("CKI") and interests in six infrastructure assets that are co-owned with CKI, which is one of the world's largest global infrastructure companies. The company has diversified investments in energy infrastructure, transportation infrastructure, water infrastructure, waste management, waste-to-energy, household infrastructure and infrastructure related businesses. Its investments and operations span across Hong Kong, Mainland China, the United Kingdom, Continental Europe, Australia, New Zealand, Canada and the United States.

Telecommunications

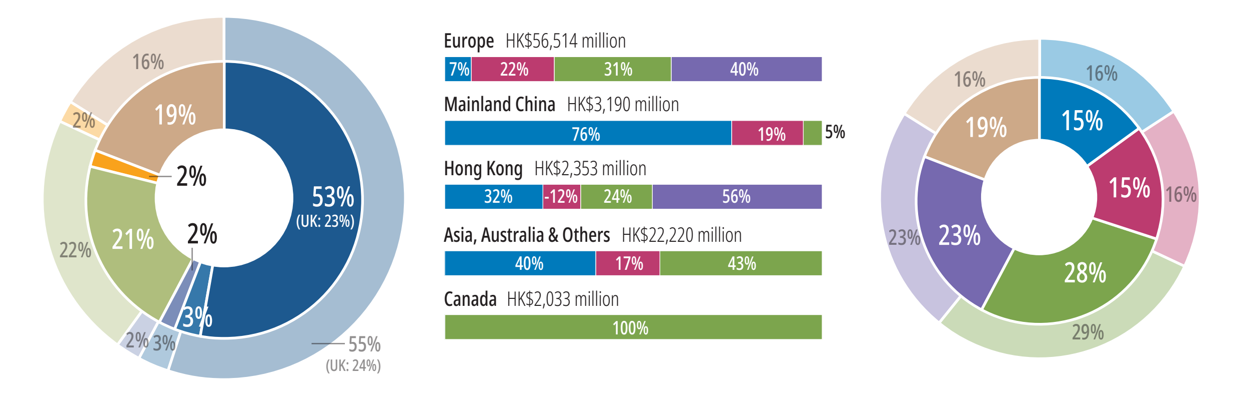
A pioneer in mobile data communication technologies, the Group's telecommunications division is a leading global operator and innovator of converged telecommunication and digital services around the world, implementing innovative technologies in international interconnectivity.

Analyses of Core Business Segments by Geographical Location

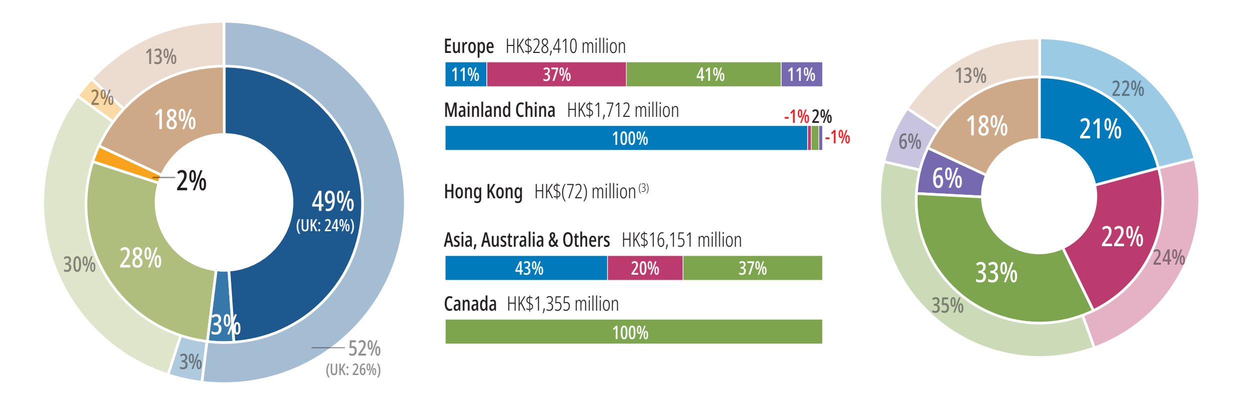
2024 Total Revenue — HK$476,682 million



2024 Total EBITDA (1) (2) — Reported: HK$102,600 million, Underlying: HK$106,340 million



2024 Total EBIT (1) (2) — Reported: HK$54,431 million, Underlying: HK$58,171 million



Reported Underlying

- Europe
- Mainland China
- Hong Kong
- Asia, Australia & Others
- Canada
- Finance & Investments and Others

Note 1: Prepared under Pre-IFRS 16 basis which is set out in note 1 on page 6.

Note 2: The outer pie chart represents EBITDA and EBIT %-mix on a reported basis. The inner pie chart represents underlying EBITDA and EBIT %-mix, which excludes non-cash impairment and other provisions on the Vietnam telecommunication business of HK$(3.7) billion.

Note 3: Mainly comprises of LBIT of retail segment, partly offset by EBIT of other segments.

Reported Underlying

- Ports & Related Services
- Retail
- Infrastructure
- Telecommunications
- Finance & Investments and Others

Analyses by Core Business Segments

	Post-IFRS 16 [1] 2024 HK$ million	%	Post-IFRS 16 [1][2] 2023 HK$ million	%	Change %
Revenue [3]					
Ports and Related Services [3]	**45,282**	**9%**	40,851	9%	11%
Retail	**190,193**	**40%**	183,344	40%	4%
Infrastructure	**55,324**	**12%**	54,714	12%	1%
CK Hutchison Group Telecom	**88,371**	**19%**	86,814	19%	2%
Finance & Investments and Others	**97,512**	**20%**	95,835	20%	2%
Total Revenue	**476,682**	**100%**	461,558	100%	3%
EBITDA [3]					
Ports and Related Services [3]	**18,848**	**15%**	16,415	13%	15%
Retail	**25,594**	**20%**	25,507	20%	–
Infrastructure	**29,953**	**24%**	29,526	23%	1%
CK Hutchison Group Telecom	**31,257**	**25%**	29,081	23%	7%
Finance & Investments and Others	**19,456**	**16%**	26,780	21%	-27%
Total EBITDA	**125,108**	**100%**	127,309	100%	-2%
- Underlying	**128,848**		127,309		1%
- One-off items [4]	**(3,740)**		–		
EBIT [3]					
Ports and Related Services [3]	**13,123**	**22%**	10,583	17%	24%
Retail	**14,099**	**24%**	13,849	22%	2%
Infrastructure	**19,231**	**33%**	19,616	31%	-2%
CK Hutchison Group Telecom	**4,490**	**8%**	3,191	5%	41%
Finance & Investments and Others	**7,815**	**13%**	15,531	25%	-50%
Total EBIT	**58,758**	**100%**	62,770	100%	-6%
- Underlying	**62,498**		62,770		–
- One-off items [4]	**(3,740)**		–		
Interest Expenses and Other Finance Costs [3]	**(24,050)**		(24,200)		1%
Profit Before Tax	**34,708**		38,570		-10%
Tax [3]					
Current tax	**(8,783)**		(7,701)		-14%
Deferred tax	**(2,141)**		(690)		-210%
	(10,924)		(8,391)		-30%
Profit after tax	**23,784**		30,179		-21%
Non-controlling interests and perpetual capital securities holders' interests	**(6,696)**		(6,679)		–
PROFIT ATTRIBUTABLE TO ORDINARY SHAREHOLDERS ("NPAT")	**17,088**		23,500		-27%
- Underlying	**20,828**		23,500		-11%
- One-off items [4]	**(3,740)**		–		

Note 1: As Hong Kong Financial Reporting Standards are fully converged with International Financial Reporting Standards in the accounting for leases, for ease of reference, International Financial Reporting Standard 16 "Leases" ("IFRS 16") and the precedent lease accounting standard International Accounting Standard 17 "Leases" ("IAS 17") are referred to in this Annual Report interchangeably with the relevant Hong Kong Financial Reporting Standards.

Note 2: The Hutchison Asia Telecommunications results are reported under Finance & Investments and Others segment from 1 January 2024 and the comparative results for the year ended 31 December 2023 have been reclassified to the Finance & Investments and Others segment to conform with the year ended 31 December 2024 presentation to enable a better comparison of performance.

Note 3: Total revenue, EBITDA, EBIT, interest expenses and other finance costs and tax include the Group's proportionate share of associated companies and joint ventures' respective items. Total revenue, EBITDA and EBIT were adjusted to exclude non-controlling interests' share of results of HPH Trust.

Note 4: One-off items represent non-cash impairment and other provisions on the Group's telecommunication business in Vietnam of HK$3.7 billion.

	Pre-IFRS 16 (1) 2024 HK$ million	%	Pre-IFRS 16 (1)(2) 2023 HK$ million	%	Change %	Local currencies change %
Revenue (3)						
Ports and Related Services (3)	**45,282**	**9%**	40,851	9%	11%	12%
Retail	**190,193**	**40%**	183,344	40%	4%	5%
Infrastructure	**55,324**	**12%**	54,714	12%	1%	1%
CK Hutchison Group Telecom	**88,371**	**19%**	86,814	19%	2%	2%
Finance & Investments and Others	**97,512**	**20%**	95,835	20%	2%	4%
Total Revenue	**476,682**	**100%**	461,558	100%	3%	4%
EBITDA (3)						
Ports and Related Services (3)	**16,172**	**16%**	13,628	13%	19%	19%
Retail	**16,395**	**16%**	16,226	15%	1%	2%
Infrastructure	**29,614**	**29%**	29,201	28%	1%	1%
CK Hutchison Group Telecom	**24,129**	**23%**	22,341	21%	8%	8%
Finance & Investments and Others	**16,290**	**16%**	23,484	23%	-31%	-29%
Total EBITDA	**102,600**	**100%**	104,880	100%	-2%	-2%
- Underlying	**106,340**		104,880		1%	2%
- One-off items (4)	**(3,740)**		–			
EBIT (3)						
Ports and Related Services (3)	**11,873**	**22%**	9,328	16%	27%	27%
Retail	**13,018**	**24%**	12,888	22%	1%	2%
Infrastructure	**19,180**	**35%**	19,562	33%	-2%	-3%
CK Hutchison Group Telecom	**3,485**	**6%**	2,265	4%	54%	51%
Finance & Investments and Others	**6,875**	**13%**	14,525	25%	-53%	-52%
Total EBIT	**54,431**	**100%**	58,568	100%	-7%	-7%
- Underlying	**58,171**		58,568		-1%	-1%
- One-off items (4)	**(3,740)**		–			
Interest Expenses and Other Finance Costs (3)	**(19,655)**		(20,147)		2%	
Profit Before Tax	**34,776**		38,421		-9%	
Tax (3)						
Current tax	**(8,793)**		(7,705)		-14%	
Deferred tax	**(2,193)**		(795)		-176%	
	(10,986)		(8,500)		-29%	
Profit after tax	**23,790**		29,921		-20%	
Non-controlling interests and perpetual capital securities holders' interests	**(6,760)**		(6,678)		-1%	
PROFIT ATTRIBUTABLE TO ORDINARY SHAREHOLDERS ("NPAT")	**17,030**		23,243		-27%	-26%
- Underlying	**20,770**		23,243		-11%	-10%
- One-off items (4)	**(3,740)**		–			

Note 1: As Hong Kong Financial Reporting Standards are fully converged with International Financial Reporting Standards in the accounting for leases, for ease of reference, International Financial Reporting Standard 16 "Leases" ("IFRS 16") and the precedent lease accounting standard International Accounting Standard 17 "Leases" ("IAS 17") are referred to in this Annual Report interchangeably with the relevant Hong Kong Financial Reporting Standards. The Group believes that the IAS 17 basis ("Pre-IFRS 16 basis") metrics, which are not intended to be a substitute for, or superior to, the reported metrics on a IFRS 16 basis ("Post-IFRS 16 basis"), better reflect management's view of the Group's underlying operational performance. IAS 17 basis metrics financial information is regularly reviewed by management and used for resource allocation, performance assessment and internal decision-making. As a result, the Group has provided an alternative presentation of the Group's EBITDA, EBIT, interest expenses and other finance costs, tax, non-controlling interests and perpetual capital securities holders' interests and profit attributable to ordinary shareholders prepared under the Pre-IFRS 16 basis relating to the accounting for leases. Unless otherwise specified, the discussion of the Group's operating results in this Annual Report is on a Pre-IFRS 16 basis as mentioned above.

Note 2: The Hutchison Asia Telecommunications results are reported under Finance & Investments and Others segment from 1 January 2024 and the comparative results for the year ended 31 December 2023 have been reclassified to the Finance & Investments and Others segment to conform with the year ended 31 December 2024 presentation to enable a better comparison of performance.

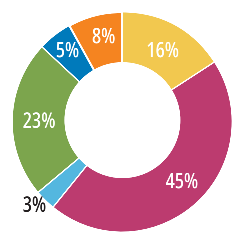
Note 3: Total revenue, EBITDA, EBIT, interest expenses and other finance costs and tax include the Group's proportionate share of associated companies and joint ventures' respective items. Total revenue, EBITDA and EBIT were adjusted to exclude non-controlling interests' share of results of HPH Trust.

Note 4: One-off items represent non-cash impairment and other provisions on the Group's telecommunication business in Vietnam of HK$3.7 billion.

Key Financial Information

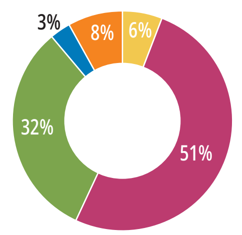
	Post-IFRS 16 (1) 2024 HK$ million	Pre-IFRS 16 (2) 2024 HK$ million	Post-IFRS 16 (1) 2023 HK$ million	Pre-IFRS 16 (2) 2023 HK$ million
Profit attributable to ordinary shareholders of the Company	17,088	17,030	23,500	23,243
Earnings per share (HK$) (3)	4.46		6.14	
Full year dividend per share (HK$)	2.202		2.531	
Total assets	1,112,542	1,064,549	1,158,903	1,107,382
Net assets	652,592	665,273	670,549	683,810
Net assets attributable to shareholders of the Company per ordinary share (HK$)	139.6	141.9	142.0	144.5
Total principal amount of bank and other debts	256,048	257,104	271,401	272,626
Total cash, liquid funds and other listed investments ("liquid assets")	129,445	129,445	143,109	143,109
Total principal amount of bank and other debts including unamortised fair value adjustments from acquisitions	258,003	259,059	273,694	274,919
Net debt	128,558	129,614	130,585	131,810
Net debt to net total capital ratio (4)	16.4%	16.2%	16.2%	16.1%
Credit rating:				
Moody's	A2		A2	
Standard & poor's	A		A	
Fitch	A-		A-	

Liquid Assets by Currency Denomination at 31 December 2024



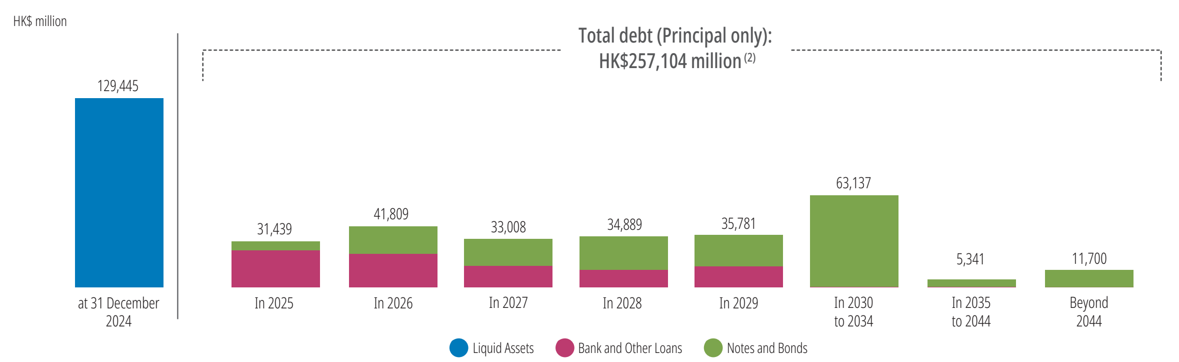
Pre-IFRS 16 (2) and Post-IFRS 16 (1) total : HK$129,445 million

Debt Profile by Currency Denomination at 31 December 2024



Total principal amount of bank and other debts:
Pre-IFRS 16 total (2) : HK$257,104 million
Post-IFRS 16 total (1) : HK$256,048 million

Debt Maturity Profile at 31 December 2024 - Principal only



Note 1: Prepared under Post-IFRS 16 basis as set out in note 1 on page 5.

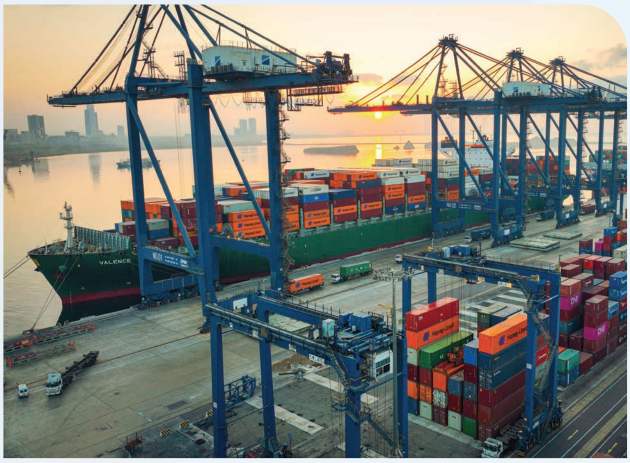
Note 2: Prepared under Pre-IFRS 16 basis as set out in note 1 on page 6.

Note 3: Earnings per share is calculated based on profit attributable to ordinary shareholders. For the year ended 31 December 2024, the earnings per share is calculated based on CKHH's number of shares in issue during the year of 3,830,044,500 shares (2023: 3,830,044,500 shares).

Note 4: Net debt represents net debt (excluding interest bearing loans from non-controlling shareholders), as defined on the Consolidated Statement of Cash Flows. Total bank and other debts are defined, for the purpose of "Net debt" calculation, as the total principal amount of bank and other debts and unamortised fair value adjustments arising from acquisitions. Net total capital is defined as total bank and other debts plus total equity and loans from non-controlling shareholders net of total cash, liquid funds and other listed investments.

Business Highlights

- The merger of **3** UK and Vodafone UK receives approval from the UK Competition and Markets Authority, paving the way to create Britain's third telecommunications operator with scale. The transaction is expected to complete in the first half of 2025.
- Wind Tre acquires OpNet, Europe's first standalone 5G network operator, allowing the company to offer even more reliable 5G and Fixed Wireless Access services.
- Hutchison Telecommunications Hong Kong Holdings secures 10 MHz of the 850/900 MHz frequency bands and 20 MHz of the 2.3 GHz frequency band. The assignment of the frequency blocks will be valid for a period of 15 years.
- CKHGT is recognised as a 2025 Industry and Regional ESG Top-Rated Company by Sustainalytics.
- CKI launches its secondary listing on the London Stock Exchange, further enhancing the Group's standing as one of the largest global infrastructure companies.
- CKI, alongside strategic partners CK Asset and Power Assets, acquires Phoenix Energy, the largest natural gas distribution network in Northern Ireland.
- A consortium, including CKI, CK Asset and Power Assets, acquires UK Renewables Energy, a portfolio of operating onshore wind farms in the UK.
- UK Power Networks Services, a non-regulated business of UK Power Networks, acquires Powerlink Renewable Assets (previously known as UU Solar).



- AS Watson unveils its 16,800th store worldwide in Rotterdam, the Netherlands, marking a milestone in its ongoing expansion.
- More than 80% of Watsons China's warehouse-to-store deliveries in Beijing, Shanghai, Guangzhou, Shenzhen, Tianjin, Chongqing and Xiamen are made by electric vehicles.
- During 2023-2024, Watsons opens and upgrades over 5,700 stores in Asia.
- Hutchison Ports KICT and National Logistics Corporation sign a memorandum of understanding to explore collaborative opportunities in the logistics sector and improve supply chain operations in Pakistan.
- In Spain, Hutchison Ports BEST is the first container terminal to supply ships with 100% renewable-origin electricity through its Onshore Power Supply substation.
- CK Life Sciences' WEX Pharmaceuticals merges with Nasdaq-listed biotechnology company, Virios Therapeutics, to form Dogwood Therapeutics.
- CK Hutchison and CK Asset, through CK Life Sciences, invests in a regenerative agriculture project, acquiring over 350,000 hectares of agricultural land in Australia for carbon sequestration.
- HUTCHMED's fruquintinib secures approval in Hong Kong, the European Union, Switzerland, Argentina, Canada, Japan, the UK, Australia, Singapore, Israel and the United Arab Emirates to treat patients with metastatic colorectal cancer.
- HUTCHMED establishes a new research and development (R&D) centre at the Hong Kong Science Park, focusing on translational research and AI-driven drug discovery.

Chairman's Statement

Economic conditions in early 2024 were relatively benign with easing inflation and generally within consensus growth. Nevertheless, energy and input costs continued to increase in the UK and Europe while anticipated loosening of monetary policy in the US did not materialise and the US Dollar as a result remained persistently strong by historical standards.

Since the third quarter of the year volatility has increased in equity, currency, bond and debt markets in the US and in several of the major markets in which our businesses operate. Geopolitical and trade tensions have also risen significantly. Commodity markets have fluctuated significantly with oil, gas and refined products prices generally weak as a result of demand concerns associated with weak economic activity.

During the year, the Group recognised one-time non-cash impairment and other provisions on its telecommunication business in Vietnam of HK$3.7 billion as the operating conditions continue to be under significant pressure. However, on the whole, the Group's underlying operating results were relatively stable.

On a pre-IFRS 16 basis and excluding the one-time losses mentioned above, underlying EBITDA increased 2% in local currencies compared to 2023, primarily from good growth in the Ports division, improvements across all of the operations in CKHGT, as well as stable performance from the Retail and Infrastructure divisions, partly offset by certain treasury gains on non-core asset disposal in 2023 which did not recur in 2024 and lower contribution from Cenovus Energy. Underlying EBIT decreased by 1% in local currencies against last year due to higher depreciation and amortisation, primarily due to CKHGT and higher share of depreciation of Cenovus Energy.

Underlying profit attributable to ordinary shareholders on a pre-IFRS 16 basis of HK$20,770 million decreased 10% in local currencies against 2023, reflecting increased tax charges from a higher effective tax rate in 2024. Including the one-time non-cash impairment and other provisions on the telecommunication business in Vietnam, on a Post-IFRS 16 basis, reported profit attributable to ordinary shareholders of HK$17,088 million decreased 27% against last year.

Reported earnings per share were HK$4.46 for the year ended 31 December 2024 (31 December 2023 – HK$6.14).

Dividend

The Board of Directors recommends a final dividend of HK$1.514 per share (2023 final dividend – HK$1.775 per share), payable on Thursday, 12 June 2025, to shareholders whose names appear on the Register of Members of the Company at the close of business on Wednesday, 28 May 2025, being the record date for determining shareholders' entitlement to the proposed final dividend. Combined with the interim dividend of HK$0.688 per share, the full year dividend amounts to HK$2.202 per share (2023 full year dividend – HK$2.531 per share).

Ports and Related Services

This division reported revenue of HK$45,282 million, an increase of 11% compared to 2023, primarily driven by 6% higher throughput with growth across all segments, a 13% uplift in storage income and the favourable performance of a shipping line associated company. Consequently, EBITDA[1] of HK$16,172 million and EBIT[1] of HK$11,873 million, increased by 19% and 27% respectively compared to 2023, due to higher revenue as mentioned above and effective cost controls.

Looking ahead to 2025, there may be headwinds with supply chain disruptions anticipated in the early part of the year due to shipping lines transitioning into their new alliances, as well as ongoing geopolitical risk impacting global trade. However, moderate organic growth is expected to continue mainly from Asia and Middle East, which together with expansion at existing terminal facilities and strengthening strategic partnerships, the division will look to deliver improvements in operating results in the coming year.

Retail

The division's total revenue of HK$190,193 million increased by 4% in reported currency against last year, while EBITDA[2] and EBIT[2] of HK$16,395 million and HK$13,018 million both increased by 1%. In local currencies, total revenue increased by 5%, while EBITDA and EBIT both increased by 2%. Most operations in this division delivered favourable performance, except for non-ASEAN Asia regions which suffered from declined store footfall and weak consumer confidence. Excluding the non-ASEAN Asia regions, EBITDA and EBIT both achieved a strong growth of 10% in local currencies against last year.

Looking ahead, the European and ASEAN Asian businesses are projected to maintain strong performance, while the Asian operations in non-ASEAN markets are anticipated to show improvement through store network optimisation and various strategic actions. Leveraging its 170 million loyalty customer base, this division will focus on deepening customer engagement and maximising lifetime value, maintaining a rapid return on investment for store openings, as well as delivering revenue growth through its online plus offline platform strategy.

Infrastructure

The Infrastructure division comprises a 75.67% interest in CK Infrastructure Holdings Limited ("CKI"), a subsidiary listed in Hong Kong as well as interests in six co-owned infrastructure investments with CKI.

CKI

Profit contributions from operating businesses reported strong growth of 10% year-on-year. However, net profit was impacted by treasury items including higher interest cost and lower foreign exchange gain, resulting in the announced net profit under Post-IFRS 16 basis of HK$8,115 million being 1% higher than last year.

Looking into 2025, this division's regulated businesses will continue to provide steady and recurring income and the non-regulated businesses will also generate good growth contributions. Together with its strong financial position, this division is well placed to capitalise on investment opportunities as they arise.

Note 1: Under Post-IFRS 16 basis, EBITDA was HK$18,848 million (2023: HK$16,415 million); EBIT was HK$13,123 million (2023: HK$10,583 million).

Note 2: Under Post-IFRS 16 basis, EBITDA was HK$25,594 million (2023: HK$25,507 million); EBIT was HK$14,099 million (2023: HK$13,849 million).

CK Hutchison Group Telecom

Revenue of CK Hutchison Group Telecom ("CKHGT") was HK$88,371 million (€10,458 million), 2% higher against last year in reported currency. EBITDA(3) and EBIT(3) of HK$24,129 million (€2,855 million) and HK$3,485 million (€405 million) were 8% and 54% higher than last year in reported currency, primarily due to better performance of **3** Group Europe operations.

3 Group Europe

Revenue of HK$81,710 million was 2% higher against last year in local currencies, primarily driven by moderate growth in net customer services revenue from the higher customer base and favourable revenue initiatives phased throughout the year. Revenue growth also reflects higher MVNO and other wholesale revenue. As a result of improved revenue mix, **3** Group Europe reported an overall 3% higher total margin in local currencies.

EBITDA(4) of HK$23,122 million was 8% or HK$1,760 million higher against last year in local currencies, primarily driven by good growth in total margin. Despite continued challenges from cost inflation, operating expenses and customer acquisition spending remained stable year-on-year under tight cost control initiatives. Depreciation and amortisation increased by 3% or HK$599 million due to higher depreciation from enlarged network asset base, as well as a one-time accelerated depreciation from the swap out of certain network equipment in the Denmark operation, partly offset by the favourable variance from accelerated depreciation on the legacy IT system recognised by the UK in 2023 that did not recur in 2024. Correspondingly, EBIT(4) of HK$3,603 million was 48% or HK$1,161 million higher against last year in local currencies, reflecting primarily the higher EBITDA as mentioned.

3 UK and Vodafone UK merger approval from the competition authorities ("CMA") was received in December 2024 and the Group is working with CMA to put in place the final undertakings in order to close the transaction with completion expected within the first half of 2025.

Looking ahead to 2025, the operations will focus on delivering stable underlying performance through growing the customer base, continuing revenue initiatives, stringent cost discipline and stabilising depreciation under tight management of capital spending. The Group will also comprehensively review ways and means of enhancing productivity and significantly reducing its operating and capital cost base. This in depth review will be completed and new targets announced during the year.

Note 3: Under Post-IFRS 16 basis, EBITDA was HK$31,257 million (2023: HK$29,081 million); EBIT was HK$4,490 million (2023: HK$3,191 million).

Note 4: Under Post-IFRS 16 basis, EBITDA was HK$29,824 million (2023: HK$27,675 million); EBIT was HK$4,590 million (2023: HK$3,312 million).

Finance & Investments and Others

This segment reported adverse EBITDA[5] and EBIT[5] results compared to last year, primarily due to the one-time non-cash impairment and other provisions on the telecommunication business in Vietnam of HK$3,740 million[6], certain treasury gains on non-core asset disposals in 2023 not recurring in 2024, as well as lower contribution from Cenovus Energy.

The Group's 17.4% share of Cenovus Energy's Post-IFRS 16 EBITDA, EBIT and net earnings were HK$9,311 million, HK$4,491 million and HK$3,041 million, a decrease of HK$783 million, HK$1,073 million and HK$922 million compared to last year respectively, mainly reflecting the decline in commodity prices, partly offset by increase in production volume.

The Group's telecommunications joint venture in Indonesia, Indosat Ooredoo Hutchison ("IOH") continued to report robust revenue growth of 9%, primarily driven by an increase in data traffic and an enhanced customer experience from the expanded network, resulting in the Group's share of IOH EBITDA increasing by 4% in reported currency. Excluding the net gains from the disposal of non-core assets in 2023 not recurring in 2024, the Group's share of IOH's underlying EBITDA increased 12% year-on-year, reflecting revenue growth and disciplined cost control.

The Group's liquidity and financial profile remain strong. Consolidated cash and liquid investments totalled HK$129,445 million and consolidated total bank and other debts[7] amounted to HK$259,059 million, resulting in consolidated net debt[7] of HK$129,614 million (31 December 2023 – HK$131,810 million) and net debt to net total capital ratio[7] [8] of 16.2% (31 December 2023 – 16.1%).

Sustainability

Throughout 2024, the Group continued to operate positively towards decarbonisation goals and achieved significant impacts from initiatives. During the past year, the Group has reduced approximately 20% carbon emission as compared to the baseline, on track with the decarbonisation pathway set out in the reduction targets.

With increasing and more stringent disclosure requirements on the horizon, particularly in regions of the European Union and Hong Kong regarding the Corporate Sustainability Disclosure Directive and International Financial Reporting Standards, the Group took the initiative in 2024 by early engaging with service consultants to understand the requirements and to prepare for future compliance needs. The Group has also accepted the invitation from the Carbon Disclosure Project and taken the initiative on disclosure participation, which further enhanced the transparency of the Group's sustainability performance.

With regards to creating a positive working environment, the Group ensures employees are working in an environment of being supported, acknowledged and included, which continues to be one of the Group's core objectives. The Group's commitments are recognised with **3** Austria, **3** Hong Kong, **3** Sweden and Wind Tre named among the best employers of respective jurisdiction. **3** Ireland was also awarded with "Investors in Diversity Gold" standard in 2024, while UK Power Networks received the "Diversity and Inclusion Strategy of the Year" from the Women in Green Business Awards in London. The AS Watson Group was also announced as the first health and beauty retailer signatory of the Women's Empowerment Principle from the United Nations Entity for Gender Equality and Empowerment, demonstrating the Group's overall dedication to a diversified workplace.

Note 5: The Hutchison Asia Telecommunications results are reported under Finance & Investments and Others segment from 1 January 2024 and the comparative results for the year ended 31 December 2023 have been reclassified to the Finance & Investments and Others segment to conform with the year ended 31 December 2024 presentation to enable a better comparison of performance.

Note 6: Under Post-IFRS 16 basis, the non-cash impairment and other provisions on the telecommunication business in Vietnam was HK$3,740 million.

Note 7: Total bank and other debts are defined, for the purpose of "Net debt" calculation, as the total principal amount of bank and other debts and unamortised fair value adjustments arising from acquisitions. Net debt is defined as total bank and other debts less total cash, liquid funds and other listed investments. Net total capital is defined as total bank and other debts plus total equity (adjusted to exclude IFRS 16 effects) and loans from non-controlling shareholders net of total cash, liquid funds and other listed investments. The consolidated net debt to net total capital ratio under IFRS 16 basis, after including IFRS 16 impact in total equity, was 16.4% (31 December 2023: 16.2%).

Note 8: The increase in net debt to net total capital ratio is mainly due to the redemption of €500 million perpetual capital securities during the year, without which the net debt to net total capital ratio would have been 15.7%.

Outlook

The operating environment for the Group's businesses is expected to be both volatile and unpredictable. In such an environment, the Group will constrain capital spending and new investment and focus on stringent cash flow management. We will also task all our businesses to increase productivity and reduce operating spending, in particular through the rapid adoption of suitable emerging technology tools. Lastly our strong balance sheet and liquidity position ensure that the Group will be able to maintain a strong financial profile even in the severest of market conditions.

I would like to thank the Board of Directors and all our dedicated employees around the world for their continued loyalty, diligence, professionalism and contributions to the Group.

Victor T K Li
Chairman

Hong Kong, 20 March 2025

Results for the year ended 31 December 2024

Year ended 31 December	Post-IFRS 16 [1] Basis 2024 HK$ million	2023 HK$ million	2024 HK$ per share	2023 HK$ per share	Change
Total Revenue [2]	**476,682**	461,558			
Total EBITDA [2]	**125,108**	127,309			
Total EBIT [2]	**58,758**	62,770			
Reported earnings [3]					
Underlying	**20,828**	23,500	**5.44**	6.14	-11%
One-time items [4]	**(3,740)**	–	**(0.98)**	–	
	17,088	23,500	**4.46**	6.14	-27%
Final dividend per share			**1.514**	1.775	-15%
Full year dividend per share			**2.202**	2.531	-13%

	Pre-IFRS 16 [1] Basis					
	Reported		Underlying [4]			
Year ended 31 December	2024 HK$ million	2023 HK$ million	2024 HK$ million	2023 HK$ million	Reported currency change	Local currencies change
Total Revenue [2]	**476,682**	461,558	**476,682**	461,558	3%	4%
Total EBITDA [2]	**102,600**	104,880	**106,340**	104,880	1%	2%
Total EBIT [2]	**54,431**	58,568	**58,171**	58,568	-1%	-1%
Reported earnings [3]	**17,030**	23,243	**20,770**	23,243	-11%	-10%

Note 1: As Hong Kong Financial Reporting Standards are fully converged with International Financial Reporting Standards in the accounting for leases, for ease of reference, International Financial Reporting Standard 16 "Leases" ("IFRS 16") and the precedent lease accounting standard International Accounting Standard 17 "Leases" ("IAS 17") are referred to in this Annual Report interchangeably with the relevant Hong Kong Financial Reporting Standards. The Group believes that the IAS 17 basis ("Pre-IFRS 16 basis") metrics, which are not intended to be a substitute for, or superior to, the reported metrics on a IFRS 16 basis ("Post-IFRS 16 basis"), better reflect management's view of the Group's underlying operational performance. IAS 17 basis metrics financial information is regularly reviewed by management and used for resource allocation, performance assessment and internal decision-making. As a result, the Group has provided an alternative presentation of the Group's EBITDA, EBIT and Reported earnings prepared under the Pre-IFRS 16 basis relating to the accounting for leases. Unless otherwise specified, the discussion of the Group's operating results in this Annual Report is on a Pre-IFRS 16 basis as mentioned above.

Note 2: Total revenue, earnings before interest expenses and other finance costs, tax, depreciation and amortisation ("EBITDA") and earnings before interest expenses and other finance costs and tax ("EBIT") include the Group's proportionate share of associated companies and joint ventures' respective items.

Note 3: Reported earnings represent profit attributable to shareholders. Reported earnings per share for the year ended 31 December 2024 and 2023 is calculated based on profit attributable to ordinary shareholders.

Note 4: Underlying results for the year ended 31 December 2024 exclude one-time non-cash impairment and other provisions on the Vietnam telecommunication business of HK$3.7 billion at EBITDA, EBIT and Reported earnings, under pre-IFRS 16 and post-IFRS 16 basis.

Financial Performance Summary

	Post-IFRS 16 [1] 2024 HK$ million	%	Post-IFRS 16 [1][2] 2023 HK$ million	%	Change %
Revenue [3]					
Ports and Related Services [3]	**45,282**	**9%**	40,851	9%	11%
Retail	**190,193**	**40%**	183,344	40%	4%
Infrastructure	**55,324**	**12%**	54,714	12%	1%
CK Hutchison Group Telecom	**88,371**	**19%**	86,814	19%	2%
Finance & Investments and Others	**97,512**	**20%**	95,835	20%	2%
Total Revenue	**476,682**	**100%**	461,558	100%	3%
EBITDA [3]					
Ports and Related Services [3]	**18,848**	**15%**	16,415	13%	15%
Retail	**25,594**	**20%**	25,507	20%	–
Infrastructure	**29,953**	**24%**	29,526	23%	1%
CK Hutchison Group Telecom	**31,257**	**25%**	29,081	23%	7%
Finance & Investments and Others	**19,456**	**16%**	26,780	21%	-27%
Total EBITDA	**125,108**	**100%**	127,309	100%	-2%
- Underlying	**128,848**		127,309		1%
- One-off items [4]	**(3,740)**		–		
EBIT [3]					
Ports and Related Services [3]	**13,123**	**22%**	10,583	17%	24%
Retail	**14,099**	**24%**	13,849	22%	2%
Infrastructure	**19,231**	**33%**	19,616	31%	-2%
CK Hutchison Group Telecom	**4,490**	**8%**	3,191	5%	41%
Finance & Investments and Others	**7,815**	**13%**	15,531	25%	-50%
Total EBIT	**58,758**	**100%**	62,770	100%	-6%
- Underlying	**62,498**		62,770		–
- One-off items [4]	**(3,740)**		–		
Interest Expenses and Other Finance Costs [3]	**(24,050)**		(24,200)		1%
Profit Before Tax	**34,708**		38,570		-10%
Tax [3]					
Current tax	**(8,783)**		(7,701)		-14%
Deferred tax	**(2,141)**		(690)		-210%
	(10,924)		(8,391)		-30%
Profit after tax	**23,784**		30,179		-21%
Non-controlling interests and perpetual capital securities holders' interests	**(6,696)**		(6,679)		–
PROFIT ATTRIBUTABLE TO ORDINARY SHAREHOLDERS ("NPAT")	**17,088**		23,500		-27%
- Underlying	**20,828**		23,500		-11%
- One-off items [4]	**(3,740)**		–		

Note 1: As Hong Kong Financial Reporting Standards are fully converged with International Financial Reporting Standards in the accounting for leases, for ease of reference, International Financial Reporting Standard 16 "Leases" ("IFRS 16") and the precedent lease accounting standard International Accounting Standard 17 "Leases" ("IAS 17") are referred to in this Annual Report interchangeably with the relevant Hong Kong Financial Reporting Standards.

Note 2: The Hutchison Asia Telecommunications results are reported under Finance & Investments and Others segment from 1 January 2024 and the comparative results for the year ended 31 December 2023 have been reclassified to the Finance & Investments and Others segment to conform with the year ended 31 December 2024 presentation to enable a better comparison of performance.

Note 3: Total revenue, EBITDA, EBIT, interest expenses and other finance costs and tax include the Group's proportionate share of associated companies and joint ventures' respective items. Total revenue, EBITDA and EBIT were adjusted to exclude non-controlling interests' share of results of HPH Trust.

Note 4: One-off items represent non-cash impairment and other provisions on the Group's telecommunication business in Vietnam of HK$3.7 billion.

Financial Performance Summary

	Pre-IFRS 16 [1] 2024 HK$ million	%	Pre-IFRS 16 [1][2] 2023 HK$ million	%	Change %	Local currencies change %
Revenue [3]						
Ports and Related Services [3]	**45,282**	**9%**	40,851	9%	11%	12%
Retail	**190,193**	**40%**	183,344	40%	4%	5%
Infrastructure	**55,324**	**12%**	54,714	12%	1%	1%
CK Hutchison Group Telecom	**88,371**	**19%**	86,814	19%	2%	2%
Finance & Investments and Others	**97,512**	**20%**	95,835	20%	2%	4%
Total Revenue	**476,682**	**100%**	461,558	100%	3%	4%
EBITDA [3]						
Ports and Related Services [3]	**16,172**	**16%**	13,628	13%	19%	19%
Retail	**16,395**	**16%**	16,226	15%	1%	2%
Infrastructure	**29,614**	**29%**	29,201	28%	1%	1%
CK Hutchison Group Telecom	**24,129**	**23%**	22,341	21%	8%	8%
Finance & Investments and Others	**16,290**	**16%**	23,484	23%	-31%	-29%
Total EBITDA	**102,600**	**100%**	104,880	100%	-2%	-2%
- Underlying	**106,340**		104,880		1%	2%
- One-off items [4]	**(3,740)**		–			
EBIT [3]						
Ports and Related Services [3]	**11,873**	**22%**	9,328	16%	27%	27%
Retail	**13,018**	**24%**	12,888	22%	1%	2%
Infrastructure	**19,180**	**35%**	19,562	33%	-2%	-3%
CK Hutchison Group Telecom	**3,485**	**6%**	2,265	4%	54%	51%
Finance & Investments and Others	**6,875**	**13%**	14,525	25%	-53%	-52%
Total EBIT	**54,431**	**100%**	58,568	100%	-7%	-7%
- Underlying	**58,171**		58,568		-1%	-1%
- One-off items [4]	**(3,740)**		–			
Interest Expenses and Other Finance Costs [3]	**(19,655)**		(20,147)		2%	
Profit Before Tax	**34,776**		38,421		-9%	
Tax [3]						
Current tax	**(8,793)**		(7,705)		-14%	
Deferred tax	**(2,193)**		(795)		-176%	
	(10,986)		(8,500)		-29%	
Profit after tax	**23,790**		29,921		-20%	
Non-controlling interests and perpetual capital securities holders' interests	**(6,760)**		(6,678)		-1%	
PROFIT ATTRIBUTABLE TO ORDINARY SHAREHOLDERS ("NPAT")	**17,030**		23,243		-27%	-26%
- Underlying	**20,770**		23,243		-11%	-10%
- One-off items [4]	**(3,740)**		–			

Note 1: As Hong Kong Financial Reporting Standards are fully converged with International Financial Reporting Standards in the accounting for leases, for ease of reference, International Financial Reporting Standard 16 "Leases" ("IFRS 16") and the precedent lease accounting standard International Accounting Standard 17 "Leases" ("IAS 17") are referred to in this Annual Report interchangeably with the relevant Hong Kong Financial Reporting Standards. The Group believes that the IAS 17 basis ("Pre-IFRS 16 basis") metrics, which are not intended to be a substitute for, or superior to, the reported metrics on a IFRS 16 basis ("Post-IFRS 16 basis"), better reflect management's view of the Group's underlying operational performance. IAS 17 basis metrics financial information is regularly reviewed by management and used for resource allocation, performance assessment and internal decision-making. As a result, the Group has provided an alternative presentation of the Group's EBITDA, EBIT, interest expenses and other finance costs, tax, non-controlling interests and perpetual capital securities holders' interests and profit attributable to ordinary shareholders prepared under the Pre-IFRS 16 basis relating to the accounting for leases. Unless otherwise specified, the discussion of the Group's operating results in this Annual Report is on a Pre-IFRS 16 basis as mentioned above.

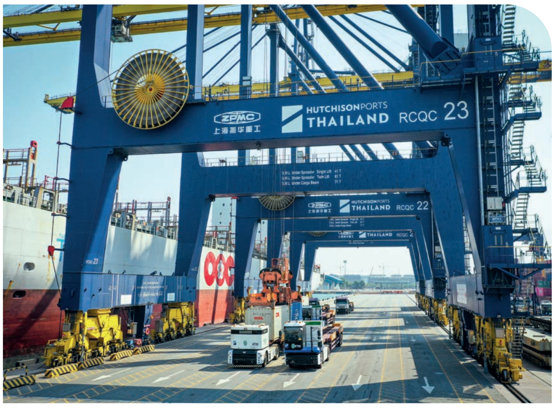
Note 2: The Hutchison Asia Telecommunications results are reported under Finance & Investments and Others segment from 1 January 2024 and the comparative results for the year ended 31 December 2023 have been reclassified to the Finance & Investments and Others segment to conform with the year ended 31 December 2024 presentation to enable a better comparison of performance.

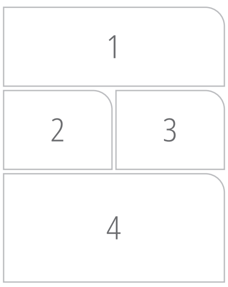
Note 3: Total revenue, EBITDA, EBIT, interest expenses and other finance costs and tax include the Group's proportionate share of associated companies and joint ventures' respective items. Total revenue, EBITDA and EBIT were adjusted to exclude non-controlling interests' share of results of HPH Trust.

Note 4: One-off items represent non-cash impairment and other provisions on the Group's telecommunication business in Vietnam of HK$3.7 billion.

Hutchison Ports Port of Felixstowe is the UK's largest container port and intermodal rail facility.

Ports and Related Services





1. Jakarta International Container Terminal is the largest and busiest international container gateway in Indonesia.
2. Hutchison Ports Thailand upgrades operations at Terminal D at Laem Chabang Port with additional remote control Super Post-Panamax Quay Cranes and remote control Rubber-Tyred Gantry Cranes.
3. In China, Hutchison Ports Yantian completes the first dual-ship liquefied natural gas bunkering simultaneously at a single terminal.
4. In Pakistan, Hutchison Ports KICT celebrates its 25th anniversary and the successful handling of 15 million TEU.

Operations Review – Ports and Related Services

This division is the world's leading port network, and has interests in 53 ports comprising 295 operational berths in 24 countries.

Group Performance

The division comprises the Group's 80% interest in the Hutchison Ports group of companies and its 30.07% interest in the HPH Trust, which together handled a total of 87.5 million twenty-foot equivalent units ("TEU") in 2024.

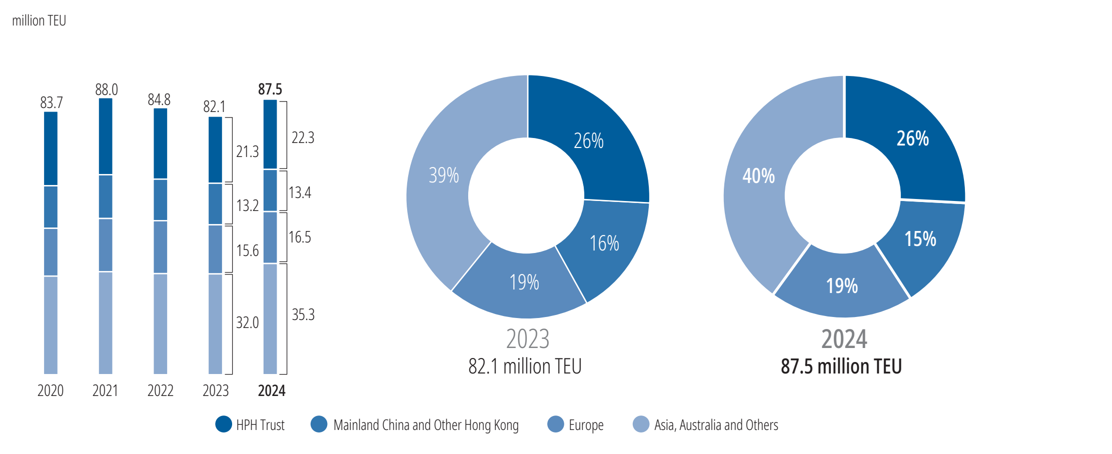
	2024 HK$ million	2023 HK$ million	Change	Local currencies change
Total Revenue [1]	**45,282**	40,851	+11%	+12%
EBITDA [1] [2]	**16,172**	13,628	+19%	+19%
EBIT [1] [2]	**11,873**	9,328	+27%	+27%
Throughput (million TEU)	**87.5**	82.1	+6%	
Number of berths	**295**	293	+2 berths	

Note 1: Total revenue, EBITDA and EBIT have been adjusted to exclude non-controlling interests' share of results of HPH Trust.

Note 2: Under Post-IFRS 16 basis, EBITDA was HK$18,848 million (2023: HK$16,415 million); EBIT was HK$13,123 million (2023: HK$10,583 million).

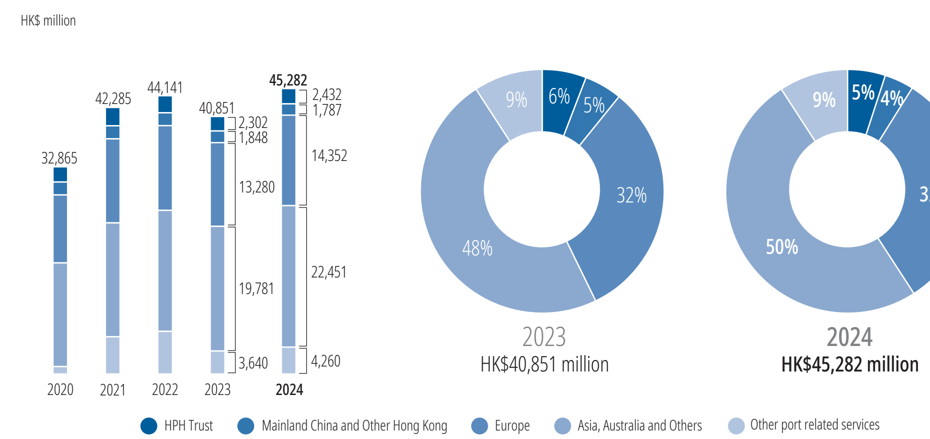
Overall throughput increased 6% to 87.5 million TEU in 2024, with 65% and 35% local and transhipment volume respectively (2023: 65% and 35% local and transhipment volume respectively), primarily due to strong export activities in Yantian driven by solid consumer spending in the US and Europe, supply chain relocations benefitting ports in Asia and Latin America, as well as volume growth in European ports from mild recovery of consumer demand and service reshuffling by shipping lines.

Total Container Throughput by Subdivision (+6%)



Total reported revenue of HK$45,282 million was 11% and 12% higher than last year in reported currency and local currencies respectively mainly attributed to throughput growth, 13% higher storage income year-on-year, together with higher share of revenue from an associated company in the container shipping business primarily resulted from an escalation of market freight rates caused by the Red Sea situation.

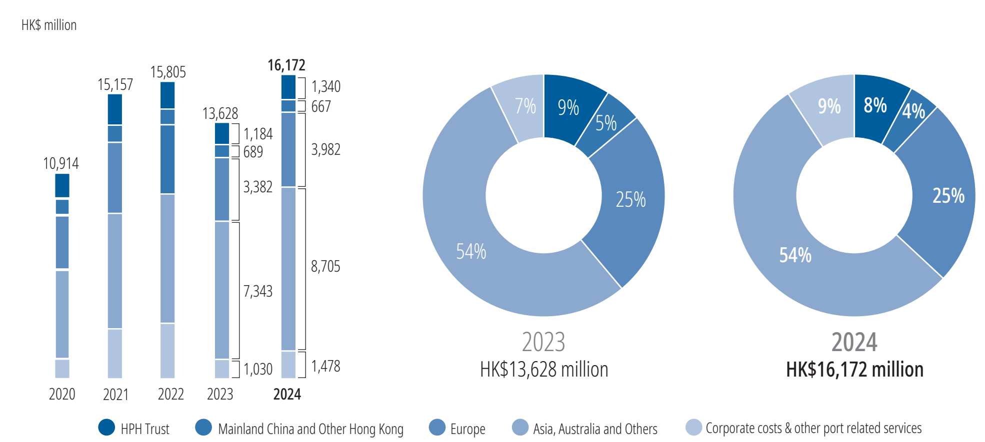
Total Revenue [3] by Subdivision
+11% (+12% in local currencies)



Note 3: Total revenue has been adjusted to exclude non-controlling interests' share of revenue of HPH Trust.

In reported currency, EBITDA increased 19% to HK$16,172 million and EBIT increased 27% to HK$11,873 million against 2023, mainly due to favourable performance in Asia, Australia and Others region from increase in volume and storage income, along with strong throughput growth in Pakistan, as well as surge in cargo demand in Europe and HPH Trust, coupled with higher contribution from the associated company in the container shipping line business as aforementioned, partly offset by slightly lower performance in Mainland China and Hong Kong.

Total EBITDA [4] by Subdivision
+19% (+19% in local currencies)



Note 4: Total EBITDA has been adjusted to exclude non-controlling interests' share of EBITDA of HPH Trust.

As at 31 December 2024, the division had 295 operating berths [5], two berths higher than 2023 from additions of new berths in Laem Chabang in Thailand (+1 berth) and Mexico (+1 berth).

Note 5: Based on 300 metres per berth and is computed by dividing the total berth length by 300 metres.

Since obtaining approval from the Science Based Target Initiative, the division has implemented various decarbonising initiatives, such as the application of mandatory "Equipment Electrification Directive", which led to a net increase of 108 electric/hybrid low carbon units and on-site renewable energy generation, ensuring the division's Greenhouse Gas ("GHG") emission reduction roadmap and net zero targets are progressing according to the proposed timeline. As a result, the division has achieved over 5% of reduction in carbon intensity year-on-year, and over 15% of GHG emission reduction in 2024 as compared against its 2021 baseline. In addition, HPH Trust has also conducted a separate climate scenario analysis in accordance with the Taskforce on Climate-Related Financial Disclosure framework and quantified the impacts of climate related risks and opportunities, resulting in the adoption of key initiatives such as expanding the application of remote operations technology and installing low-emissivity glass in office buildings as heat mitigating solution to combat the influence from rising temperature.

Segment Performance

HPH Trust

	2024 HK$ million	2023 HK$ million	Change
Total Revenue [6]	**2,432**	2,302	+6%
EBITDA [6]	**1,340**	1,184	+13%
EBIT [6]	**698**	520	+34%
Throughput (million TEU)	**22.3**	21.3	+5%
Number of berths	**52**	52	–

Note 6: Total revenue, EBITDA and EBIT have been adjusted to exclude non-controlling interests' share of results of HPH Trust.

HPH Trust's total revenue, EBITDA and EBIT increased by 6%, 13% and 34% respectively mainly attributable to the 5% increase in throughput, driven by notably strong volume growth of 12% in Yantian from escalating outbound cargoes to the United States and European markets, together with stringent cost control.

Mainland China and Other Hong Kong

	2024 HK$ million	2023 HK$ million	Change	Local currencies change
Total Revenue	**1,787**	1,848	-3%	-1%
EBITDA	**667**	689	-3%	-1%
EBIT	**458**	473	-3%	-1%
Throughput (million TEU)	**13.4**	13.2	+1%	
Number of berths	**44**	44	–	

The Mainland China and other Hong Kong segment's revenue, EBITDA and EBIT declined despite moderate throughput growth compared to 2023, mainly attributable to lower storage income and adverse box mix, which more than offset higher throughput in Shanghai.

Europe

	2024 HK$ million	2023 HK$ million	Change	Local currencies change
Total Revenue	**14,352**	13,280	+8%	+8%
EBITDA	**3,982**	3,382	+18%	+17%
EBIT	**2,927**	2,328	+26%	+25%
Throughput (million TEU)	**16.5**	15.6	+6%	
Number of berths	**67**	67	–	

Europe segment's total revenue, EBITDA and EBIT increased by 8%, 18% and 26% respectively in reported currency and increased 8%, 17% and 25% in local currencies respectively, primarily due to volume growth from increased consumer activities mainly in the UK, along with diverted transhipment traffic to Barcelona in Spain, partly offset by decline in throughput volume from Rotterdam in the Netherlands.

Asia, Australia and Others

	2024 HK$ million	2023 HK$ million	Change	Local currencies change
Total Revenue	**22,451**	19,781	+13%	+15%
EBITDA	**8,705**	7,343	+19%	+19%
EBIT	**6,743**	5,400	+25%	+25%
Throughput (million TEU)	**35.3**	32.0	+10%	
Number of berths	**132**	130	+2 berths	

Asia, Australia and Others' total revenue, EBITDA and EBIT improved by 13%, 19% and 25% respectively in reported currency and increased 15%, 19% and 25% in local currencies respectively, from higher storage income and surge in import laden containers, as well as volume growth from major ports within the segment.

Retail

Superdrug marks 60 years in the health and beauty retail business.

1. Kruidvat operates over 1,200 stores in the Netherlands and Belgium.
2. Watsons celebrates 30 years in Malaysia.
3. Watsons enters the Bahrain market in the Gulf Cooperation Council with three new stores.
4. Watsons operates over 700 stores in Thailand.

Operations Review – Retail

The Retail division consists of the AS Watson ("ASW") group of companies, the world's largest international Health and Beauty ("H&B") retailer with a 170 million loyalty member base.

Group Performance

ASW operated 12 retail brands with 16,951 stores in 30 markets worldwide as of 31 December 2024, providing high quality personal care, health and beauty products; food and fine wines; as well as consumer electronics and electrical appliances. ASW also manufactures and distributes bottled water and other beverages in Hong Kong and the Mainland.

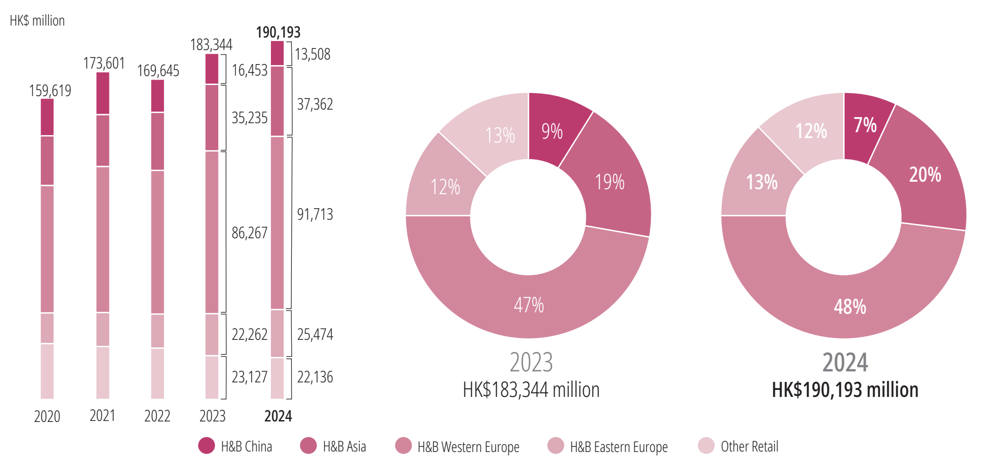
	2024 HK$ million	2023 HK$ million	Change	Local currencies change
Total Revenue	**190,193**	183,344	+4%	+5%
EBITDA [(1)]	**16,395**	16,226	+1%	+2%
EBIT [(1)]	**13,018**	12,888	+1%	+2%
Store Numbers	**16,951**	16,491	+3%	

Note 1: Under Post-IFRS 16 basis, EBITDA was HK$25,594 million (2023: HK$25,507 million); EBIT was HK$14,099 million (2023: HK$13,849 million).

Total reported revenue increased by 4% and 5% against last year in reported and local currencies respectively. The higher revenue was primarily due to better overall performance in H&B operations in ASEAN Asia regions and Europe from increase in store traffic, partly offset by adverse results from H&B operations in non-ASEAN Asia markets and Other Retail due to soft consumer sentiment and intense competition.

H&B loyalty members' participation & exclusives sales contribution	**2024**	2023
Total loyalty members in H&B segment (million)	**168**	157
Loyalty members' sales participation in H&B segment (%)	**65%**	63%
Exclusives sales contribution to total H&B sales (%)	**36%**	37%

Total Revenue by Subdivision
+4% (+5% in local currencies)



Total Revenue	2024 HK$ million	2023 HK$ million	Change	Local currencies change
H&B China	**13,508**	16,453	-18%	-16%
H&B Asia	**37,362**	35,235	+6%	+11%
H&B China & Asia Subtotal	**50,870**	51,688	-2%	+3%
H&B Western Europe	**91,713**	86,267	+6%	+6%
H&B Eastern Europe	**25,474**	22,262	+14%	+12%
H&B Europe Subtotal	**117,187**	108,529	+8%	+8%
H&B Subtotal	**168,057**	160,217	+5%	+6%
Other Retail (2)	**22,136**	23,127	-4%	-4%
Total Retail	**190,193**	183,344	+4%	+5%

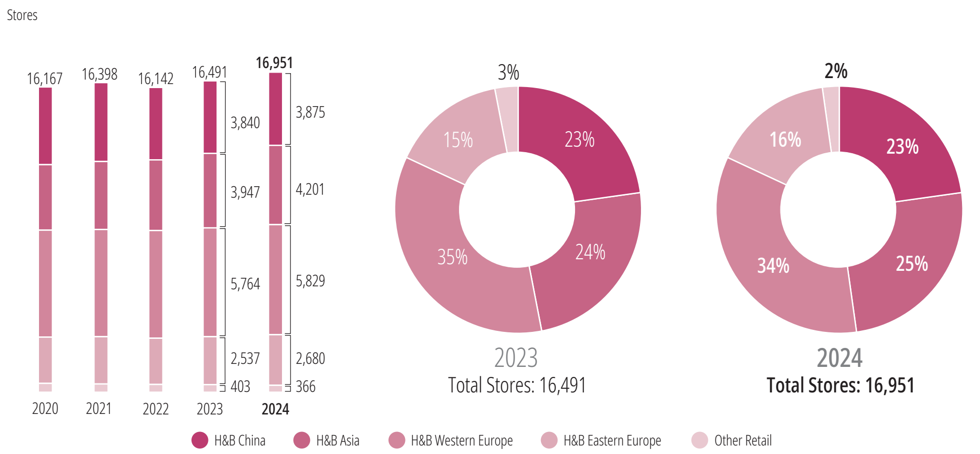
Comparable Stores Sales Growth (%) (3)	2024	2023
H&B China	**-15.3%**	+1.8%
H&B Asia	**+6.5%**	+16.3%
H&B China & Asia Subtotal	**-0.1%**	+11.2%
H&B Western Europe	**+5.7%**	+9.2%
H&B Eastern Europe	**+5.9%**	+12.9%
H&B Europe Subtotal	**+5.7%**	+9.9%
H&B Subtotal	**+3.9%**	+10.3%
Other Retail (2)	**-3.6%**	-13.8%
Total Retail	**+3.1%**	+6.9%

Note 2: Other Retail includes PARKnSHOP, PARKnSHOP Yonghui, Fortress, Watson's Wine and the manufacturing operations.

Note 3: Comparable stores sales growth represents the percentage change in revenue contributed by stores which, as at the first day of the relevant financial year (a) have been operating for over 12 months and (b) have not undergone major resizing within the previous 12 months.

Group Performance (continued)

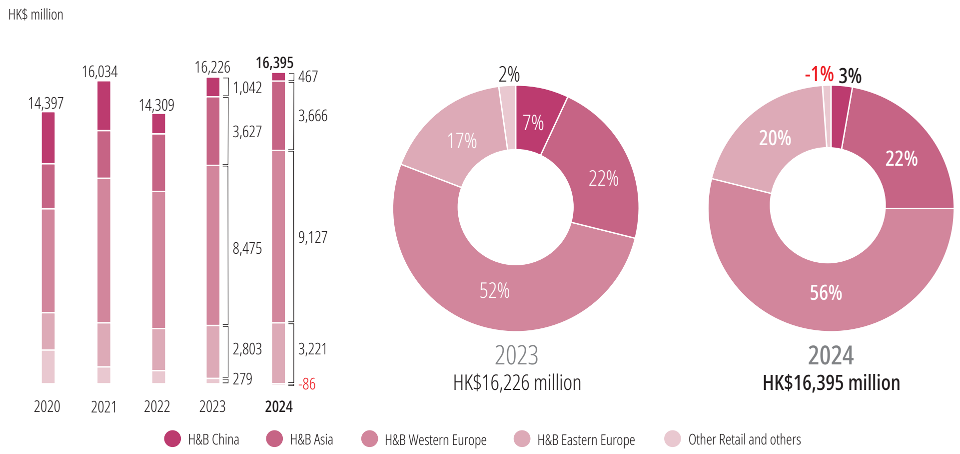
Total Retail Store Numbers by Subdivision (+3%)



Store Numbers	2024	2023	Change
H&B China	**3,875**	3,840	+1%
H&B Asia	**4,201**	3,947	+6%
H&B China & Asia Subtotal	**8,076**	7,787	+4%
H&B Western Europe	**5,829**	5,764	+1%
H&B Eastern Europe	**2,680**	2,537	+6%
H&B Europe Subtotal	**8,509**	8,301	+3%
H&B Subtotal	**16,585**	16,088	+3%
Other Retail [(4)]	**366**	403	-9%
Total Retail	**16,951**	16,491	+3%

Note 4: Other Retail includes PARKnSHOP, PARKnSHOP Yonghui, Fortress, Watson's Wine and the manufacturing operations.

EBITDA by Subdivision
+1% (+2% in local currencies)



EBITDA/(LBITDA)	2024 HK$ million	2023 HK$ million	Change	Local currencies change
H&B China	**467**	1,042	-55%	-54%
H&B Asia	**3,666**	3,627	+1%	+5%
H&B China & Asia Subtotal	**4,133**	4,669	-11%	-8%
H&B Western Europe	**9,127**	8,475	+8%	+8%
H&B Eastern Europe	**3,221**	2,803	+15%	+12%
H&B Europe Subtotal	**12,348**	11,278	+9%	+9%
H&B Subtotal	**16,481**	15,947	+3%	+4%
Other Retail (5)	**(86)**	279	-131%	-131%
Total Retail	**16,395**	16,226	+1%	+2%

Note 5: Other Retail includes PARKnSHOP, PARKnSHOP Yonghui, Fortress, Watson's Wine and the manufacturing operations.

The Retail division's EBITDA and EBIT both increased by 1% in reported currency and by 2% in local currencies respectively against 2023. Favourable results are recorded in Europe and ASEAN Asia regions but were largely offset by adverse performance in non-ASEAN Asia region and Other Retail with decreased comparable stores sales. The H&B segment reported EBITDA growth of 4% and EBIT growth of 3% in local currencies against 2023, which was attributable to strong trading performance across most businesses in ASEAN Asia region, the UK, the Benelux countries and the Rossmann joint venture in Poland. In local currencies, H&B Europe improved both its EBITDA and EBIT by 9% year-on-year, while EBITDA and EBIT of H&B Asia grew by 5% and 4% respectively against last year. Despite impact from weak consumer spending and subdued store traffic, H&B China continued to report positive EBITDA and was close to achieving breakeven at EBIT level in 2024. Excluding the weak performance from non-ASEAN Asia regions, the division's EBITDA and EBIT both improved by 10% in local currencies against 2023.

The Retail division continues to drive towards a decarbonised operation. Green initiatives, especially the continuous transition to low carbon vehicle fleet and the purchase of green energy, were implemented in the past year. Impactful results were achieved with over 70% of GHG emission reduction in scope 1 and 2 year-on-year, and over 75% from its baseline year of 2018. The division made significant progress in its Mainland operation, where electric vehicles now account for over 80% of warehouse-to-store deliveries in several cities. Furthermore, the division has purchased renewable energy through Energy Attributes Certificates ("EAC") in selected markets (the Mainland, Hong Kong, Philippines, Malaysia, Thailand, Türkiye, Indonesia) covering almost 100% of 2024 consumption with the purchase of over 580 GWh of renewable energy, bringing positive contribution to the Group's emission reduction targets. Despite the significant achievement, challenges remain for the division to maintain the same level of reductions until 2030, as EACs costs fluctuation, business expansion and the unavailability of electric vehicles in some markets may pose future uncertainties which may slow down the pace of reduction compared to 2024.

Segment Performance

Health and Beauty China

	2024 HK$ million	2023 HK$ million	Change	Local currency change
Total Revenue	**13,508**	16,453	-18%	-16%
EBITDA	**467**	1,042	-55%	-54%
EBITDA Margin %	***3%***	*6%*		
(LBIT)/EBIT	**(104)**	348	-130%	-130%
EBIT Margin %	***N/A***	*2%*		
Store Numbers	**3,875**	3,840	+1%	
Comparable Stores Sales Growth (%)	**-15.3%**	+1.8%		

Hampered by lacklustre consumer spending and challenging market environment in both the online and offline landscape, H&B China's EBITDA and EBIT decreased by 54% and 130% respectively in local currencies against last year driven by negative comparable stores sales growth of -15.3%.

Aligned with the division's store opening strategies that focus on investment return, total store number only increased mildly to 3,875 stores in over 500 cities in the Mainland as of 31 December 2024.

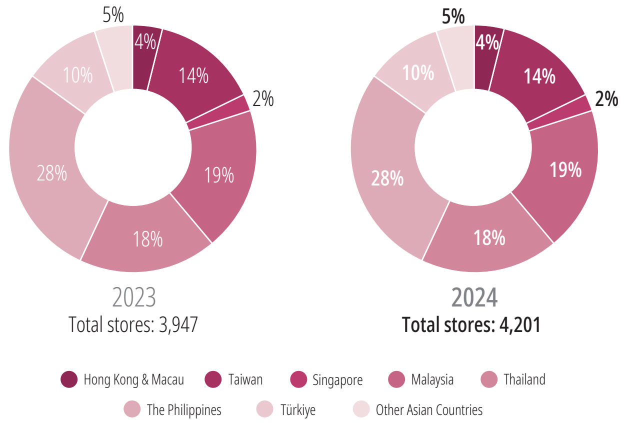
Health and Beauty Asia

	2024 HK$ million	2023 HK$ million	Change	Local currencies change
Total Revenue	**37,362**	35,235	+6%	+11%
EBITDA	**3,666**	3,627	+1%	+5%
EBITDA Margin %	***10%***	*10%*		
EBIT	**3,045**	3,053	–	+4%
EBIT Margin %	***8%***	*9%*		
Store Numbers	**4,201**	3,947	+6%	
Comparable Stores Sales Growth (%)	**+6.5%**	+16.3%		

Watsons is the leading health and beauty retail chain in Asia with strong brand name recognition and extensive geographical coverage. Benefitting from continued store network expansion and steady comparable stores sales growth of 6.5%, H&B Asia's EBITDA and EBIT increased by 5% and 4% respectively in local currencies against last year. The growth in EBITDA and EBIT were primarily attributable to operations in the Philippines, Malaysia and Thailand from higher store footfall as well as incremental margin from the expanding store portfolio. The H&B operation in Türkiye also achieved robust growth in EBITDA and EBIT from effective margin management under high inflation. The favourable results however were partly offset by adverse performance of H&B operations in non-ASEAN Asia regions from weak store traffic amid fierce market competition.

H&B Asia added net 254 stores during the year and had over 4,200 stores in 14 markets as of 31 December 2024, including the division's franchise business which expanded from three stores to 28 stores in UAE, Qatar, Saudi Arabia and Bahrain since market entry into the Middle East in 2020.

H&B Asia - Number of Retail Stores by Market (+6%)



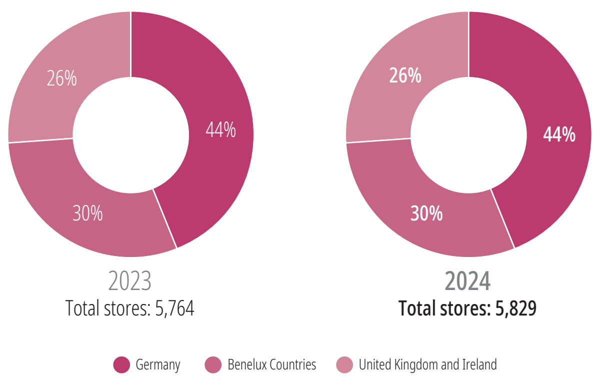
Health and Beauty Western Europe

	2024 HK$ million	2023 HK$ million	Change	Local currencies change
Total Revenue	**91,713**	86,267	+6%	+6%
EBITDA	**9,127**	8,475	+8%	+8%
EBITDA Margin %	***10%***	*10%*		
EBIT	**7,701**	7,151	+8%	+8%
EBIT Margin %	***8%***	*8%*		
Store Numbers	**5,829**	5,764	+1%	
Comparable Stores Sales Growth (%)	**+5.7%**	+9.2%		

H&B Western Europe reported EBITDA and EBIT growth of 8% in reported and local currencies against 2023, driven by growth primarily from H&B operations in the UK and the Benelux countries with solid comparable stores sales growth from increase in store traffic supplemented by good cost control management. The luxury retail businesses also reported improved performance with double digit increase in EBITDA and EBIT in local currencies against last year.

H&B Western Europe added net 65 stores during the year and had more than 5,800 stores as of 31 December 2024.

H&B Western Europe - Number of Retail Stores by Market (+1%)



Segment Performance (continued)

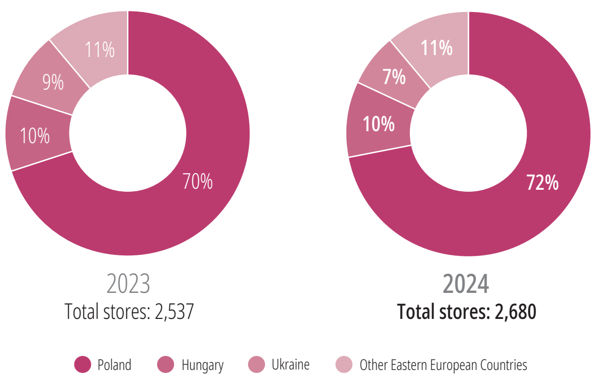
Health and Beauty Eastern Europe

	2024 HK$ million	2023 HK$ million	Change	Local currencies change
Total Revenue	**25,474**	22,262	+14%	+12%
EBITDA	**3,221**	2,803	+15%	+12%
EBITDA Margin %	***13%***	*13%*		
EBIT	**2,784**	2,432	+14%	+12%
EBIT Margin %	***11%***	*11%*		
Store Numbers	**2,680**	2,537	+6%	
Comparable Stores Sales Growth (%)	**+5.9%**	+12.9%		

H&B Eastern Europe reported EBITDA and EBIT growth of 12% in local currencies against 2023 with solid comparable stores sales growth of 5.9%. The favourable performance was mainly attributable to the Rossmann joint venture in Poland as a result of improved sales and steady expansion of store network during the year.

H&B Eastern Europe had more than 2,600 stores as of 31 December 2024, an increase of 6% primarily due to new store additions in Poland, partly offset by fewer stores in Ukraine.

H&B Eastern Europe - Number of Retail Stores by Market (+6%)

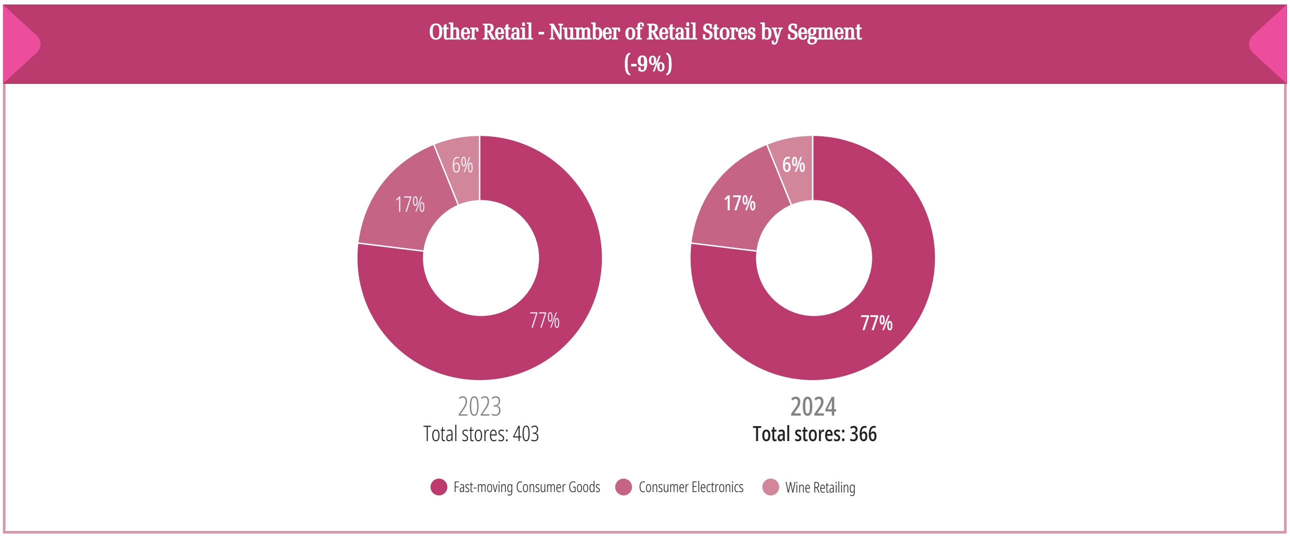


Other Retail

	2024 HK$ million	2023 HK$ million	Change	Local currencies change
Total Revenue	**22,136**	23,127	-4%	-4%
(LBITDA)/EBITDA	**(86)**	279	-131%	-131%
EBITDA Margin %	***N/A***	*1%*		
LBIT	**(408)**	(94)	-334%	-334%
EBIT Margin %	***N/A***	*N/A*		
Store Numbers	**366**	403	-9%	
Comparable Stores Sales Growth (%)	**-3.6%**	-13.8%		

The Other Retail segment reported LBITDA and LBIT in reported and local currencies in 2024. The adverse performance was mainly arising from sluggish sales performance in PARKnSHOP with declined comparable stores sales against last year. Other operations' performance in this segment remained stable.

Other Retail had 366 retail stores in three markets as of 31 December 2024, as well as manufacturing and distributing bottled water and other beverages in Hong Kong and the Mainland.



UK Power Networks Services, a non-regulated business of UK Power Networks, acquires Powerlink Renewable Assets (previously known as UU Solar).

Infrastructure

1 2 3 4

1. Energy Developments delivers a 4MW expansion for Gold Fields' Agnew Gold Mine in Western Australia.

2. In Western Australia, Dampier Bunbury Pipeline's Tubridgi Gas Storage Expansion project continues to achieve milestones throughout 2024, and commissions two new wells.

3. CKI, alongside strategic partners CK Asset and Power Assets, acquires Phoenix Energy, the largest natural gas distribution network in Northern Ireland.

4. A consortium, including CKI, CK Asset and Power Assets, acquires UK Renewables Energy, a portfolio of operating onshore wind farms in the UK.

Operations Review – Infrastructure

The infrastructure division comprises the Group's 75.67% interest in CK Infrastructure Holdings Limited ("CKI"), the largest publicly listed infrastructure company on the SEHK, and interests in six co-owned infrastructure investments with CKI, including Northumbrian Water, Park'N Fly, Australian Gas Networks, Dutch Enviro Energy, Wales & West Utilities and UK Rails.

	2024 HK$ million	2023 HK$ million	Change	Local currencies change
Total Revenue	**55,324**	54,714	+1%	+1%
EBITDA [1]	**29,614**	29,201	+1%	+1%
EBIT [1]	**19,180**	19,562	-2%	-3%
CKI Reported Net Profit (under Post-IFRS 16 basis)	**8,115**	8,027	+1%	

Note 1: Under Post-IFRS 16 basis, EBITDA was HK$29,953 million (2023: HK$29,526 million); EBIT was HK$19,231 million (2023: HK$19,616 million).

CKI operates in Hong Kong, the Mainland, the UK, Continental Europe, Australia, New Zealand, Canada and the United States.

CKI's profit contributions from operating businesses reported strong growth of 10% year-on-year. However, net profit was impacted by treasury items including higher interest cost and lower foreign exchange gain, resulting in the announced net profit under Post-IFRS 16 basis of HK$8,115 million being 1% higher than last year.

The division's EBITDA of HK$29,614 million was 1% higher than last year in local currencies reflecting good operational performance across the global portfolio of infrastructure businesses, partly offset by lower foreign exchange gain as mentioned, whereas EBIT of HK$19,180 million was 3% lower in local currencies driven by higher depreciation and amortisation from increased asset base.

Share of net profit under Post-IFRS 16 basis from Power Assets ("PAH"), a company listed on the SEHK and in which CKI holds a 36.01% interest as of 31 December 2024, was HK$2,203 million as compared to HK$2,162 million in 2023, reflecting satisfactory operational growth of the international infrastructure portfolio supported by sound underlying energy and utility-related businesses, partly offset by slight decrease in profit contribution from HK Electric due to lower deferred tax credit.

Profit contribution[2] from the UK portfolio was HK$3,981 million in 2024, 31% and 27% higher as compared to 2023 in reported currency and local currency respectively, due to good results reported by all the regulated utility businesses and contribution from the newly acquired Phoenix Energy. Profit contribution[2] from Australian portfolio decreased by 4% and 3% in reported currency and local currency respectively to HK$1,784 million in 2024. The lower performance was due to higher tax charges as a result of amendments to thin capitalisation rules introduced in 2024, excluding which, profit contribution increased by 6% in reported currency. In Continental Europe, profit contribution[2] was HK$607 million in 2024, an increase of 13% and 15% in reported currency and local currency respectively, attributable to strong performance of ista, which reported good organic growth. The reconstruction of Energy-from-Waste facility at Rozenburg plant of Dutch Enviro Energy, which was damaged by a fire in 2023, has made substantial progress and achieved a partial re-start as planned. All seven incineration lines are now operational as of January 2025. In Canada, profit contribution[2] decreased by 19% and 18% in reported currency and local currency respectively to HK$524 million in 2024, due to significant drop in profit of Canadian Power from merchant pool prices falling from prior year's record high level, as well as the impact from the new Excessive Interest and Financing Expenses Limitation rule, partly offset by good performance of Reliance Home Comfort, Canadian Midstream and Park'N Fly. Profit contribution[2] from New Zealand portfolio increased by 10% and 12% in reported currency and local currency respectively to HK$185 million in 2024, attributable to strong performance of Enviro NZ, which successfully retained and won multiple commercial contracts in the year. Hong Kong and the Mainland businesses reported a profit contribution[2] of HK$132 million in 2024, 13% higher against 2023, due to higher profit from the concrete business in Hong Kong.

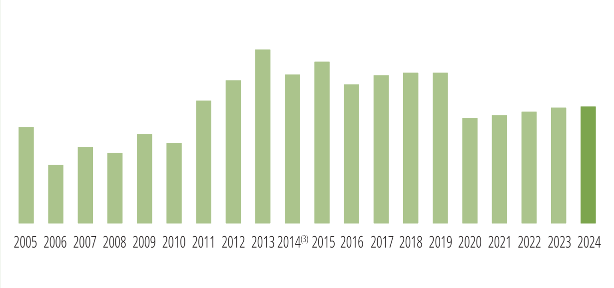
CKI has always been committed to prudent financial management with the underlying financial position closely monitored. CKI's financial strength continues to be solid, with HK$8 billion cash on hand and a net debt to net total capital ratio of 7.8% as at 31 December 2024. Credit rating from Standard & Poor's maintained at "A/Stable".

Note 2: Represents share of net profit (before shareholder's loan interest expense to CKI) and excludes CKI corporate items under Post-IFRS 16 basis.

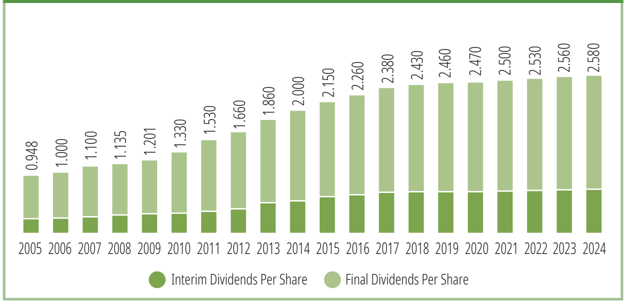
CKI's regulated businesses have received a number of awards and recognitions during 2024. UK Power Networks earned the top spot among utilities in the UK Customer Satisfaction Index, as well as the Energy Network of the Year title at Utility Week's inaugural Flex Awards. Northern Gas Networks achieved an average score of 9.26 out of 10 for overall customer satisfaction in the Ofgem governed gas distribution network customer satisfaction survey. Wales & West Utilities' dedication to the highest safety standards earned it an 11th consecutive Gold RoSPA (Royal Society for the Prevention of Accidents) award. In Australia, the Australian Energy Regulator ranked SA Power Networks, CitiPower, and United Energy first, second and third respectively among the country's 13 electricity distribution networks based on their multilateral total factor productivity in the most recent benchmarking report.

The Infrastructure division continues the pursuit of low carbon and energy transition investment opportunities. In 2024, the division made a number of renewable energy-related capacity expansions, such as the acquisition of UK Renewables Energy, a portfolio of operating onshore wind farms in the United Kingdom, as well as the acquisition by UK Power Networks of Powerlink Renewable Assets, a renewable energy portfolio in the United Kingdom. The overall GHG emissions from the Infrastructure division have reduced by an estimated 5% year on year, which is equivalent to an approximate 15% reduction against its baseline year in 2020.

Earnings Per Share (HK$)

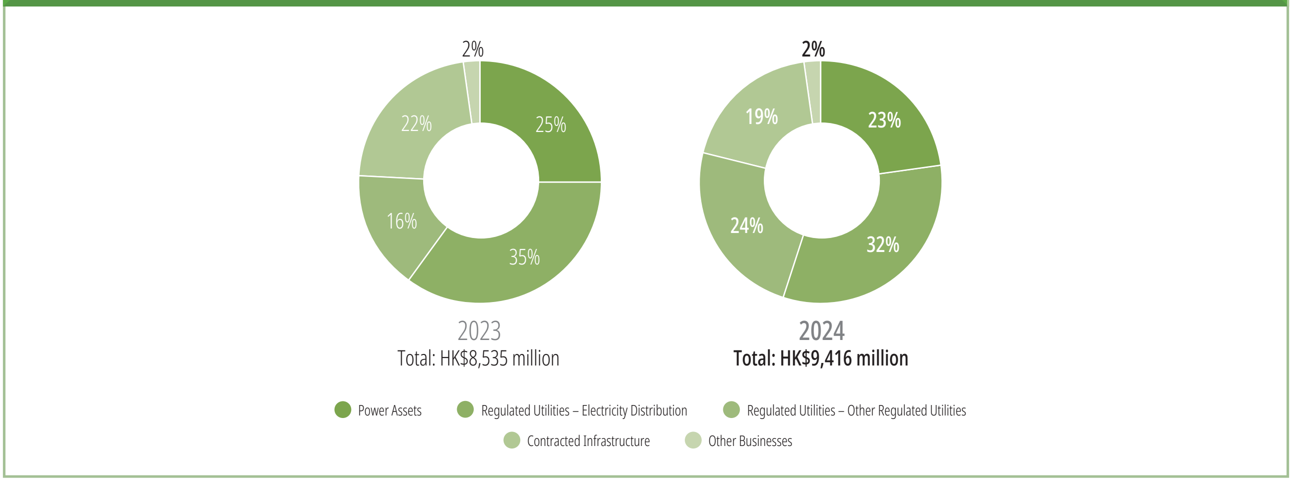


Dividends Per Share (HK$)



Note 3: Excludes share of one-off gains arising from the spin-off of HK Electric by PAH and privatisation of Envestra.

Profit Contribution (2) by Business Segment



Telecommunications

3 UK and Vodafone UK's proposed merger receives CMA approval and is expected to complete in the first half of 2025.

1. **3** Sweden nearly doubles its 5G population coverage across more than 250 locations in the country.

2. **3** Ireland is named the fastest 5G network in the country by Ookla Speedtest.

3. Wind Tre moves into its new headquarters in Milan, Italy.

4. **3** Austria introduces "uppi", an AI service chatbot capable of conversing in over 80 languages.

Operations Review – Telecommunications

The Group's telecommunications division consists of CK Hutchison Group Telecom ("CKHGT") which consolidates the **3** Group businesses in Europe ("**3** Group Europe") and a 66.09% interest in Hutchison Telecommunications Hong Kong Holdings ("HTHKH"), which is listed on the SEHK. **3** Group Europe operates in six countries across Europe. HTHKH holds the Group's interests in mobile operations in Hong Kong and Macau.

CK Hutchison Group Telecom

In million	**2024 HK$**	2023 HK$	Change	Local currencies change	**2024 EURO**	2023 EURO
Total Revenue	**88,371**	86,814	+2%	+2%	**10,458**	10,199
Total Margin	**63,626**	61,832	+3%	+3%	**7,531**	7,267
Total CACs	**(15,699)**	(15,473)	-1%		**(1,860)**	(1,818)
Less: Handset revenue	**11,581**	11,403	+2%		**1,372**	1,340
Total CACs (net of handset revenue)	**(4,118)**	(4,070)	-1%		**(488)**	(478)
Operating Expenses	**(35,379)**	(35,421)	–		**(4,188)**	(4,121)
EBITDA (1)	**24,129**	22,341	+8%	+8%	**2,855**	2,668
Depreciation & Amortisation	**(20,644)**	(20,076)	-3%		**(2,450)**	(2,361)
EBIT (1)	**3,485**	2,265	+54%	+51%	**405**	307

3 Group Europe

In million	**2024 HK$**	2023 HK$	Change	Local currencies change
Total Revenue	**81,710**	80,231	+2%	+2%
Total Margin	**59,453**	57,589	+3%	+3%
Total CACs	**(15,251)**	(14,961)	-2%	
Less: Handset revenue	**11,337**	11,091	+2%	
Total CACs (net of handset revenue)	**(3,914)**	(3,870)	-1%	–
Operating Expenses	**(32,417)**	(32,371)	–	–
Opex as a % of total margin	***55%***	*56%*		
EBITDA (2)	**23,122**	21,348	+8%	+8%
EBITDA Margin % (3)	***33%***	*31%*		
Depreciation & Amortisation	**(19,519)**	(18,948)	-3%	-3%
EBIT (2)	**3,603**	2,400	+50%	+48%

Note 1: Under Post-IFRS 16 basis, EBITDA was HK$31,257 million (2023: HK$29,081 million); EBIT was HK$4,490 million (2023: HK$3,191 million).

Note 2: Under Post-IFRS 16 basis, EBITDA was HK$29,824 million (2023: HK$27,675 million); EBIT was HK$4,590 million (2023: HK$3,312 million).

Note 3: EBITDA margin % represents EBITDA as a percentage of total revenue (excluding handset revenue).

3 Group Europe 's total revenue of HK$81,710 million and total margin of HK$59,453 million was 2% and 3% higher than last year respectively in local currencies, primarily driven by growth in net customer service revenue due to increase in the customer base and favourable revenue initiatives, coupled with higher MVNO and other wholesale contribution for most operations.

Active customer base as at 31 December 2024 of 40.7 million was 1% higher than 2023, mainly due to growth in customer base reported by most operations, except for Wind Tre which focuses on acquiring and retaining customers with a higher average customer lifetime value, and for Austria due to intense market competition. Average monthly customer churn rate of the contract customer base remained stable at 1.2% for the year (2023: 1.2%). **3** Group Europe's 2024 net ARPU of €12.74 was flat as compared to 2023, as the favourable impact from revenue initiatives was offset by lower incoming mobile termination revenue due to reduction in EU-wide interconnection rates and dilutive impact of higher mix of low value Internet of things (IoT) customers in Ireland. The reduction in mobile termination revenue impact as mentioned was nullified by the corresponding decrease in interconnection cost, and therefore did not adversely impact net AMPU. **3** Group Europe's net AMPU increased by 1% to €11.74 primarily reflected the revenue initiatives upside on net customer service margin.

Majority of **3** Group Europe's operations reported higher net customer service margin driven by inflation-linked adjustment embedded in customer contracts or annual adjustment executed throughout the year, coupled with full year impact from the favourable revenue initiatives implemented in last year. In addition, UK and Ireland continued to increase their active customer base in business and Fixed Wireless Access segments, while Sweden and Denmark reported growth in contract base and higher contribution from second brand year-on-year. Italy and Austria's active customer base was lower, reflecting Italy's customer value management initiatives and keen market competition in Austria from aggressive MVNO offerings respectively, which more than offset the favourable revenue initiatives upside on their net customer service margin. Other margin grew across most operations due to price increase, improvement in MVNO performance and expansion of revenue streams beyond traditional service offerings. Overall, these resulted in a 3% total margin growth.

3 Group Europe's EBITDA and EBIT increased by 8% and 48% respectively in local currencies, primarily due to improvement in overall total margin as mentioned, coupled with stable operating expenses as various cost saving initiatives mostly offset higher network costs from expanded networks. Depreciation and amortisation increased by 3% in local currencies due to enlarged network asset base across the footprint and a one-time accelerated depreciation from the swap out of certain network equipment in the Denmark operation, partly offset by the favourable variance from accelerated depreciation on the legacy IT system recognised by **3** UK in 2023 not recurring in 2024.

CKHGT also remains committed to its climate action plan and achieving its Science-Based Targets. Despite challenges in the energy mix in European markets, CKHGT has been able to leverage on technology solution and the purchase of renewable energy to achieve encouraging outcomes. Emissions have been successfully maintained at the same level on a year on year basis, representing approximately 25% reduction against the 2020 baseline. CKHGT increased its use of purchased renewable energy to over 60%. It also continued to invest in energy efficiency of its operations. This includes **3** UK deploying industry leading energy efficient radios, combined with AI and data analytics, to improve network energy efficiency by up to 70% at selected sites. Additionally, **3** Hong Kong implemented a 5.5G green strategy by adopting AI energy-saving solution to enhance the overall energy efficiency of its 5G network.

CKHGT - Results by operations

In million	UK GBP 2024	UK GBP 2023	Italy [4] EURO 2024	Italy [4] EURO 2023	Sweden SEK 2024	Sweden SEK 2023	Denmark DKK 2024	Denmark DKK 2023
Total Revenue	**2,748**	2,588	**3,782**	3,838	**8,205**	7,984	**2,485**	2,438
% change	***+6%***		***-1%***		***+3%***		***+2%***	
Total margin	**1,790**	1,671	**2,952**	2,958	**5,447**	5,213	**2,088**	1,990
% change	***+7%***		**–**		***+4%***		***+5%***	
Total CACs	**(987)**	(964)	**(323)**	(279)	**(737)**	(945)	**(239)**	(257)
Less: Handset Revenue	**751**	715	**219**	190	**324**	538	**67**	80
Total CACs (net of handset revenue)	**(236)**	(249)	**(104)**	(89)	**(413)**	(407)	**(172)**	(177)
Operating Expenses	**(1,013)**	(1,020)	**(1,599)**	(1,627)	**(2,455)**	(2,305)	**(1,165)**	(1,160)
Opex as a % of total margin	***57%***	*61%*	***54%***	*55%*	***45%***	*44%*	***56%***	*58%*
EBITDA	**541**	402	**1,249**	1,242	**2,579**	2,501	**751**	653
% change	***+35%***		***+1%***		***+3%***		***+15%***	
EBITDA margin % [5]	***27%***	*21%*	***35%***	*34%*	***33%***	*34%*	***31%***	*28%*
Depreciation & Amortisation	**(518)**	(519)	**(1,106)**	(1,100)	**(1,848)**	(1,620)	**(913)**	(657)
EBIT	**23**	(117)	**143**	142	**731**	881	**(162)**	(4)
% change	***+120%***		***+1%***		***-17%***		***-3950%***	
Capex (excluding licence)	**(436)**	(454)	**(693)**	(682)	**(1,517)**	(1,455)	**(276)**	(395)
Depreciation & Amortisation [6]	**(433)**	(448)	**(723)**	(736)	**(1,091)**	(873)	**(772)**	(523)
Depreciation & Amortisation [6] less Capex	**(3)**	(6)	**30**	54	**(426)**	(582)	**496**	128
EBITDA less Capex	**105**	(52)	**556**	560	**1,062**	1,046	**475**	258
Licence [7]	**–**	–	**–**	–	**–**	(1,212)	**–**	–

HK dollar equivalents of EBITDA and EBIT are summarised as follows:

	UK 2024	UK 2023	Italy 2024	Italy 2023	Sweden 2024	Sweden 2023	Denmark 2024	Denmark 2023
EBITDA-pre IFRS 16 basis (HK$)	***5,405***	*3,941*	***10,575***	*10,570*	***1,908***	*1,860*	***850***	*746*
EBITDA-post IFRS 16 basis (HK$)	***6,216***	*4,765*	***15,532***	*15,191*	***2,172***	*2,095*	***966***	*858*
EBIT-pre IFRS 16 basis (HK$)	***234***	*(1,140)*	***1,231***	*1,204*	***544***	*660*	***(165)***	*(6)*
EBIT-post IFRS 16 basis (HK$)	***335***	*(1,000)*	***1,955***	*1,821*	***561***	*674*	***(155)***	*2*

	UK 2024	UK 2023	Italy 2024	Italy 2023	Sweden 2024	Sweden 2023	Denmark 2024	Denmark 2023
Total registered customer base (million)	**11.6**	12.6	**18.8**	19.3	**2.7**	2.6	**1.7**	1.6
Total active customer base (million)	**10.8**	10.6	**17.8**	18.1	**2.7**	2.6	**1.7**	1.6
Contract customers as a % of the total registered customer base	**81%**	73%	**49%**	49%	**70%**	70%	**55%**	56%
Average monthly churn rate of the total contract registered customer base (%)	**1.6%**	1.4%	**1.3%**	1.4%	**1.3%**	1.2%	**1.8%**	2.0%
Active contract customers as a % of the total contract registered customer base	**99%**	99%	**96%**	96%	**100%**	100%	**100%**	100%
Active customers as a % of the total registered customer base	**93%**	84%	**94%**	94%	**100%**	100%	**100%**	100%
LTE coverage by population (%)	**97%**	96%	**100%**	100%	**99%**	98%	**100%**	100%
Full year data usage per active customer (Gigabyte)								

Note 4: Wind Tre's results include fixed line business revenue of €1,066 million (2023: €1,011 million) and EBITDA of €198 million (2023: €185 million).

Note 5: EBITDA margin % represents EBITDA as a percentage of total revenue (excluding handset revenue).

Note 6: Depreciation & Amortisation excludes amortisation of licences, amortisation of capitalised CACs, amortisation of customer relationship intangibles, as well as share of joint venture's depreciation of Wind Tre and HTHKH. The comparatives were restated to conform with the 2024 definition.

Austria EURO 2024	Austria EURO 2023	Ireland EURO 2024	Ireland EURO 2023	3 Group Europe HK$ 2024	3 Group Europe HK$ 2023	HTHKH HK$ 2024	HTHKH HK$ 2023	Corporate and Others (8) HK$ 2024	Corporate and Others (8) HK$ 2023	CKHGT HK$ 2024	CKHGT HK$ 2023	CKHGT EURO 2024	CKHGT EURO 2023
957	976	630	615	81,710	80,231	4,782	4,896	1,879	1,687	88,371	86,814	10,458	10,199
-2%		+2%		+2%		-2%		+11%		+2%		+3%	
		Local currencies change %		+2%						+2%			
727	704	484	462	59,453	57,589	3,322	3,339	851	904	63,626	61,832	7,531	7,267
+3%		+5%		+3%		-1%		-6%		+3%		+4%	
		Local currencies change %		+3%						+3%			
(128)	(168)	(91)	(88)	(15,251)	(14,961)	(448)	(512)	–	–	(15,699)	(15,473)	(1,860)	(1,818)
112	151	86	83	11,337	11,091	244	312	–	–	11,581	11,403	1,372	1,340
(16)	(17)	(5)	(5)	(3,914)	(3,870)	(204)	(200)	–	–	(4,118)	(4,070)	(488)	(478)
(367)	(345)	(304)	(302)	(32,417)	(32,371)	(1,828)	(1,896)	(1,134)	(1,154)	(35,379)	(35,421)	(4,188)	(4,121)
50%	49%	63%	65%	55%	56%	55%	57%	N/A	N/A	56%	57%	56%	57%
344	342	175	155	23,122	21,348	1,290	1,243	(283)	(250)	24,129	22,341	2,855	2,668
+1%		+13%		+8%		+4%		-13%		+8%		+7%	
		Local currencies change %		+8%						+8%			
41%	41%	32%	29%	33%	31%	28%	27%			31%	30%	31%	30%
(176)	(166)	(135)	(134)	(19,519)	(18,948)	(1,122)	(1,127)	(3)	(1)	(20,644)	(20,076)	(2,450)	(2,361)
168	176	40	21	3,603	2,400	168	116	(286)	(251)	3,485	2,265	405	307
-5%		+90%		+50%		+45%		-14%		+54%		+32%	
		Local currencies change %		+48%						+51%			
(225)	(175)	(95)	(95)	(14,305)	(14,113)	(434)	(481)	(1)	(2)	(14,740)	(14,596)	(1,751)	(1,712)
(124)	(115)	(98)	(93)	(13,980)	(13,662)	(539)	(517)	(3)	(1)	(14,522)	(14,180)	(1,723)	(1,669)
(101)	(60)	3	(2)	(325)	(451)	105	36	2	(1)	(218)	(416)	(28)	(43)
119	167	80	60	8,817	7,235	856	762	(284)	(252)	9,389	7,745	1,104	956
(7)	–	–	(129)	(59)	(1,937)	–	–	–	–	(59)	(1,937)	(7)	(231)
2,910	*2,914*	*1,474*	*1,317*	*23,122*	*21,348*	*1,290*	*1,243*	*(283)*	*(250)*	*24,129*	*22,341*	*€2,855*	*€2,668*
3,169	*3,154*	*1,769*	*1,612*	*29,824*	*27,675*	*1,716*	*1,656*	*(283)*	*(250)*	*31,257*	*29,081*	*€3,699*	*€3,459*
1,425	*1,499*	*334*	*183*	*3,603*	*2,400*	*168*	*116*	*(286)*	*(251)*	*3,485*	*2,265*	*€405*	*€307*
1,482	*1,550*	*412*	*265*	*4,590*	*3,312*	*186*	*130*	*(286)*	*(251)*	*4,490*	*3,191*	*€526*	*€417*

Austria 2024	Austria 2023	Ireland 2024	Ireland 2023	3 Group Europe 2024	3 Group Europe 2023	HTHKH 2024	HTHKH 2023
3.1	3.1	4.9	4.5	42.8	43.7	5.8	4.6
2.8	2.8	4.9	4.5	40.7	40.2	4.6	4.0
78%	77%	83%	81%	65%	63%	25%	31%
0.5%	0.5%	0.4%	0.4%	1.2%	1.2%	1.0%	1.0%
99%	100%	100%	100%	98%	98%	100%	100%
90%	89%	100%	100%	95%	92%	81%	85%
99%	98%	99%	99%	–	–	99%	99%
				326.4	286.1	261.1	206.1

Note 7: 2024 licence cost for Austria represents investment for 600 MHz of 26 GHz spectrum acquired in March 2024. For 2023, the licence cost for Ireland represents investment for 20 MHz of 700 MHz spectrum, 40 MHz of 2100 MHz spectrum and 70 MHz of 2600 MHz spectrum acquired in January 2023, and the licence cost for Sweden represents investment for 20 MHz of 900 MHz spectrum, 40 MHz of 2.1 GHz spectrum, 20 MHz of 2.6 GHz spectrum and 40 MHz of 2.6 GHz spectrum acquired in September 2023.

Note 8: 2023 results include an exchange reserve charge of HK$0.3 billion recycled to the income statement upon partial disposal of a subsidiary which became a joint venture.

Key Business Indicators

	Registered Customer Base								
	Registered Customers at 31 December 2024 ('000)			Registered Customer Growth (%) from 30 June 2024 to 31 December 2024			Registered Customer Growth (%) from 31 December 2023 to 31 December 2024		
	Non-contract	Contract	**Total**	Non-contract	Contract	**Total**	Non-contract	Contract	**Total**
United Kingdom	2,177	9,384	**11,561**	-19%	+1%	**-4%**	-36%	+2%	**-8%**
Italy [9]	9,526	9,310	**18,836**	–	-2%	**-1%**	-3%	-2%	**-3%**
Sweden	819	1,940	**2,759**	+3%	+3%	**+3%**	+7%	+6%	**+6%**
Denmark	743	917	**1,660**	+2%	+2%	**+2%**	+5%	+4%	**+4%**
Austria	666	2,395	**3,061**	-4%	–	**-1%**	-7%	-1%	**-2%**
Ireland	844	4,098	**4,942**	–	+7%	**+5%**	–	+14%	**+11%**
3 Group Europe Total	14,775	28,044	**42,819**	-3%	+1%	**-1%**	-9%	+2%	**-2%**
HTHKH	4,332	1,423	**5,755**	+15%	-1%	**+10%**	+36%	-3%	**+24%**

	Active [10] Customer Base								
	Active Customers at 31 December 2024 ('000)			Active Customer Growth (%) from 30 June 2024 to 31 December 2024			Active Customer Growth (%) from 31 December 2023 to 31 December 2024		
	Non-contract	Contract	**Total**	Non-contract	Contract	**Total**	Non-contract	Contract	**Total**
United Kingdom	1,497	9,310	**10,807**	-11%	+1%	**-1%**	-4%	+3%	**+2%**
Italy [9]	8,803	8,979	**17,782**	+1%	-2%	**–**	-2%	-2%	**-2%**
Sweden	814	1,940	**2,754**	+3%	+3%	**+3%**	+7%	+6%	**+6%**
Denmark	742	917	**1,659**	+2%	+2%	**+2%**	+5%	+4%	**+4%**
Austria	383	2,378	**2,761**	-2%	–	**-1%**	-4%	-1%	**-1%**
Ireland	844	4,098	**4,942**	–	+7%	**+5%**	–	+14%	**+11%**
3 Group Europe Total	13,083	27,622	**40,705**	-1%	+1%	**–**	-1%	+3%	**+1%**
HTHKH	3,217	1,423	**4,640**	+14%	-1%	**+9%**	+29%	-3%	**+17%**

Note 9: In addition to the above, Wind Tre has 2.9 million fixed line customers.

Note 10: An active customer is one that generated revenue from an outgoing call, incoming call or data/content service in the preceding three months.

12-month Trailing Average Revenue per Active User (11) ("ARPU") to 31 December 2024

	Non-Contract	Contract	**Blended Total**	% Variance compared to 31 December 2023
United Kingdom	£5.89	£18.53	**£16.68**	-9%
Italy	€9.19	€12.66	**€10.96**	-2%
Sweden	SEK121.93	SEK229.85	**SEK198.02**	-3%
Denmark	DKK94.11	DKK137.61	**DKK118.20**	-1%
Austria	€9.20	€23.50	**€21.49**	+2%
Ireland	€14.48	€8.05	**€9.21**	-12%
3 Group Europe Average	€9.54	€16.78	**€14.44**	-4%
HTHKH	HK$14.41	HK$184.35	**HK$72.24**	-18%

12-month Trailing Net Average Revenue per Active User (12) ("Net ARPU") to 31 December 2024

	Non-Contract	Contract	**Blended Total**	% Variance compared to 31 December 2023
United Kingdom	£5.89	£14.91	**£13.59**	+2%
Italy	€9.19	€11.88	**€10.56**	-2%
Sweden	SEK121.93	SEK207.07	**SEK181.96**	-2%
Denmark	DKK94.11	DKK130.15	**DKK114.07**	-1%
Austria	€9.20	€19.09	**€17.70**	-1%
Ireland	€14.48	€6.30	**€7.78**	-10%
3 Group Europe Average	€9.54	€14.28	**€12.74**	–
HTHKH	HK$14.41	HK$169.73	**HK$67.27**	-17%

12-month Trailing Net Average Margin per Active User (13) ("Net AMPU") to 31 December 2024

	Non-Contract	Contract	**Blended Total**	% Variance compared to 31 December 2023
United Kingdom	£5.27	£13.56	**£12.35**	+2%
Italy	€8.60	€11.20	**€9.93**	–
Sweden	SEK106.60	SEK184.08	**SEK161.23**	-1%
Denmark	DKK82.35	DKK112.98	**DKK99.32**	+1%
Austria	€8.49	€17.96	**€16.63**	+1%
Ireland	€13.52	€5.86	**€7.24**	-9%
3 Group Europe Average	€8.81	€13.14	**€11.74**	+1%
HTHKH	HK$11.00	HK$148.44	**HK$57.77**	-17%

Note 11: ARPU equals total monthly revenue, including incoming mobile termination revenue and contributions for a handset/device in contract bundled plans, divided by the average number of active customers during the year.

Note 12: 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.

Note 13: 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.

United Kingdom

UK's total margin grew 7% from an increase in the customer base and growth in wholesale business, mitigating higher operating costs from an enlarged network and contributing to 35% and 120% growth in EBITDA and EBIT respectively in local currency. Depreciation and amortisation was stable year-on-year due to increased depreciation from enlarged network fully offset by the impact of accelerated depreciation on a legacy IT system recognised in 2023. The operation was awarded the best network for Business and SIM only by Mobile industry award and the fastest 5G network in 2024 by Ookla.

Italy

Italy's EBITDA and EBIT both increased by 1% against last year in local currency, mainly driven by growth in new revenue streams such as energy, insurance and cybersecurity products, lower operating expenses through stringent cost controls, partly offset by lower net customer service margin due to lower customer base. Depreciation and amortisation was relatively stable as 5G rollout has substantially been completed with Wind Tre achieving over 95% FDD and 75% TDD coverage. In the second half of 2024, Wind Tre acquired OpNet, a wholesale fixed-wireless-access provider, which increases Wind Tre's spectrum holdings to enable network capacity enhancements.

Sweden

Sweden, where the Group has 60% interest, reported EBITDA growth of 3% in local currency compared to last year, primarily driven by 4% increase in total margin from 6% increase in active customer base, partly offset by higher operating costs incurred from enlarged network base and higher bad debt expenses. Despite of the EBITDA improvement, EBIT decreased by 17% compared to last year in local currency due to higher depreciation from enlarged network base. Sweden's 5G population coverage reached over 75% by the end of 2024.

Denmark

The Denmark operation, where the Group has 60% interest, reported 15% increase in EBITDA in local currency mainly driven by total margin growth of 5% with stable operating expenses. Denmark's EBIT decreased compared to last year as a result of higher depreciation from finalising the network asset swap in the second half of 2024, which more than offset the improved EBITDA. Denmark has reached approximately 90% FDD coverage and 70% TDD coverage in 2024.

Austria

Austria's EBITDA increased by 1% against last year in local currency, primarily driven by the strong MVNO performance, partly offset by lower net customer service margin and higher operating costs due to network expansion. EBIT in local currency decreased by 5% compared to 2023, reflecting increased depreciation from an enlarged asset base as 5G network rollout continues. Austria's 5G coverage has reached approximately 95% and 75% FDD and TDD coverage respectively in 2024.

Ireland

Total margin grew by 5% against last year driven by the base growth, partly offset by the lower net AMPU from the dilutive impact of higher mix of low margin IoT customers despite the upside from revenue initiatives. EBITDA and EBIT in local currency increased by 13% and 90% respectively compared to 2023 driven by better total margin, which more than offset higher operating expenses due to one-off redundancy provision recognised in the year. In 2024, **3** Ireland has reached over 90% 5G coverage.

Hutchison Telecommunications Hong Kong Holdings

Total revenue of HK$4,782 million was 2% lower against last year, primarily due to lower hardware revenue and reduced local service revenue driven by the continued competitive landscape, partly offset by the increase in roaming service revenue from continuous growth in international travel. EBITDA of HK$1,290 million was 4% higher compared to last year mainly due to effective cost control measures. EBIT of HK$168 million was 45% higher than that of 2023 as a result of the aforesaid improvement in EBITDA and stabilised depreciation and amortisation.

HUTCHMED's fruquintinib secures approval in Hong Kong, the European Union, Switzerland, Argentina, Canada, Japan, the UK, Australia, Singapore, Israel and the United Arab Emirates to treat patients with metastatic colorectal cancer.

Finance & Investments and Others

The finance & investments and others segment includes returns earned on the Group's holdings of cash and liquid investments, Hutchison Whampoa (China) Limited ("HWCL"), listed associate TOM Group, the Marionnaud businesses, listed associate CK Life Sciences ("CKLS") Group, Hutchison Asia Telecommunications (Indosat Ooredoo Hutchison ("IOH") and operations in Vietnam and Sri Lanka), listed associate Cenovus Energy and listed subsidiary, Hutchison Telecommunications (Australia) Limited ("HTAL"), which has a 25.05% interest in TPG Telecom Limited ("TPG"), also a listed company in Australia.

	2024 HK$ million	2023 [1] HK$ million	Change	Local currencies change
Total Revenue	**97,512**	95,835	+2%	+4%
EBITDA [2]	**16,290**	23,484	-31%	-29%
- Underlying	**20,030**	23,484	-15%	-13%
- One-off items	**(3,740)**	–	N/A	N/A
EBIT [2]	**6,875**	14,525	-53%	-52%
- Underlying	**10,615**	14,525	-27%	-26%
- One-off items	**(3,740)**	–	N/A	N/A

Note 1: The Hutchison Asia Telecommunications results are reported under Finance & Investments and Others segment from 1 January 2024 and the comparative results for the year ended 31 December 2023 have been reclassified to the Finance & Investments and Others segment to conform with the year ended 31 December 2024 presentation to enable a better comparison of performance.

Note 2: Under Post-IFRS 16 basis, EBITDA was HK$19,456 million (2023: HK$26,780 million); EBIT was HK$7,815 million (2023: HK$15,531 million).

2024 EBITDA and EBIT included a one-time non-cash impairment and other provisions on the telecommunication business in Vietnam of HK$3.7 billion. Excluding the one-off items, underlying EBITDA and EBIT decreased by 15% and 27% respectively from 2023 in reported currency, primarily due to certain gains on non-core asset disposals in 2023 not recurring in 2024 and share of lower contribution from the energy business mainly due to lower commodity prices.

Finance and Investments

Finance and investments mainly represents returns earned on the Group's holdings of cash and liquid investments, which totalled HK$129,445 million as at 31 December 2024. Further information on the Group's treasury function can be found in the "Group Capital Resources and Liquidity" section of the 2024 Annual Report.

Other Operations

Indosat Ooredoo Hutchison

IOH is the Group's telecommunications joint venture in Indonesia, with shares listed on the Indonesia Stock Exchange.

IOH continued to report robust revenue growth of 9%, driven by increased mobile data usage and strong growth in Information and Communication Technology (ICT) services revenue, resulting in the Group's share of IOH's EBITDA increasing by 4% in reported currency. Excluding net gains from the disposal of tower assets and data centre in 2023 not recurring in 2024, the Group' s share of IOH's underlying EBITDA increased by 12% year-on-year, reflecting revenue growth and disciplined cost control. IOH strengthened its network infrastructure through BTS expansion, bringing the total to over 250,000, which enhances rural connectivity and provides customers with best network experience. As of 31 December 2024, IOH reported an active customer base of 94.7 million.

Vietnamobile

Vietnamobile provides mobile telecommunication services in Vietnam in which the Group holds 49% of the business. As of 31 December 2024, Vietnamobile reported an active customer base of 8.4 million.

Hutch Lanka

Hutch Lanka provides mobile telecommunication services in Sri Lanka in which the Group holds 90.36% of the business. As of 31 December 2024, Hutch Lanka reported an active customer base of 3.8 million.

HTAL, share of TPG Telecom Limited

HTAL, an 87.87% owned subsidiary listed on the Australian Securities Exchange ("ASX"), has 25.05% interest of TPG Telecom Limited (also listed on the ASX).

Hutchison Whampoa (China) Limited

HWCL is engaged in the businesses of manufacturing, service and distribution in the Mainland, Hong Kong and the United Kingdom, and also has 38.15% interest in HUTCHMED (China) Limited ("HUTCHMED"), which is currently listed on the SEHK, the AIM market of the London Stock Exchange in the UK and the Nasdaq Global Select Market in the US. HUTCHMED is an innovative, commercial-stage, biopharmaceutical company committed to the discovery and global development and commercialisation of targeted therapies and immunotherapies for the treatment of cancer and immunological diseases.

Cenovus Energy

Cenovus Energy is a Canadian-based integrated energy company with shares listed on the Toronto and New York stock exchanges. It operates in Canada, the United States and Asia Pacific region, and is one of the largest Canadian oil and natural gas producers, as well as one of the largest Canadian-based refiners and upgraders. As at 31 December 2024, the Group held 17.4% interest in Cenovus Energy.

The Group's share of Cenovus Energy's Post-IFRS 16 EBITDA, EBIT and net earnings were HK$9,311 million, HK$4,491 million and HK$3,041 million, a decrease of 8%, 19% and 23% compared to last year respectively. The lower contribution is primarily due to lower commodity benchmark pricing, partly offset by increased production volume in 2024. The operating results were also impacted by weakened market crack spreads and higher repair and maintenance costs for turnarounds at certain facilities.

TOM Group

TOM, a 36.1% associate, is a technology and media company listed on the SEHK. TOM has technology operations in social network and mobile internet, and investments in e-commerce, fintech and advanced data analytics sectors. In addition, its media businesses cover both publishing and advertising segments.

Marionnaud

Marionnaud had over 720 stores in nine European markets as of 31 December 2024, providing luxury perfumery and cosmetic products.

CK Life Sciences Group

The Group has an approximate 45.32% interest in CKLS, a company listed on the SEHK. CKLS is engaged in the business of research and development, manufacturing, commercialisation, marketing, sale of, and investment in, products and assets which are nutraceuticals, pharmaceuticals and agriculture-related.

Interest Expense, Finance Costs and Tax

The Group's consolidated interest expenses and other finance costs for the year, including its share of associated companies' and joint ventures' interest expenses, amortisation of finance costs and after deducting interest capitalised on assets under development, amounted to HK$19,655 million, decreased by 2% when compared to last year, driven mainly by lower share of interest expenses of the Group's associates and joint ventures, partly offset by the increased effective interest rate of consolidated debt. The Group's weighted average cost of debt for 2024 was 3.6% (2023: 3.2%).

The Group recorded current and deferred tax charges of HK$10,986 million in 2024, an increase of 29% from HK$8,500 million in 2023. Excluding the impact of non-cash impairment and other provisions on the telecommunication business in Vietnam in 2024 and certain gains on non-core asset disposal in 2023, the Group generated higher underlying profit before tax and incurred increased tax charges from a higher effective tax rate in 2024.

Frank John Sixt
Group Co-Managing Director and
Group Finance Director

Lai Kai Ming, Dominic
Group Co-Managing Director

Hong Kong, 20 March 2025

Group Capital Resources and Liquidity

Treasury Management

The Group's treasury function sets financial risk management policies in accordance with policies and procedures that are approved by the Executive Directors, and which are also subject to periodic review by the Group's internal audit function. The Group's treasury policies are designed to mitigate the impact of fluctuations in interest rates and exchange rates on the Group's overall financial position and to minimise the Group's financial risks. The Group's treasury function operates as a centralised service for managing financial risks, including interest rate and foreign exchange risks, and for providing cost-efficient funding to the Group and its companies. It manages the majority of the Group's funding needs, interest rate, foreign currency and credit risk exposures. It is the Group's policy not to have credit rating triggers that would accelerate the maturity dates of the Group's borrowings. The Group uses interest rate and foreign currency swaps and forward contracts as appropriate for risk management purposes only, for hedging transactions and for managing the Group's exposure to interest rate and foreign exchange rate fluctuations. The Group generally does not enter into foreign currency hedges in respect of its foreign currency earnings and no derivative instruments to hedge the Group's earnings were entered during the year or remain outstanding at the end of the year. It is the Group's policy not to enter into derivative transactions for speculative purposes. It is also the Group's policy not to invest liquidity in financial products, including hedge funds or similar vehicles, that have significant underlying leverage or derivative exposure.

Cash Management and Funding

The Group operates a central cash management system for all of its unlisted subsidiaries. Except for listed and certain overseas entities conducting businesses in non-HK or non-US dollar currencies, the Group generally obtains long-term financing at the Group level to on-lend or contribute as equity to its subsidiaries and associated companies to meet their funding requirements and provide more cost-efficient financing. These borrowings include a range of capital market issues and bank borrowings, for which the proportions will change depending upon financial market conditions and projected interest rates. The Group regularly and closely monitors its overall debt position and reviews its funding costs and maturity profile to facilitate refinancing.

Interest Rate Exposure

The Group manages its interest rate exposure with a focus on reducing the Group's overall cost of debt and exposure to changes in interest rates. When considered appropriate, the Group uses derivatives such as interest rate swaps and cross-currency swaps to manage its interest rate exposure. The Group's main interest rate exposure relates to US dollar, British Pound, Euro and HK dollar borrowings.

At 31 December 2024, approximately 34% of the Group's total principal amount of bank and other debts were at floating rates and the remaining 66% were at fixed rates (31 December 2023 – 34% floating; 66% fixed). The Group has entered into various interest rate agreements with major financial institution counterparties to swap approximately HK$3,129 million principal amount of floating interest rate borrowings that were used to finance long term investments to fixed interest rate borrowings. After taking into consideration these interest rate swaps, approximately 33% of the Group's total principal amount of bank and other debts were at floating rates and the remaining 67% were at fixed rates at 31 December 2024 (31 December 2023 – 32% floating; 68% fixed). All of the aforementioned interest rate derivatives are designated as hedges and these hedges are considered highly effective. The Group's weighted average cost of debt for the year ended 31 December 2024 is 3.6% (31 December 2023 – 3.2%).

Foreign Currency Exposure

For subsidiaries, associated companies, joint arrangements, branches and other investments (the activities of which are based or conducted in non-HK dollar or non-US dollar), the Group generally endeavours to establish a natural hedge for debt financing with an appropriate level of borrowings in those same currencies. For businesses (the activities of which are based or conducted in non-HK dollar or non-US dollar) that are in the development phase, or where borrowings in local currency are not or are no longer attractive, the Group may not borrow in the local currency or may repay existing borrowings and monitor the development of the businesses' cash flow and the relevant debt markets with a view to refinance these businesses with local currency borrowings in the future when conditions are more appropriate. Exposure to movements in exchange rates for individual transactions (such as major procurement contracts) directly related to its underlying businesses is minimised by using forward foreign exchange contracts and currency swaps where active markets for the relevant currencies exist. The Group generally does not enter into foreign currency hedges in respect of its long-term equity investments in foreign operations, except in relation to certain infrastructure investments.

The Group has operations in over 50 countries and conducts businesses in around 50 currencies. The Group's functional currency for reporting purposes is Hong Kong Dollars and the Group's reported results in Hong Kong Dollars are exposed to exchange translation on its foreign currency earnings, net debt and net assets, in particular for Euro and British Pounds. Reported EBITDA [1] for 2024 was HK$102,600 million, and underlying EBITDA (excluding one-time non-cash impairment and other provisions on the Group's Vietnam telecommunication business) was HK$106,340 million, of which 53% was derived from European operations, including 23% from the UK. At 31 December 2024, of the Group's total principal amount of bank and other debts after currency swap arrangements, 32% and 3% were denominated in Euro and British Pounds respectively, whilst liquid assets comprised 23% Euro and 5% British Pounds denominated cash and cash equivalents. As a result, 41% and 2% of the Group's consolidated net debt [2] of HK$129,614 million were denominated in Euro and British Pounds respectively. Net assets [3] was HK$665,273 million, with 23% attributable to both Continental Europe and UK operations.

At 31 December 2024, the Group's total principal amount of bank and other debts were denominated as follows: 30% in Euro, 51% in US dollars, 6% in HK dollars, 5% in British Pounds and 8% in other currencies. The Group had currency swap arrangements with banks to swap British Pounds principal amount of borrowings equivalent to HK$4,920 million to Euro principal amount of borrowings to reflect currency exposures of its underlying businesses. The Group's total principal amount of bank and other debts, after the above swaps, were denominated as follows: 32% in Euro, 51% in US dollars, 6% in HK dollars, 3% in British Pounds and 8% in other currencies.

For purposes of illustrating the Group's currency sensitivity, based on the results for 2024, a 10% depreciation of British Pounds would result in a HK$2.5 billion decrease in EBITDA, a HK$0.5 billion decrease in NPAT, HK$0.3 billion decrease in net debt and 0.3%-point increase on net debt to net total capital ratio. Similarly, a 10% depreciation of Euro would result in a HK$2.5 billion decrease in EBITDA, a HK$0.5 billion decrease in NPAT, HK$5.3 billion decrease in net debt and 0.2%-point decrease on net debt to net total capital ratio. Actual sensitivity will depend on actual results and cash flows for the period under consideration.

Credit Exposure

The Group's holdings of cash, managed funds and other liquid investments, interest rate and foreign currency swaps and forward currency contracts with financial institutions expose the Group to credit risk of counterparties. The Group controls its credit risk to non-performance by its counterparties through monitoring their equity share price movements and credit ratings as well as setting approved counterparty credit limits that are regularly reviewed.

The Group is also exposed to counterparties credit risk from its operating activities, particularly in its ports businesses. Such risks are continuously monitored by the local operational management.

Credit Profile

Our long term credit rating from Moody's, S&P and Fitch remained at A2 (stable outlook), A (stable outlook) and A- (stable outlook) respectively. The Group aims to maintain a capital structure that is appropriate for long-term investment grade ratings of A2 on the Moody's Investor Service scale, A on the S&P Rating Services scale and A- on the Fitch Ratings scale. Actual credit ratings may depart from these levels from time to time due to economic circumstances. CK Hutchison Group Telecom Holdings ("CK Hutchison Group Telecom"), a wholly-owned subsidiary of the Group, obtained long term credit rating from Moody's, S&P and Fitch at Baa1 (stable outlook), A- (stable outlook) and A- (stable outlook) respectively. CK Hutchison Group Telecom will seek to maintain its ratings by applying the same financial disciplines as the Group.

Market Price Risk

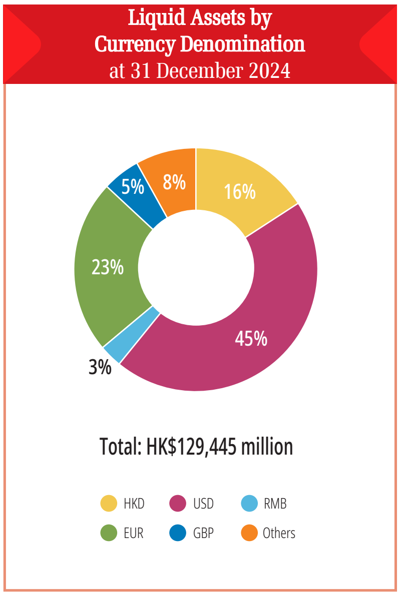
The Group's main market price risk exposures relate to listed debt and equity securities described in "Liquid Assets" below and the interest rate swaps described in "Interest Rate Exposure" above. The Group's holding of listed debt and equity securities represented approximately 6% (31 December 2023 – approximately 11%) of the cash, liquid funds and other listed investments ("liquid assets"). The Group controls this risk through active monitoring of price movements and changes in market conditions that may have an impact on the value of these financial assets and instruments.

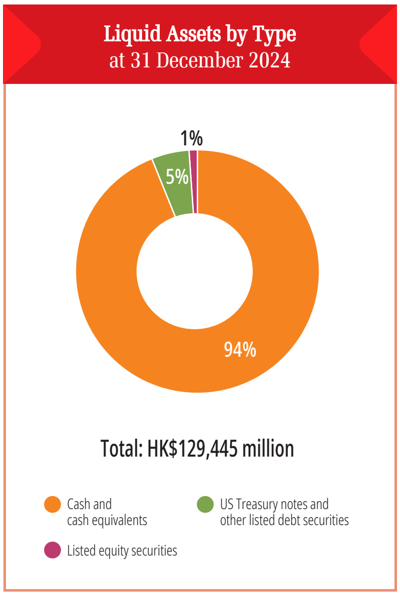
Note 1: Under Post-IFRS 16 basis, Reported EBITDA for 2024 was HK$125,108 million (31 December 2023 – HK$127,309 million).

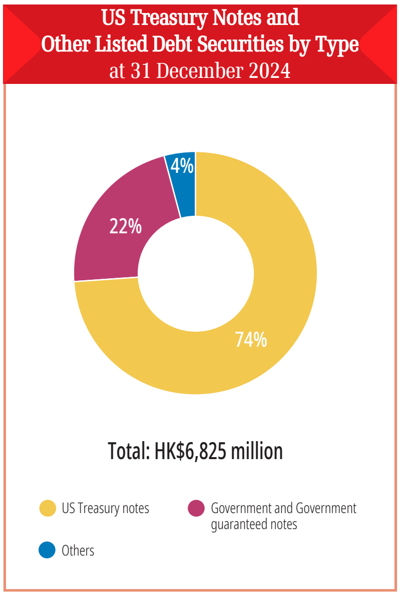
Note 2: Under Post-IFRS 16 basis, consolidated net debt as at 31 December 2024 was HK$128,558 million (31 December 2023 – HK$130,585 million).

Note 3: Under Post-IFRS 16 basis, net assets as at 31 December 2024 was HK$652,592 million (31 December 2023 – HK$670,549 million).

Group Capital Resources and Liquidity







Liquid Assets

The Group continues to maintain a robust financial position. Liquid assets amounted to HK$129,445 million at 31 December 2024, a decrease of 10% from the balance of HK$143,109 million at 31 December 2023, mainly reflecting dividend payments to ordinary and non-controlling shareholders, redemption of perpetual capital securities, repayment and early repayment of certain borrowings, capital expenditure and investment spending, as well as distributions to perpetual capital securities holders, partly offset by cash arising from positive funds from operations from the Group's businesses and cash from new borrowings. Liquid assets were denominated as to 16% in HK dollars, 45% in US dollars, 3% in Renminbi, 23% in Euro, 5% in British Pounds and 8% in other currencies.

Cash and cash equivalents represented 94% (31 December 2023 – 89%) of the liquid assets, US Treasury notes and other listed debt securities 5% (31 December 2023 – 5%) and listed equity securities 1% (31 December 2023 – 6%). The US Treasury notes and other listed debt securities, including those held under managed funds, consisted of US Treasury notes of 74%, government and government guaranteed notes of 22% and others of 4%. All of these US Treasury notes and other listed debt securities are rated at Aaa/AAA or Aa1/AA+ with an average maturity of 1.1 years on the overall portfolio. The Group has no exposure in mortgage-backed securities, collateralised debt obligations or similar asset classes.

Cash Flow

Underlying EBITDA (excluding one-time non-cash impairment and other provisions on the Group's Vietnam telecommunication business) for 2024 was HK$106,340 million, an increase of 1% compared to HK$104,880 million last year. Reported consolidated funds from operations [(4)] ("FFO") before cash profits from disposals, capital expenditures, investments and changes in working capital was HK$42,708 million for 2024, and on an underlying basis (excluding the one-off item mentioned) was HK$45,087 million, flat against last year of HK$45,067 million, with higher underlying EBITDA mostly offset by higher interests and taxes paid.

The Group's capital expenditures (including licences, brand name and other rights) for 2024 amounted to HK$22,580 million (31 December 2023 – HK$25,510 million). Capital expenditures (including licences, brand name and other rights) for the ports and related services division amounted to HK$3,820 million (31 December 2023 – HK$5,521 million); for the retail division HK$3,240 million (31 December 2023 – HK$2,814 million); for the infrastructure division HK$363 million (31 December 2023 – HK$322 million); for CK Hutchison Group Telecom HK$14,799 million (31 December 2023 – HK$16,533 million); and for the finance and investments and others segment HK$358 million (31 December 2023 – HK$320 million).

Note 4: Under Post-IFRS 16 basis, FFO for 2024 was HK$57,211 million (31 December 2023 – HK$59,402 million).

The Group's dividends received from associated companies and joint ventures for 2024 amounted to HK$11,509 million (31 December 2023 – HK$11,388 million). Dividends received from associated companies and joint ventures for the ports and related services division amounted to HK$1,359 million (31 December 2023 – HK$2,326 million); for the retail division HK$2,386 million (31 December 2023 – HK$2,370 million); for the infrastructure division HK$5,644 million (31 December 2023 – HK$4,976 million); and for the finance and investments and others segment HK$2,120 million (31 December 2023 – HK$1,716 million).

The Group's purchases of and advances to associated companies and joint ventures for 2024 amounted to HK$2,470 million (31 December 2023 – HK$819 million). Purchases of and advances to associated companies and joint ventures for the ports and related services division amounted to HK$228 million (31 December 2023 – HK$39 million); for the infrastructure division HK$2,012 million (31 December 2023 – HK$700 million); for CK Hutchison Group Telecom HK$217 million (31 December 2023 – HK$74 million); and for the finance and investments and others segment HK$13 million (31 December 2023 – HK$6 million).

Net cash inflow before financing activities [5] was HK$20,387 million, a decrease of 5% compared to HK$21,534 million last year, reflecting increased investment in subsidiaries, lower proceeds from the disposal of subsidiaries and joint ventures, proceeds on certain treasury non-core asset disposals in 2023 not recurring in 2024 and lower loan repayment from associated companies and joint ventures, partly offset by favourable working capital movements and lower capital expenditures.

The capital expenditures and investments of the Group are primarily funded by cash generated from operations, cash on hand and to the extent appropriate, by external borrowings.

For further information of the Group's capital expenditures by division and cash flow, please see Note 5(b)(v) and the "Consolidated Statement of Cash Flows" section of this Annual Report.

Debt Maturity and Currency Profile

The Group's total bank and other debts, including unamortised fair value adjustments from acquisitions, at 31 December 2024 amounted to HK$259,059 million (31 December 2023 – HK$274,919 million) which comprises principal amount of bank and other debts of HK$257,104 million (31 December 2023 – HK$272,626 million) and unamortised fair value adjustments arising from acquisitions of HK$1,955 million (31 December 2023 – HK$2,293 million). The Group's total principal amount of bank and other debts at 31 December 2024 consist of 65% notes and bonds (31 December 2023 – 67%) and 35% bank and other loans (31 December 2023 – 33%). Interest bearing loans from non-controlling shareholders, which are viewed as quasi-equity, totalled HK$3,471 million as at 31 December 2024 (31 December 2023 – HK$3,245 million).

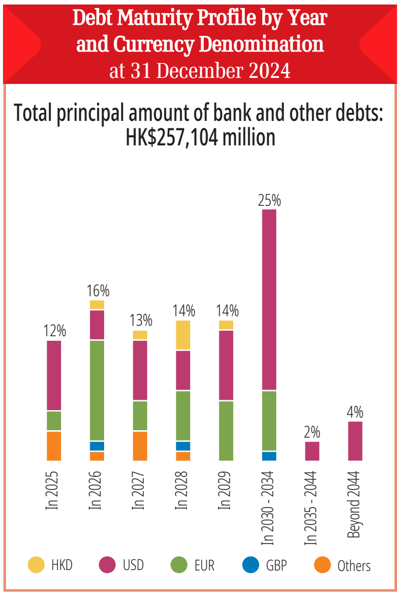
The maturity profile of the Group's total principal amount of bank and other debts at 31 December 2024 is set out below:

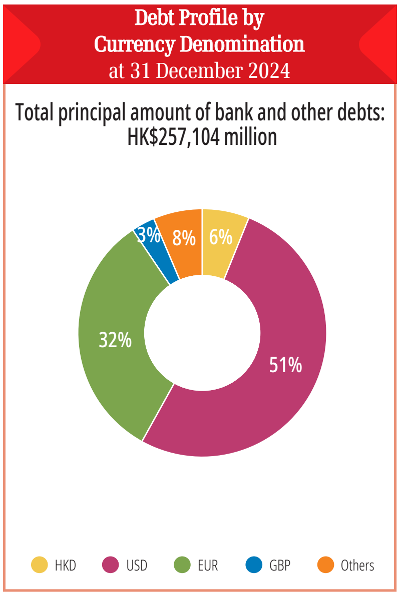
	HK$	US$	Euro	GBP	Others	**Total**
In 2025	–	7%	2%	–	3%	**12%**
In 2026	1%	3%	10%	1%	1%	**16%**
In 2027	1%	6%	3%	–	3%	**13%**
In 2028	3%	4%	5%	1%	1%	**14%**
In 2029	1%	7%	6%	–	–	**14%**
In 2030 – 2034	–	18%	6%	1%	–	**25%**
In 2035 – 2044	–	2%	–	–	–	**2%**
Beyond 2044	–	4%	–	–	–	**4%**
Total	6%	51%	32%	3%	8%	**100%**

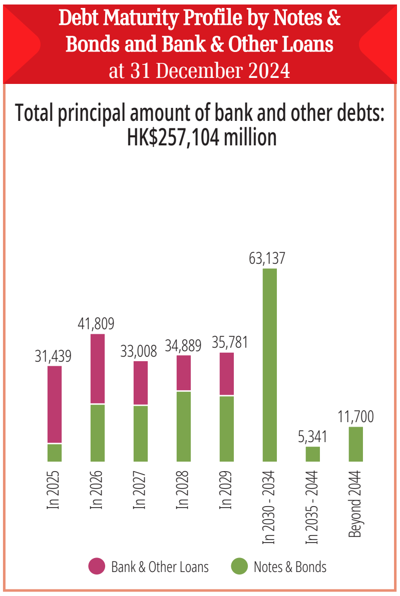
The non-HK dollar and non-US dollar denominated loans are either directly related to the Group's businesses in the countries of the currencies concerned, or the loans are balanced by assets in the same currencies. None of the Group's consolidated borrowings have credit rating triggers that would accelerate the maturity dates of any outstanding consolidated Group's debt.

Note 5: Under Post-IFRS 16 basis, net cash inflow before financing activities for 2024 was HK$34,326 million (31 December 2023 – HK$36,022 million).

Group Capital Resources and Liquidity







Changes in Debt Financing and Perpetual Capital Securities

The significant financing activities for the Group in 2024 were as follows:

- In March, repaid a floating rate term loan facility of US$130 million (approximately HK$1,014 million) on maturity;
- In April, repaid US$750 million (approximately HK$5,850 million) principal amount of fixed rate notes on maturity;
- In April, issued US$1,000 million (approximately HK$7,800 million) guaranteed fixed rate notes due 2029 and US$1,000 million (approximately HK$7,800 million) guaranteed fixed rate notes due 2034;
- In May, obtained two five year floating rate term loan facilities of EUR200 million (approximately HK$1,696 million) each;
- In May, repaid two floating rate term loan facilities of EUR200 million (approximately HK$1,696 million) each on maturity;
- In May, prepaid EUR500 million (approximately HK$4,240 million) of a floating rate term loan facility of EUR1,500 million (approximately HK$12,540 million) maturing in September 2024;
- In June, obtained a three year floating rate term loan facility of HK$1,600 million;
- In June, obtained a five year floating rate term loan facility of HK$2,000 million;
- In June, repaid a floating rate term loan facility of US$250 million (approximately HK$1,950 million) on maturity;
- In June, repaid a floating rate term loan facility of US$200 million (approximately HK$1,560 million) on maturity;
- In June, obtained a five year floating rate term loan facility of EUR600 million (approximately HK$5,016 million);
- In June, EUR500 million (approximately HK$4,180 million) subordinated guaranteed perpetual capital securities issued were redeemed in full;
- In September, issued US$500 million (approximately HK$3,900 million) guaranteed fixed rate notes due 2030 and US$500 million (approximately HK$3,900 million) guaranteed fixed rate notes due 2034;
- In September, repaid a floating rate term loan facility of EUR1,500 million (approximately HK$12,540 million) on maturity;
- In September, obtained a five year floating rate term loan facility of EUR500 million (approximately HK$4,350 million);
- In September, obtained a three year floating rate term loan facility of EUR350 million (approximately HK$3,045 million);
- In October, repaid HK$2,413 million principal amount of fixed rate notes on maturity;
- In October, repaid EUR1,000 million (approximately HK$8,420 million) principal amount of fixed rate notes on maturity;
- In October, repaid US$1,500 million (approximately HK$11,700 million) principal amount of fixed rate notes on maturity; and
- In December, repaid EUR600 million (approximately HK$4,902 million) principal amount of fixed rate notes on maturity.

Capital, Net Debt and Interest Coverage Ratios

The Group's total ordinary shareholders' funds and perpetual capital securities (6) decreased to HK$543,649 million as at 31 December 2024, compared to HK$557,997 million as at 31 December 2023, mainly reflecting redemption of perpetual capital securities in the first half of 2024, the Group's 2023 final and 2024 interim dividends and distributions paid, as well as exchange losses on translation of foreign operations and other items recognised directly in reserves, partly offset by the profit for 2024.

As at 31 December 2024, the consolidated net debt of the Group, excluding interest bearing loans from non-controlling shareholders which are viewed as quasi-equity, was HK$129,614 million (31 December 2023 – HK$131,810 million), a 2% decrease compared to the net debt at the beginning of the year mainly due to net cash generated from operating activities, partly offset by dividend payments, redemption of perpetual capital securities, capital expenditure and investment spending. The Group's consolidated net debt to net total capital ratio (7) was 16.2% as at 31 December 2024 (31 December 2023 – 16.1%). The Group's consolidated cash and liquid investments as at 31 December 2024 were sufficient to repay all of the Group's outstanding debt maturing before 31 December 2027 and cover 66% of outstanding debt due in 2028.

The Group's consolidated cash interest expenses and other finance costs of subsidiaries, before capitalisation and net of interest income of HK$7,969 million (31 December 2023 – HK$8,448 million) in 2024 was HK$2,584 million (31 December 2023 – HK$1,128 million). Reported EBITDA of HK$102,600 million (31 December 2023 – HK$104,880 million) and FFO excluding net interest (8) of HK$45,292 million (31 December 2023 – HK$46,195 million) for the year covered consolidated net interest expenses and other finance costs 36.6 times (31 December 2023 – 85.5 times) and 17.5 times (31 December 2023 – 41.0 times) respectively.

Secured Financing

At 31 December 2024, assets of the Group totalling HK$1,449 million (31 December 2023 – HK$1,533 million) were pledged as security for bank loans.

Borrowing Facilities Available

Committed borrowing facilities available to Group companies but not drawn as at 31 December 2024 amounted to the equivalent of HK$2,762 million (31 December 2023 – HK$12,730 million).

Contingent Liabilities

At 31 December 2024, the Group provided guarantees in respect of bank and other borrowing facilities to its associated companies and joint ventures totalling HK$10,753 million (31 December 2023 – HK$4,560 million), of which HK$8,444 million (31 December 2023 – HK$3,661 million) has been drawn down as at 31 December 2024 and also provided performance and other guarantees of HK$4,860 million (31 December 2023 – HK$4,115 million).

Note 6: Under Post-IFRS 16 basis, total ordinary shareholders' funds and perpetual capital securities as at 31 December 2024 was HK$534,715 million (31 December 2023 – HK$548,601 million).

Note 7: Under Post-IFRS 16 basis, net debt to net total capital ratio for 2024 was 16.4% (31 December 2023 – 16.2%).

Note 8: Under Post-IFRS 16 basis, FFO excluding net interest for 2024 was HK$62,509 million (31 December 2023 – HK$63,037 million).

Risk Factors

The Group's business, financial condition and results of operations are subject to various business risks and uncertainties. The factors set out below are those that the Group believes could result in the Group's financial condition or results of operations differing materially from expected or historical results. There may be other risks in addition to those shown below which are not known to the Group or which may not be material now but could turn out to be material in the future.

Global Economy

As a global business, the Group is exposed to the developments in the global economy as well as developments in the industries and geographical markets in which it operates. As a result, the Group's financial condition and results of operations may be influenced by the general state of the global economy or the general state of a specific market or economy. Any significant decrease in the level of economic growth in the global or regional or a specific economy could adversely affect the Group's financial condition or results of operations.

In general, volatility in the US and worldwide credit and financial markets, the COVID-19 pandemic, fluctuations in commodity prices and rising energy costs, mounting inflationary pressures, potential interest rate hikes, increasing geopolitical risks and political turbulence, global trade competition, trade conflicts and supply chain disruptions have all contributed to the increased uncertainty of global economic prospects and dampen economic growth.

The Group's overall success as a global business depends, in part, upon its ability to succeed in different economic, social, and political conditions. There can be no assurance that the Group will continue to succeed in developing and implementing policies and strategies that are effective in each location where it conducts business. Moreover, any deterioration in the economic, social and/or political conditions in the markets in which the Group conducts business could have a material adverse effect on the Group's financial condition and results of operations.

Industry Trends, Interest Rates and Currency Markets

The Group's results are affected by trends in the industries in which it operates, including the ports and related services, retail, infrastructure and telecommunications industries. While the Group believes that its diverse operations, geographical spread and extensive customer base reduce its exposure to particular industry cycles, its results have in the past been adversely affected by industry trends. For example, the Group's results have been negatively impacted by declines in retail consumer sentiment, decline in the value of securities investments, and volatility in currencies and interest rates, as well as increase in inflationary pressures, including energy costs. There can be no assurance that the combination of industry trends, currencies and interest rates experienced by the Group in the future will not adversely affect its financial condition and results of operations.

In particular, income from the Group's finance and treasury operations is dependent upon interest rates, the currency environment and market conditions, and therefore there can be no assurance that changes in these conditions will not materially and adversely affect the Group's financial condition and results of operations.

Cash Flow and Liquidity

From time to time, the Group accesses short-term and long-term capital markets to obtain financing. The availability of financing with acceptable terms and conditions may be impacted by many factors which include, among others, liquidity in the capital markets and the Group's credit, Environmental, Social and Governance (ESG) ratings. Although the Group aims to maintain a capital structure that is appropriate for long-term investment grade ratings, actual credit ratings may deviate from these levels due to economic circumstances or other factors such as how the Group formulates, implements and integrates its strategies (including sustainability strategy) in relation to its core businesses. If liquidity in the capital markets declines, and/or credit ratings and/or ESG ratings of the Group decline or other factors, such as the availability of financing reduces and cost of borrowings increases, occurs, these changes could impact the Group's financial condition and results of operations, liquidity and cash flows.

Currency Fluctuations

The Group reports its results in Hong Kong dollars but its subsidiaries, associates and joint ventures around the world receive revenue and incur expenses in around 50 different local currencies. The Group's subsidiaries, associates and joint ventures may also incur debt in these local currencies. Consequently, the Group is exposed to potential adverse impact of currency fluctuations on translation of the results and balance sheet items of these subsidiaries, associates and joint ventures and also on repatriation of earnings, equity investments and loans. Although the Group actively manages its currency exposures, depreciation or fluctuation of the currencies in which the Group conducts its operations relative to the Hong Kong dollar could have a material adverse effect on the Group's financial condition and results of operations.

Highly Competitive Markets

The Group's principal business operations face significant competition across the diverse markets in which they operate. New market entrants, intensification of price competition by existing competitors, product innovation or technological advancement could adversely affect the Group's financial condition and results of operations. Competitive risks faced by the Group include:

- continued consolidation and vertical integrations of international shipping lines that are major clients of the Group's ports operations. Shipping lines are increasingly investing in seaports and in their own dedicated terminal facilities and may not require the use of the Group's terminal facilities;
- significant competition and pricing pressure regularly experienced by the retail business of the Group from both online and brick and mortar retail competitors, as well as shifting consumer behaviours to online, are expected to continue, which may materially and adversely affect the financial performance of the Group's retail operations;
- new market entrants and intensified price competition among existing market players of the Group's non-regulated infrastructure businesses could adversely affect the financial performance of the Group's non-regulated infrastructure businesses;
- new entrants, new services, aggressive pricing and tariff plans and customer acquisition and retention strategies by telecommunications competitors may impact the Group's pricing plans, customer acquisition and retention costs, rate of customer growth and retention prospects and hence the revenue it receives as a major provider of telecommunications services; and
- frequent introductions of new or innovative products and services which require the Group to respond to quickly, risk of competition from disruptive alternate telecommunications access technologies and potential competition in the future from substitute telecommunications technologies being developed or to be developed or if the Group fails to develop, or obtain timely access to new technologies and equipment.

Retail Product Liability

The Group's retail operations may be subject to product liability claims if consumers are injured or otherwise harmed by the products purchased from them. Customers count on the Group's retail operations to provide them with safe products. Concerns regarding the safety of food and non-food products that are sourced from a wide variety of suppliers could cause shoppers to avoid purchasing certain products from the Group's retail operations, even if the basis for the concern may be outside of the Group's control. Claims, recalls or actions could be based on allegations that, among other things, the products sold by the retail operations are misbranded, contain contaminants or impermissible ingredients, provide inadequate instructions regarding their use or misuse, include inadequate warnings concerning flammability or interactions with other substances or in the case of any handset and other electrical devices that the retail operations sell, are not fit for purpose or pose a safety hazard. While the Group maintains product liability insurance coverage in amounts and with deductibles that the Group believes are prudent, there can be no assurance that the coverage will be applicable and adequate to cover all possible adverse outcomes of claims and legal proceedings against the Group. Any material shortfall in coverage may have an adverse impact on the results of the Group's retail operations. In addition, any lost confidence on the part of the Group's customers would be difficult and costly to re-establish. As such, any material issue regarding the safety of any food and non-food items that the Group sells, regardless of the cause, could materially and adversely affect the business, and results of the Group's retail operations.

Widespread Health Epidemic or Other Outbreaks or Natural Disasters

The Group's business could be materially and adversely affected by the outbreak of a widespread health epidemic, such as COVID-19, swine flu, avian influenza, severe acute respiratory syndrome, Ebola and Zika; natural disasters, such as earthquakes, snowstorms, storm surges, floods, fires, drought and other extreme weather events and other effects of climate change; or other events, such as wars, acts of terrorism, environmental accidents, power shortages or communication interruptions. The occurrence of a disaster or a prolonged outbreak of an epidemic illness or other adverse public health developments or adverse social and economical events could materially disrupt the Group's industry and the Group's business and operations, and have a material adverse effect on the Group's business, financial condition and results of operations. The Group's business could be impacted in a number of ways, including:

- the deterioration of socio-economic conditions leading to disruptions to the Group's operations, such as reduction in the Group's ports operation's throughput as a result of factory closures in the Mainland or reduced demand in Europe and the US, or mandatory store closures and a decline in footfall in the Group's retail stores;

- reductions or volatility in consumer demand for the Group's products due to quarantine or illness, or other travel restrictions, economic hardship, or retail closures, which may impact the Group's revenue and market share;
- significant volatility in financial markets (including interest rate and foreign currency rate volatilities) and commodities market and measures adopted by governments and central banks, which may limit the Group's access to funds, lead to shortages of cash or increase the cost of raising such funds; and
- an adverse impact on the Group's ability to engage in new, or consummate pending, strategic transactions on the agreed terms and timetable or at all.

These impacts have threatened and could continue to threaten the Group's facilities and transport of the Group's products, cause disruption of operational activities, environmental harm, loss of life, injuries and impact the wellbeing of the Group's employees, and could have a material adverse effect on the Group's results of operations, cash flows and financial condition.

Strategic Partners

The Group conducts some of its businesses through non-wholly-owned subsidiaries, associates and joint ventures in which it shares control (in whole or in part) and has formed strategic alliances with certain leading international companies, government authorities and other strategic partners. There can be no assurance that any of these strategic or business partners will continue their relationships with the Group in the future or that the Group will be able to pursue its stated strategies with respect to its non-wholly-owned subsidiaries, associates and joint ventures and the markets in which they operate. Furthermore, other investors in the Group's non-wholly-owned subsidiaries, associates and joint ventures may undergo a change of control or financial difficulties, which may negatively impact the Group's financial condition and results of operations.

In addition, following the disposal of the Group's interests in tower assets supporting the Group's mobile businesses in Austria, Denmark, Ireland, Italy, Sweden and the UK, respectively, to a third party, the Group's ability to provide telecommunications services in such jurisdictions depends, in part, on the relevant third party companies, which through their respective operating subsidiaries have entered into master services agreements with subsidiaries of the Group operating the Group's telecommunications business in the relevant jurisdictions. While each master services agreement provides for the relevant counterparty to provide infrastructure and built-to-suit services to the Group's telecommunication business in such jurisdictions, such agreements may be terminated for cause by either party and may be partially terminated in respect of part of the telecommunications infrastructure services which are affected by any material failure to meet service levels. Should any of these arrangements be terminated, this could result in delays or disruptions to the Group's telecommunications operations in the relevant jurisdictions and could result in the Group incurring additional costs. There can be no assurance that changes in the relationship or rearrangements between the Group and the relevant counterparties will not materially and adversely affect the Group's financial condition and results of operations.

Future Growth

The Group continues to cautiously expand the scale and geographic spread of its businesses through investment in organic growth, as well as undertaking selective mergers, acquisitions and disposal activities when appropriate opportunities in the market arise. Success of the Group's mergers and acquisitions will depend on, among other things, the ability of the Group to realise the expected synergies, cost savings and growth opportunities upon integration of the merged or acquired businesses. These businesses may require significant investment and the commitment of executive management time and other resources. There can be no assurance that a failure to operate the merged or acquired businesses successfully, or a longer than projected period to realise the expected synergies, will not have a material adverse effect on the Group's financial condition, results of operations and prospects.

The Group has made substantial investments in acquiring telecommunications licences and developing and upgrading its mobile networks and growing its customer bases in Europe, Asia, and Australia. The Group may need to incur more capital expenditure to expand, improve or upgrade its mobile networks, acquire additional spectrum licences, and incur more customer acquisition and retention costs to retain and build its customer bases. There can be no assurance that any additional investments will further increase customer levels and operating margins, and consequently, additional investments may materially and adversely impact the Group's financial condition and results of operations.

As of 31 December 2024, the Group had a total deferred tax asset balance [(1)] of HK$16,423 million, of which HK$14,162 million were attributable to the CK Hutchison Group Telecom mobile operations. The ultimate realisation of deferred tax assets recognised depends principally on these businesses achieving profitability and generating sufficient taxable profits to utilise the underlying unused tax losses. In each of the countries and locations that CK Hutchison Group Telecom operates, taxation losses may be carried forward indefinitely. In addition, in the UK, the Group benefits

Note 1: Under Post-IFRS 16 basis, the Group had a total deferred tax asset balance of HK$18,140 million, of which HK$14,270 million were attributable to the CK Hutchison Group Telecom mobile operations.

from the availability of group relief in relation to taxation losses generated by its telecommunications operations to offset taxable profits from its other businesses in the same period. It may be necessary for some or all of the deferred tax assets recognised to be reduced and charged to the income statement if there is a significant adverse change in the projected performance and resulting projected taxable profits of these businesses. Judgement is required to determine key assumptions adopted in the taxable profit and loss projections and changes to key assumptions used can significantly affect these taxable profit and loss projections. If there is a significant adverse change in taxation rates and legislations, or in the projected performance and resulting cash flow projections of these businesses, some or all of these deferred tax assets may need to be reduced and charged to the income statement, which could have a material adverse effect on the Group's financial condition and results of operations.

Completion Risk of Mergers, Acquisitions and Disposals

The Group may from time to time engage in mergers, acquisitions, joint ventures, other consolidation transactions between its businesses and certain third party companies (including competitors), or disposals. Such transactions are typically subject to negotiations and agreements to be entered into, and even if final agreements are entered into, may still be subject to merger, anti-trust, national security, foreign investment, foreign subsidy and other regulatory approvals by the competent authorities who may only approve the transaction subject to conditions, or who may prohibit the transaction. There can be no assurance that any such transaction and proposals will proceed, or any such approvals or other conditions would be obtained or satisfied and even if such approvals are obtained, third parties may initiate proceedings to appeal against such approvals. If a proposed transaction does not proceed, or is prohibited or the relevant approvals are revoked and the transaction cannot be completed, the Group will have incurred significant resources, such as legal, accounting and other costs in connection with the transaction without realising its anticipated benefits, which may have included increased earnings, scale, competitive strength and market share. As a consequence, the Group's financial position and results of operations could be negatively impacted. In the case of potential mergers or acquisitions, such third party companies may also choose to merge with or be acquired by another of the Group's competitors, which could result in a new competitor with greater scale, financial strength and other resources.

Impact of National, European Union and International Law and Regulatory Requirements

As a global business, the Group is exposed to local business risks in several different countries, which could have a material adverse effect on its financial condition and results of operations. The Group operates in many countries around the world and may increasingly become exposed to different and changing government policies, political, social, legal and regulatory requirements at the national or international level, including but not limited to those required by the European Union ("EU") or the World Trade Organisation ("WTO") or national authorities. These include:

- changes in tariffs and trade barriers, including changes which may result from the UK's withdrawal from the EU (see "Risk Factors – UK's Exit from the EU" for further details), as well as government-determined tariff resets of the Group's regulated infrastructure assets;
- changes in taxation regulations and interpretations;
- competition (anti-trust) laws applicable to the Group's activities, including the regulation of monopolies and the conduct of dominant firms, the prohibition of anti-competitive agreements and practices, and merger control, national security, and foreign investment and foreign subsidy laws requiring the approval of certain mergers, acquisitions and joint ventures which could restrict the Group's ability to own or operate subsidiaries or acquire new businesses in certain jurisdictions and/or result in imposition of fines on the relevant operations;
- state aid and/or state subsidy control rules which could require the repayment of grants or other financial support if aid or subsidies have been provided by national governments and/or public authorities to the Group's businesses;
- changes in the process of or the conditions or criteria to obtaining or maintaining licences, permits and governmental approvals necessary to operate certain businesses;
- conditions or criteria to obtaining or maintaining assets that may be viewed by governments or regulatory authorities as critical assets for national security purposes, for example in the telecommunications and ports sectors;
- comprehensive sustainability disclosure requirements for the Group, with the requirements varying from jurisdiction to jurisdiction, for example, the Corporate Sustainability Reporting Directive in the EU ("CSRD"), Task Force on Climate-related Financial Disclosures ("TCFD") recommendations in the UK and the local sustainability disclosure standards in Hong Kong to be developed to align with the International Sustainability Standards Board standards;
- emerging regulation around the development and use of Artificial Intelligence ("AI"), including the introduction of the EU AI Act in August 2024; and
- environmental, safety, employee and consumer protection laws, rules and regulations.

There can be no assurance that the European institutions and/or the regulatory authorities of the countries in which the Group operates will not make decisions or interpret and implement regulations in a manner that materially and adversely affect the Group's financial condition and results of operations in the future.

Risk Factors

Ports are often viewed by governments as critical national assets and in many countries are subject to government control and regulations. Regime or sentiment changes in less politically stable countries may affect port concessions granted to foreign international ports operations including the Group's ports operations.

Certain infrastructure investments of the Group (for example, water, gas and electricity distribution) are subject to regulatory pricing and strict licensing requirements, codes and guidelines established by the relevant regulatory authorities from time to time. Failure to comply with these licensing requirements, codes or guidelines may lead to penalties, or, in extreme circumstances, amendment, suspension or cancellation of the relevant licences by the authorities. Furthermore, certain regulated operations of the Group's investments are subject to price control by government regulatory authorities. The relevant government regulatory authorities will periodically review and reset the price control terms for certain projects in accordance with a predetermined timetable. There can be no assurance that such events or price resets will not have a material adverse effect on the Group's financial conditions and results of operations.

New policies or measures by governments, whether fiscal, regulatory or other changes, may pose a risk to the overall investment return of the Group's infrastructure businesses and may delay or prevent the commercial operation of a business with a resulting loss of revenue and profit.

The Group is only permitted to provide telecommunications services and operate networks under licences (including spectrum licences for mobile telecommunications) and/or authorisations granted under the national laws of each country in which it operates. Some spectrum licences have historically been issued for fixed terms and subsequently renewed and/or reauctioned. There can be no assurance, however, that any application for the renewal or participation in any auction of one or more of these licences will be successful or granted on equivalent or satisfactory terms. Governments and/or regulatory authorities may also impose auction rules and/or licence conditions relating to national security, which could result in an operator being denied access to the spectrum and/or revocation of a licence.

In addition, the Group may not be successful in obtaining licences for spectrum bands enabling new mobile technologies that may be developed in the future and will likely face competition for any such licences. Due to changes in legislation, the Group's mobile telecommunications licences in the UK and Italy effectively provide for perpetual renewal rights. Telecommunications licences (including spectrum licences) and authorisations may contain regulatory requirements and carrier obligations regarding the way the operator must conduct its business (such as price controls and non-discrimination obligations), as well as network quality and coverage. Failure to meet these requirements could result in damage awards, fines, penalties, suspensions or other sanctions including, ultimately, revocation of the licences. Decisions by regulators with respect to the granting, amendment or renewal of licences to the Group or other parties (such as spectrum allocation to other parties or relaxation of constraints with respect to the technology or specific service that may be deployed in the given spectrum band), or changes to the process of or the conditions or criteria to, obtaining or maintaining spectrum or other licences necessary for the Group's mobile telecommunications business, could result in the Group facing unforeseen competition and/or could materially and adversely affect the Group's financial condition and results of operations.

Accounting

The Hong Kong Institute of Certified Public Accountants ("HKICPA") is continuing its policy of issuing Hong Kong Financial Reporting Standards ("HKFRS"), amendments and interpretations that fully converge with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"). HKICPA has issued and may in the future issue more new and revised standards, amendments and interpretations, including those required to conform to standards, amendments and interpretations issued from time to time by the IASB. Such factors may require adoption of new accounting policies. There can be no assurance that the adoption of new accounting policies or new HKFRS will not have a significant impact on the Group's financial condition and results of operations.

Impact of Regulatory Reviews

The Group and some of its subsidiaries and associates are listed on various stock exchanges around the world and are subject to regulatory reviews of their various filings by the respective stock exchange's regulatory bodies and/or other regulatory authorities. While all the Group's publicly listed companies endeavour to comply with all regulatory requirements of the various stock exchanges and other authorities in the countries in which they operate, and obtain independent professional advice as appropriate, there can be no assurance that the regulatory bodies' review will not result in a disagreement with the Group's interpretations and judgements and that any required actions mandated by the authorities will not have an adverse impact on the Group's reported financial position and results of operations.

Climate Change

Scientific evidence has shown that the Earth's temperature is rising due to an increase in greenhouse gases. This has already created, and will continue to create, a number of negative effects to the environment including loss of sea ice, rise in sea levels, and more frequent and severe weather events.

Some of the Group's assets, businesses and supply chain are located in areas that would be affected in the medium to long term by the effects of climate change. Extreme weather events may also pose increased risks for the Group's stakeholders such as the Group's employees, customers and suppliers living and working in those locations. Further, as many countries seek to transition to low carbon economies, governments are increasingly introducing legislations to restrict emissions and incentivise environmental protection measures. Other market changes may also influence the Group's business such as changing consumer preferences in favour of companies that are more sustainable.

Together these physical and transition risks arising from climate change could have a material impact on the Group's business and adversely affect the Group's financial condition and results of operations.

Political Unrest, Terrorist Attacks and Military Tensions

The Group has presence in about 50 countries around the world. There can be no assurance that all of these countries will remain politically stable or immune to terrorist attacks or military tensions, and if any of these countries suffers from political unrest or terrorist attacks or military tensions, it may have an adverse impact on the Group's financial condition and results of operations.

Impact of Possible Economic Sanctions on Business Partners, Suppliers or Businesses in General

Governments and multinational organisations (including the State Department and the Department of the Treasury's Office of Foreign Assets Control ("OFAC") of the US and the United Nations), from time to time administer certain laws and regulations that impose restrictions with respect to activities or transactions with certain countries, governments, entities and individuals that are the subject of economic sanctions. There can be no assurance that such sanctions or other restrictions will not affect the jurisdictions in which the Group conducts its business, any of the Group's business partners or suppliers or otherwise. To the extent that any such sanction or restriction is imposed in any jurisdictions where the Group's business operates, the Group may need to cease operations in those jurisdictions and suffer losses in that regard. If any of the Group's business partners or suppliers is impacted by sanctions or restrictions, provision of goods, services or support by them may be disrupted or discontinued, which may affect the Group's ability to continue to operate related businesses. If any of the Group's business partners is affected by sanctions or restrictions, the continuation or disruption of strategic alliance with such business partners may also affect the Group's ability to continue to operate related businesses and/or may result in suspension of operations. There can be no assurance that the Group will be able to obtain alternative goods, services, support or alliance it needs for the operation of its business, in a timely manner or at competitive terms, and no assurance that any compensation recoverable from business partners or suppliers for the discontinued or disrupted supply, service, support or alliance will be available or adequate. Any of these factors could have a material adverse effect on the Group's financial condition and results of operations.

Cyber Security Risks

Cyber attacks, including through the use of malware, computer viruses, dedicated denial of services attacks, credential harvesting and other means for obtaining unauthorised access to or disrupting the operation of the networks, systems and data base of the Group or its suppliers, vendors and other service providers, could have an adverse effect on the Group's business, operations and reputation. Cyber attacks may cause equipment failures, loss or leakage of data, including personal data of customers or employees and technical and trade information, as well as disruptions to the Group's or its customers' operations. Corporate cyber attacks have increased in frequency, scale and severity in recent years. Further, the perpetrators of cyber attacks are not restricted to particular groups or persons. These attacks may be committed by company employees or external parties operating in any geography, including jurisdictions where law enforcement measures to address such attacks are unavailable or ineffective, and may even be launched by or at the behest of nation states. The measures deployed by the Group may not be able to prevent, eliminate or minimise the risks associated with cyber attacks.

Any operational impacts caused by cyber attacks to the networks, systems and data base of the Group or its suppliers, vendors and other service providers, even for a limited period of time, may result in costly remedial expenses and/or a loss of business. The costs required to remedy a major cyber attack on the Group could include expensive incentives to certain existing customers and business partners, increased expenditures on cyber security measures and the use of alternate resources. The Group may also suffer a loss of revenue owing to business interruption and claims from regulators and other third parties. The potential costs associated with these attacks could exceed the insurance coverage the Group maintains. In addition, a compromise of security or leakage of data, such as personal data and technical and trade information, could result in third party claims and/or regulatory claims or investigations. Any of these occurrences could damage the Group's reputation, adversely impact customer and investor confidence, and materially and adversely affect the Group's financial condition and results of operations.

Compliance with Data Protection Legislation

In the ordinary course of its operations, various members of the Group collect, store and use data that is protected by data protection laws in the different countries in which they operate. As regulatory focus on privacy issues continues to increase and worldwide laws and regulations concerning the handling of personal information expand and become more complex, potential risks related to data collection and use within the Group's business are expected to intensify. For example, the General Data Protection Regulation (EU) (2016/679) ("GDPR"), the UK GDPR (the retained EU law version of the GDPR) and the United Kingdom's Data Protection Act 2018, which apply to Group companies in applicable jurisdictions, levy administrative penalties of up to 4 percent of Group global annual turnover in cases of significant non-compliance and direct liability for breach by data processors.

In the event that any relevant member of the Group is unable to meet its obligations under applicable data protection laws, it may be subject to regulatory action or civil claims. The cost of regulatory or legal action, and any monetary and/or reputational damage suffered as a result of such action, could have a material adverse effect on the Group's financial condition and results of operations.

UK's Exit from the EU

The UK formally left the EU on 31 January 2020. As agreed in the Withdrawal Agreement, a transition period was implemented until 31 December 2020, during which time EU laws and regulations continued to apply broadly as before. Within the context of the Withdrawal Agreement of which the Protocol on Ireland/Northern Ireland ("NI Protocol") is part, the European Union and the UK Government reached a political agreement on 27 February 2023 ("Windsor Framework") to adjust the operation of the NI Protocol including solutions on, inter alia, the system of checks on goods moving across the land border between Great Britain and Northern Ireland enabling a smoother transition for goods destined for use in Northern Ireland. The Windsor Framework was formally adopted by the EU and UK on 24 March 2023 and came into effect on 1 October 2023.

The EU and the UK Government signed the UK-EU Trade and Cooperation Agreement ("TCA") on 30 December 2020. The TCA sets out all aspects of the new UK-EU relationship, including trade in goods and in services, digital trade, intellectual property, public procurement, aviation and road transport, fisheries, social security coordination, law enforcement and judicial cooperation in criminal matters, thematic cooperation and participation in EU programmes. The TCA was applied provisionally from 1 January 2021 and entered into force on 1 May 2021.

In the UK, the Retained EU Law (Revocation and Reform) Act 2023 which received Royal Assent on 29 June 2023, has been enacted into UK law. Under the Act, certain retained EU laws (listed in Schedule 1 to the Act) were repealed automatically at the end of 2023. The Act further enables the revocation, restatement, replacement or updating of certain retained EU laws until 23 June 2026, and inter alia removes the special features that EU laws have in the UK legal system and repeals the principle of supremacy of EU law from UK law. The impact of the Act on the Group's business is currently unclear.

The long-term impact of the UK's decision to leave the EU continues to be unclear and will depend on the implementation of the final terms agreed between the UK and the EU in the TCA as well as on the UK's ability to secure favourable trade and investment terms with countries outside the EU. Following the July 2024 General Election, the UK Government has indicated that it will seek an improved trading relationship with the EU, although few details have yet been made public. There is considerable uncertainty as to the impact of the UK's exit from the EU on the general economic conditions in the UK or its wider impact in the EU. As such, no assurance can be given as to the impact of the UK's departure from the EU and, in particular, no assurance can be given that such matters would not adversely affect the Group's financial condition and results of operations.

Past Performance and Forward Looking Statements

The performance and the results of the operations of the Group contained in the 2024 Annual Report are historical in nature, and past performance is no guarantee of the future results of the Group. Any forward-looking statements and opinions contained within the 2024 Annual Report are based on current plans, estimates and projections, and therefore involve risks and uncertainties. Actual results may differ materially from expectations discussed in such forward-looking statements and opinions. The Group, the Directors, employees and agents of the Group assume (a) no obligation to correct or update the forward-looking statements or opinions contained in the 2024 Annual Report; 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.

Information on Directors

BIOGRAPHICAL DETAILS OF DIRECTORS

LI Tzar Kuoi, Victor

aged 60, has been a Director of the Company since December 2014. He was designated as Executive Director, Managing Director and Deputy Chairman of the Company in January 2015, re-designated as Executive Director, Group Co-Managing Director and Deputy Chairman of the Company in June 2015, appointed as Chairman of the Company in May 2018 and further re-designated as Chairman and Executive Director of the Company on 1 April 2024. Mr Li has been a member of the Remuneration Committee and Nomination Committee of the Company since May 2018 and January 2019 respectively. In 1985, he joined Cheung Kong (Holdings) Limited ("Cheung Kong (Holdings)")(1) and acted as Deputy Managing Director from 1993 to 1998. He was Deputy Chairman of Cheung Kong (Holdings) since 1994, Managing Director since 1999 and Chairman of the Executive Committee since 2013 until June 2015. From 1995 to 2015, he was an Executive Director of Hutchison Whampoa Limited ("HWL")(2) and Deputy Chairman from 1999 to 2015. Mr Li is Chairman, Managing Director and Executive Director of CK Asset Holdings Limited ("CKA"), Chairman of CK Infrastructure Holdings Limited ("CKI") and CK Life Sciences Int'l., (Holdings) Inc. ("CKLS"), a Non-executive Director of Power Assets Holdings Limited ("Power Assets") and HK Electric Investments Manager Limited ("HKEIML") as the trustee-manager of HK Electric Investments ("HKEI"), and a Non-executive Director and Deputy Chairman of HK Electric Investments Limited ("HKEIL"). Except CKA, the aforementioned companies are either subsidiaries or associated companies of the Group of which Mr Li has oversight as Director of the Company. Mr Li is also the Deputy Chairman of Li Ka Shing Foundation Limited ("LKSF") and Li Ka Shing (Global) Foundation, and the Member Deputy Chairman of Li Ka Shing (Canada) Foundation. Mr Li serves as a member of the 14th National Committee of the Chinese People's Political Consultative Conference of the People's Republic of China and a member of the Chief Executive's Council of Advisers of the Hong Kong Special Administrative Region. He is also Vice Chairman of the Hong Kong General Chamber of Commerce. Mr Li is the Honorary Consul of Barbados in Hong Kong and is awarded the Grand Officer of the Order of the Star of Italy. Mr Li is the elder son of Mr Li Ka-shing, the Senior Advisor and a substantial shareholder (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) of the Company, and a nephew of Mr Kam Hing Lam, Deputy Managing Director of the Company. Mr Li is a director of certain substantial shareholders of the Company and certain companies controlled by certain substantial shareholders of the Company. He holds a Bachelor of Science degree in Civil Engineering, a Master of Science degree in Civil Engineering and a degree of Doctor of Laws, honoris causa (LL.D.).

FOK Kin Ning, Canning

aged 73, was appointed as a Non-executive Director of the Company in January 2015, re-designated as an Executive Director and Group Co-Managing Director of the Company in June 2015, and appointed as Deputy Chairman on 1 April 2024 and remains as an Executive Director of the Company. Mr Fok was a Director of Cheung Kong (Holdings) and acted as a Non-executive Director from 1993 to June 2015. He was an Executive Director of HWL from 1984 to 2015 and Group Managing Director from 1993 to 2015. He is also Chairman of Hutchison Telecommunications Hong Kong Holdings Limited ("HTHKH"), TPG Telecom Limited ("TPG"), HKEIML as the trustee-manager of HKEI, and HKEIL, Executive Chairman of CK Hutchison Group Telecom Holdings Limited, Deputy Chairman of CKI and Deputy President Commissioner of PT Indosat Tbk ("Indosat"). He was previously Chairman of Hutchison Telecommunications (Australia) Limited ("HTAL"), Hutchison Port Holdings Management Pte. Limited ("HPHM") as the trustee-manager of Hutchison Port Holdings Trust ("HPH Trust") and Power Assets, and a Director of Cenovus Energy Inc. ("Cenovus Energy"). The aforementioned companies are either subsidiaries or associated companies of the Group of which Mr Fok has oversight as Director of the Company. Mr Fok is a director of certain companies controlled by certain substantial shareholders (within the meaning of Part XV of the SFO) of the Company. He holds a Bachelor of Arts degree and a Diploma in Financial Management, and is a Fellow of Chartered Accountants Australia and New Zealand.

Notes:

(1) Cheung Kong (Holdings) was previously listed on The Stock Exchange of Hong Kong Limited (the "SEHK") until its listing status was replaced by the Company in March 2015

(2) HWL was previously listed on the SEHK until it was privatised in June 2015 and became a wholly-owned subsidiary of the Company

Information on Directors

Frank John SIXT

aged 73, was appointed as a Non-executive Director of the Company in January 2015, re-designated as an Executive Director, Group Finance Director and Deputy Managing Director of the Company in June 2015 and further re-designated as Executive Director, Group Co-Managing Director and Group Finance Director of the Company on 1 April 2024. He has been Chairman of the Sustainability Committee of the Company since June 2020. Mr Sixt was an Executive Director of Cheung Kong (Holdings) since 1991 and became a Non-executive Director in 1998 until June 2015. He was an Executive Director of HWL from 1991 to 2015 and Group Finance Director from 1998 to 2015. Mr Sixt is also Chairman of HTAL, Non-executive Chairman of TOM Group Limited ("TOM"), an Executive Director of CKI, a Director of Cenovus Energy, a Non-executive Director of TPG and an Alternate Director to Directors of HTAL, HKEIML as the trustee-manager of HKEI, and HKEIL. The aforementioned companies are either subsidiaries or associated companies of the Group of which Mr Sixt has oversight as Director of the Company. He has over four decades of legal, global finance and risk management experience, and possesses deep expertise in overseeing financial reporting system, risk management and internal control systems as well as sustainability issues and related risks. Mr Sixt is a director of certain substantial shareholders (within the meaning of Part XV of the SFO) of the Company and certain companies controlled by certain substantial shareholders of the Company. He holds a Master's degree in Arts and a Bachelor's degree in Civil Law, and is a member of the Bar and of the Law Society of the Provinces of Québec and Ontario, Canada.

LAI Kai Ming, Dominic

aged 71, was appointed as an Executive Director and Deputy Managing Director of the Company in June 2015 and re-designated as Executive Director and Group Co-Managing Director of the Company on 1 April 2024. Mr Lai has been Chairman of the AS Watson Group, the retail arm of the Group, since May 2024. Prior to that, he was Finance Director and Chief Operating Officer from 1994 to 1997 as well as Group Managing Director from 2007 to April 2024 of the AS Watson Group, Group Managing Director of the Harbour Plaza Hotel Management Group, the former hotel business of HWL, from 1998 to 2000, and an Executive Director of HWL from 2000 to 2015. Mr Lai is in addition Chairman of HPHM as the trustee-manager of HPH Trust, a Non-executive Director of HTHKH, a Director of HTAL, a Commissioner of PT Duta Intidaya Tbk ("PTDI") and an Alternate Director to Directors of HTHKH, HTAL and TOM. The aforementioned companies are either subsidiaries or associated companies of the Group of which Mr Lai has oversight as Director of the Company. Mr Lai has over 40 years of management experience in different industries. He holds a Bachelor of Science (Hons) degree and a Master's degree in Business Administration.

IP Tak Chuen, Edmond

aged 72, has been a Director of the Company since December 2014 and was designated as an Executive Director and Deputy Managing Director of the Company in January 2015. He was an Executive Director of Cheung Kong (Holdings) since 1993 and Deputy Managing Director since 2005, both until June 2015. Mr Ip is also an Executive Director and Deputy Chairman of CKA and CKI, Senior Vice President and Chief Investment Officer of CKLS, and a Non-executive Director of Hui Xian Asset Management Limited ("HXAML") as the manager of Hui Xian Real Estate Investment Trust ("Hui Xian REIT"). Except CKA and HXAML, the aforementioned companies are either subsidiaries or associated companies of the Group of which Mr Ip has oversight as Director of the Company. He holds a Bachelor of Arts degree in Economics and a Master of Science degree in Business Administration.

KAM Hing Lam

aged 78, has been an Executive Director and Deputy Managing Director of the Company since January 2015. He was Deputy Managing Director of Cheung Kong (Holdings) and an Executive Director of HWL from 1993 to June 2015. He is also an Executive Director and Deputy Managing Director of CKA, Group Managing Director of CKI, President of CKLS and Chairman of HXAML as the manager of Hui Xian REIT. Except CKA and HXAML, the aforementioned companies are either subsidiaries or associated companies of the Group of which Mr Kam has oversight as Director of the Company. Prior to joining the Group, Mr Kam had more than 20 years of experience in senior and regional capacities at major US multinational companies, including Johnson and Johnson, American Express and Levi Strauss. He is the brother-in-law of Mr Li Ka-shing, the Senior Advisor and a substantial shareholder (within the meaning of Part XV of the SFO) of the Company, and an uncle of Mr Li Tzar Kuoi, Victor, Chairman of the Company. Mr Kam holds a Bachelor of Science degree in Engineering and a Master's degree in Business Administration.

Edith SHIH

aged 73, has been an Executive Director of the Company since January 2017 and a member of the Sustainability Committee of the Company since June 2020. Ms Shih has been the Company Secretary of the Company since June 2015 and was the Head Group General Counsel of the Company from June 2015 to March 2017. Prior to that, Ms Shih was the Head Group General Counsel of HWL from 1993 to June 2015 and has been the Company Secretary of HWL since 1997. She has over 40 years of experience in the legal, regulatory, corporate finance, compliance and corporate governance fields. Ms Shih is in addition a Non-executive Director of HTHKH, HUTCHMED (China) Limited ("HUTCHMED") and HPHM as the trustee-manager of HPH Trust as well as a Commissioner of PTDI. The aforementioned companies are either subsidiaries or associated companies of the Group of which Ms Shih has oversight as Director of the Company. She holds a Bachelor of Science degree and a Master of Arts degree from the University of the Philippines as well as a Master of Arts degree and a Master of Education degree from Columbia University, New York. Ms Shih is a solicitor qualified in England and Wales, Hong Kong and Victoria, Australia and a Fellow of both The Chartered Governance Institute ("CGI") and The Hong Kong Chartered Governance Institute ("HKCGI"), holding Chartered Secretary and Chartered Governance Professional dual designations. Ms Shih is a past International President and current member of the Council of CGI, and a past President and current Honorary Adviser of HKCGI. Further, she is also Chairman of the Process Review Panel for the Accounting and Financial Reporting Council, Vice-Chairman of the Council of The Hong Kong University of Science and Technology, and a member of the Executive Committee and Council of The Hong Kong Management Association.

Andrew John HUNTER

aged 66, has been an Executive Director of the Company since 1 April 2024. He is also Chairman of Power Assets, and an Executive Director and Deputy Managing Director of CKI. Mr Hunter acted as Chief Operating Officer of CKI from December 2006 to May 2010. Prior to the appointment to the board of Power Assets in 1999, he was Finance Director of the Hutchison Property Group. Mr Hunter has over 40 years of experience in accounting and financial management. He holds a Master of Arts degree and a Master's degree in Business Administration, and is a member of the Institute of Chartered Accountants of Scotland and of the Hong Kong Institute of Certified Public Accountants.

CHOW Kun Chee, Roland

aged 87, has been a Non-executive Director of the Company since January 2015. He was a Director of Cheung Kong (Holdings) from 1993 to June 2015, during which time he served as an Independent Non-executive Director prior to his re-designation as a Non-executive Director in September 2004. Mr Chow is a solicitor of the High Court of the Hong Kong Special Administrative Region and a consultant of Messrs Herbert Tsoi & Partners, Solicitors and Notaries. He is a director of certain substantial shareholders (within the meaning of Part XV of the SFO) of the Company and certain companies controlled by certain substantial shareholders of the Company. Mr Chow holds a Master of Laws degree from the University of London.

LEE Yeh Kwong, Charles

GBM, GBS, OBE, JP, aged 88, has been a Non-executive Director of the Company since January 2015. Mr Lee was a Director of Cheung Kong (Holdings) from August 1972 to March 1997 and a Non-executive Director of Cheung Kong (Holdings) and of HWL from January 2013 to June 2015. He is a Vice Patron of The Community Chest of Hong Kong, a member of the Board of Governors of Our Hong Kong Foundation and one of the founders and consultants of Woo Kwan Lee & Lo, a major law firm in Hong Kong. He was previously the President and Chairman of the Board of The Community Chest of Hong Kong. Mr Lee holds a Master's degree in law and is a qualified solicitor in both Hong Kong and the United Kingdom. He was awarded the degree of Doctor of Laws honoris causa by The Hong Kong University of Science and Technology, the degree of Doctor of Business Administration honoris causa by The Hong Kong Polytechnic University and the degree of Doctor of Social Sciences honoris causa by the University of Hong Kong and The Hong Kong Metropolitan University respectively. Mr Lee is also a Chartered Secretary and Chartered Governance Professional.

George Colin MAGNUS

OBE, BBS, aged 89, has been a Non-executive Director of the Company since January 2015. He acted as an Executive Director of Cheung Kong (Holdings) since 1980 and Deputy Chairman since 1985 until he retired from these offices in October 2005. He was a Non-executive Director of Cheung Kong (Holdings) from November 2005 to June 2015. Mr Magnus was an Executive Director of HWL from 1980 to 2005, Deputy Chairman from 1984 to 1993 and a Non-executive Director from 2005 to 2015. He is also a Non-executive Director of CKI and an Independent Non-executive Director of HKEIML as the trustee-manager of HKEI, and HKEIL. Mr Magnus was previously Chairman of Power Assets from 1993 to 2005 and Deputy Chairman of CKI from 1996 to 2005. He holds a Master's degree in Economics from King's College, Cambridge.

WOO Mo Fong, Susan (alias CHOW WOO Mo Fong, Susan)

aged 71, has been a Non-executive Director of the Company since January 2017. She was an Executive Director and Group Deputy Managing Director of the Company from June 2015 to July 2016, Senior Advisor of the Company from August 2016 to December 2016, Executive Director of HWL from 1993 to 2015 and Deputy Group Managing Director of HWL from 1998 to 2015. Prior to joining HWL, Mrs Chow was a partner of Woo Kwan Lee & Lo, a major law firm in Hong Kong. Mrs Chow is also a Director of HTAL and an Independent Non-executive Director of Hong Kong Exchanges and Clearing Limited. She previously served as a member of the Listing Committee of the SEHK, the Joint Liaison Committee on Taxation of the Law Society of Hong Kong, the Committee on Real Estate Investment Trusts (the "REIT Committee") of the Securities and Futures Commission, the Trade and Industry Advisory Board, the Court of The Hong Kong University of Science and Technology and the Appeal Boards Panel (Education). Mrs Chow is a qualified solicitor and holds a Bachelor's degree in Business Administration.

CHOW Ching Yee, Cynthia

aged 61, has been an Independent Non-executive Director and a member of the Audit Committee of the Company since December 2023, and a member of the Remuneration Committee of the Company since 23 May 2024. She is also an Independent Non-executive Director of HTHKH. Ms Chow is the founder and Director of Discovery Mind Educational Organisation and Discovery Mind China responsible for their brand expansion and future development, with over 25 years of experience in the operation of schools in Hong Kong. Before starting her educational career, Ms Chow was an Assistant Vice President in the Private Banking Division of Citibank, Hong Kong from 1994 to 1996. She holds a Bachelor of Arts degree in Economics from Occidental College, U.S.A., and a Master's degree in Business Administration from Whittier College, U.S.A..

Graeme Allan JACK

aged 74, has been an Independent Non-executive Director and a member of the Audit Committee of the Company since 13 December 2024. He is also an Independent Non-executive Director of HUTCHMED and The Greenbrier Companies, Inc.. Mr Jack was an Independent Non-executive Director of COSCO SHIPPING Development Co., Ltd. and HPHM as the trustee-manager of HPH Trust. He retired as a partner of PricewaterhouseCoopers in 2006 after a distinguished career with the firm for over 33 years. Mr Jack has over 40 years of experience in finance and audit. He holds a Bachelor of Commerce degree from the University of New South Wales, Australia, and is a Fellow of the Hong Kong Institute of Certified Public Accountants and an Associate of Chartered Accountants Australia and New Zealand.

Philip Lawrence KADOORIE

aged 33, has been an Independent Non-executive Director of the Company since December 2022. He is also Non-executive Deputy Chairman of The Hongkong and Shanghai Hotels, Limited, a Non-executive Director of CLP Holdings Limited and a Director of Sir Elly Kadoorie & Sons Limited, Heliservices (Hong Kong) Limited and Metrojet Limited. Mr Kadoorie has substantial experience in the power generation, transmission and distribution industry in Hong Kong, Mainland China, Australia, India and Southeast Asia as well as global market experience in the power industry, providing general perspectives on global economic trends and opportunities. He also possesses property industry experience. Mr Kadoorie holds a Bachelor of Science Degree in Communication from Boston University and a FAA Commercial Pilot's Licence.

LAU Yau Fun, Sophie (alias LEUNG LAU Yau Fun, Sophie)

GBS, SBS, OBE, JP, aged 79, has been an Independent Non-executive Director of the Company since December 2021 and a member of the Nomination Committee of the Company since August 2022. She was a member of the Legislative Council of the Hong Kong Special Administrative Region from 1996 to 2012, representing the textile and garment industry, and was a Deputy of the National People's Congress of the People's Republic of China from 2003 to 2017. Mrs Leung is a director since the 1970s of a number of large textile conglomerates in Hong Kong with businesses extending globally. She is also a member of several key government and non-government organisations and institutes that support and enhance the development of the textile and garment industry in Hong Kong and Southern China. Mrs Leung is widely recognised for her public service contributions to the development and implementation of the health care system in Hong Kong. She was a founding member of the Hospital Authority and is the Co-Chairperson of the Clinical Governance Committee of HKSH Medical Group. Mrs Leung was a member of the Accounting and Financial Reporting Council of Hong Kong from its establishment in 2006 to 2012. She is the founder and Chairperson of The Young Entrepreneurs Development Council, the Honorary President and founding member of the Hong Kong Federation of Women and the Honorary Consul of Grand Duchy of Luxembourg in Hong Kong. Mrs Leung has always been focused on corporate governance and co-founded The Hong Kong Institute of Directors in 1997 to nurture directors of companies listed on the SEHK. She was also the founding Chairperson of the Women's Commission in early 2001 and Vice-Chairperson of the United Nations Children's Fund (UNICEF) in Hong Kong. Mrs Leung holds a Bachelor of Mathematics and Computer Science degree from the University of Illinois. She was conferred Honorary University Fellowships by The Hong Kong Metropolitan University and Lingnan University, Hong Kong.

Paul Joseph TIGHE

aged 68, has been an Independent Non-executive Director of the Company since December 2020, a member of the Audit Committee of the Company since May 2021 and Chairman of the Nomination Committee of the Company since 23 May 2024. He is also an Independent Non-executive Director of CKI and CKLS. He has over 35 years of experience in government and public policy, and has held various positions at the headquarters of the Department of Foreign Affairs and Trade in Canberra, Australia, including as head of the Department's Trade and Economic Policy Division, head of the Diplomatic Security, Information Management and Services Division, head of the Agriculture and Resources Branch and Director of the International Economic Analysis Section. Mr Tighe previously worked in, among others, the Secretariat of, and served as Counsellor to, the Organisation for Economic Co-operation and Development in Paris. He holds a Bachelor of Science degree from the University of New South Wales, Australia.

TSIM Sin Ling, Ruth

aged 68, has been an Independent Non-executive Director and a member of the Audit Committee of the Company since 2 January 2024, and a member of the Sustainability Committee of the Company since 23 May 2024. Ms Tsim has over three decades of business and professional experience in public accounting firm and across different industries in the commercial sector with roles in financial controllership. She has extensive experience in risk management, internal audit and controls as well as financial management, analysis and reporting. Ms Tsim was a Non-executive Director of HPHM as the trustee-manager of HPH Trust from 2017 to 2021 and a Non-independent Non-executive Director of Westports Holdings Berhad from 2015 to 2021. She held various roles in finance and accounting in Hutchison Ports group since 2001 and became Group Chief Financial Officer of Hutchison Port Holdings Limited, a subsidiary of the Company, in 2014 prior to her retirement in January 2022. She is a Fellow of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants, an Associate of the Institute of Chartered Accountants in England and Wales and a member of the Chartered Professional Accountants of British Columbia in Canada. Ms Tsim holds a Master of Business Administration degree from The Chinese University of Hong Kong.

WONG Kwai Lam

aged 75, has been an Independent Non-executive Director of the Company since May 2020, a member and the Chairman of the Audit Committee of the Company since May 2020 and August 2022 respectively, and a member and Chairman of the Remuneration Committee of the Company since May 2020 and 23 May 2024 respectively. Mr Wong is also an Independent Non-executive Director of ESR Asset Management (Prosperity) Limited (formerly known as ARA Asset Management (Prosperity) Limited) as manager of Prosperity Real Estate Investment Trust, K. Wah International Holdings Limited, LHIL Manager Limited as the trustee-manager of Langham Hospitality Investments, and Langham Hospitality Investments Limited. He was an Independent Non-executive Director and Lead Independent Director of HPHM as the trustee-manager of HPH Trust. He has over 30 years of experience in the commercial and investment banking industry. Mr Wong worked with Merrill Lynch (Asia Pacific) Limited ("Merrill Lynch") from May 1993 to August 2009 where he served as a Managing Director in the Asia Investment Banking Division since January 1995. He was appointed as a Senior Client Advisor to Merrill Lynch in September 2009 and served in that position for one year. Prior to joining Merrill Lynch, Mr Wong had been a Director in the Investment Banking Division of CS First Boston (Hong Kong) Limited and a Director and the Head of Primary Market in Standard Chartered Asia Limited. Mr Wong is currently Chairman of IncitAdv Consultants Limited and Hong Kong Grand Opera Company Limited, Vice Chairman of the Board of Trustees and a member of the Investment Sub-committee of the Board of Trustees of New Asia College of The Chinese University of Hong Kong, Director of CUHK Medical Centre Limited and Advisor of The Chamber of Hong Kong Listed Companies. He is a former member of the Advisory Committee and the REIT Committee of the Securities and Futures Commission in Hong Kong. Mr Wong holds a Bachelor of Arts degree and a PhD degree.

CHANGES IN INFORMATION OF DIRECTORS

Pursuant to Rule 13.51(B)(1) of the Rules Governing the Listing of Securities on the SEHK (the "Listing Rules"), the changes in information of Directors of the Company, as notified to the Company, subsequent to the date of the 2024 Interim Report or the date of announcement on appointment of Director are set out below:

Directors	Details of Changes
Edith Shih	Appointed as Vice-Chairman of the Council of The Hong Kong University of Science and Technology on 1 November 2024
Philip Lawrence Kadoorie	Appointed as Deputy Chairman and a member of the Executive Committee of The Hongkong and Shanghai Hotels, Limited(1) on 1 January 2025
Wong Kwai Lam	Retired as an Independent Non-executive Director, Chairman of the Audit Committee and the Nominating Committee, a member of the Remuneration Committee and Lead Independent Director of Hutchison Port Holdings Management Pte. Limited as trustee-manager of Hutchison Port Holdings Trust(2) on 2 December 2024

Notes:

(1) A company the shares of which are listed on the SEHK

(2) A business trust the units of which are listed on Singapore Exchange Securities Trading Limited

In respect of the change in emoluments of Directors, please refer to note 6 to the financial statements on pages 159 to 161.

INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF DIRECTORS AND CHIEF EXECUTIVES

As at 31 December 2024, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the SEHK pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executives of the Company were deemed or taken to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the SEHK pursuant to the Model Code for Securities Transactions by Directors adopted by the Company (the "CKHH Securities Code") were as follows:

(I) Interests and short positions in the shares, underlying shares and debentures of the Company

Long positions in the shares of the Company

Directors	Capacity	Nature of Interests	Number of Shares Held	Total	Approximate % of Shareholding [8]
Li Tzar Kuoi, Victor	Beneficiary of trusts	Other interest	1,162,632,010[1])		
	Beneficial owner	Personal interest	220,000)		
	Interest of controlled corporations	Corporate interest	2,572,350[2])		
	Interest of spouse	Family interest	200,000)		
	Interest of child	Family interest	205,200[3])	1,165,829,560	30.4390%
Fok Kin Ning, Canning	Interest of a controlled corporation	Corporate interest	6,011,438[4]	6,011,438	0.1569%
Frank John Sixt	Beneficial owner	Personal interest	166,800	166,800	0.0043%
Lai Kai Ming, Dominic	Beneficial owner	Personal interest	34,200	34,200	0.0008%
Kam Hing Lam	Beneficial owner	Personal interest	51,040)		
	Interest of child	Family interest	57,360)	108,400	0.0028%
Edith Shih	Beneficial owner	Personal interest	187,125)		
	Interest of spouse	Family interest	5,062)	192,187	0.0050%
Chow Kun Chee, Roland	Beneficial owner	Personal interest	99,752	99,752	0.0026%
Chow Woo Mo Fong, Susan	Beneficial owner	Personal interest	129,960	129,960	0.0033%
Lee Yeh Kwong, Charles	Beneficial owner	Personal interest	862,124)		
	Interest of spouse	Family interest	37,620)		
	Interest of a controlled corporation	Corporate interest	6,840[5])	906,584	0.0236%

Directors	Capacity	Nature of Interests	Number of Shares Held	Total	Approximate % of Shareholding [8]
George Colin Magnus	Founder and/or beneficiary of a discretionary trust	Other interest	833,868[6])		
	Beneficial owner	Personal interest	85,361)		
	Interest of spouse	Family interest	16,771)	936,000	0.0244%
Philip Lawrence Kadoorie	Beneficiary of a discretionary trust	Other interest	7,380,860[7]	7,380,860	0.1927%
Leung Lau Yau Fun, Sophie	Beneficial owner	Personal interest	10,000)		
	Interest of spouse	Family interest	1,000)	11,000	0.0002%

Notes:

(1) The 1,162,632,010 shares of the Company comprise:

(a) 1,005,817,044 shares held by Li Ka-Shing Unity Trustee Company Limited ("TUT1") as trustee of The Li Ka-Shing Unity Trust ("UT1") and its related companies in which TUT1 as trustee of UT1 is entitled to exercise or control the exercise of one-third or more of the voting power at their general meetings ("TUT1 related companies"). 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 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.

The entire issued share capital of TUT1, TDT1 and TDT2 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-thirds of the entire issued share capital of Unity Holdco. TUT1 is only interested in the shares of the Company 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 the Company 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 Tzar Kuoi, Victor is a discretionary beneficiary of each of DT1 and DT2, and by virtue of the above, Mr Li Tzar Kuoi, Victor is taken to have a duty of disclosure in relation to the said shares of the Company held by TUT1 as trustee of UT1 and TUT1 related companies under the SFO as a Director of the Company.

(b) 72,387,720 shares held by Li Ka-Shing Castle Trustee Company Limited ("TUT3") as trustee of The Li Ka-Shing Castle Trust ("UT3") and its related companies in which TUT3 as trustee of UT3 is entitled to exercise or control the exercise of one-third or more of the voting power at their general meetings ("TUT3 related companies"). 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, TDT3 and TDT4 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-thirds of the entire issued share capital of Castle Holdco. TUT3 is only interested in the shares of the Company 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 the Company 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 Tzar Kuoi, Victor is a discretionary beneficiary of each of DT3 and DT4, and by virtue of the above, Mr Li Tzar Kuoi, Victor is taken to have a duty of disclosure in relation to the said shares of the Company held by TUT3 as trustee of UT3 and TUT3 related companies under the SFO as a Director of the Company.

(c) 84,427,246 shares held by a company controlled by TDT3 as trustee of DT3.

(2) Among those shares,

(a) 2,272,350 shares are held by certain companies of which Mr Li Tzar Kuoi, Victor is entitled to exercise or control the exercise of one-third or more of the voting power at their general meetings.

(b) 300,000 shares are held by LKSF. By virtue of the terms of the constituent documents of LKSF, 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 its general meetings.

(3) Such shares are held by a company in which a child of Mr Li Tzar Kuoi, Victor is entitled to exercise or control the exercise of one-third or more of the voting power at its general meetings.

(4) Such shares are held by a company which is equally controlled by Mr Fok Kin Ning, Canning and his spouse.

(5) Such shares are held by a company of which Mr Lee Yeh Kwong, Charles is interested in the entire issued share capital.

(6) 184,000 shares are held by a company controlled by a trust of which Mr George Colin Magnus is a discretionary beneficiary and 649,868 shares are indirectly held by a discretionary trust of which Mr George Colin Magnus is the settlor and/or a discretionary beneficiary.

(7) Such shares are ultimately held by a discretionary trust of which Mr Philip Lawrence Kadoorie is one of the discretionary beneficiaries.

(8) The percentages of shareholding in this table were computed based on the number of issued shares of the Company as at 31 December 2024, being 3,830,044,500 shares.

(II) Interests and short positions in the shares, underlying shares and debentures of the associated corporations of the Company

Long positions in the shares, underlying shares and debentures of the associated corporations of the Company

As at 31 December 2024, Mr Li Tzar Kuoi, Victor, as a Director of the Company, was deemed to be interested in the following by virtue of, inter alia, his interests as described in Note (1) above:

(i) 5,428,000 ordinary shares, representing approximately 0.21% of the issued voting shares, in CKI held by TUT1 as trustee of UT1;

(ii) 53,604,826 ordinary shares, representing approximately 1.11% of the issued voting shares, in HTHKH of which 53,451,546 ordinary shares are held by TUT1 as trustee of UT1 and its related company in which TUT1 as trustee of UT1 is entitled to exercise or control the exercise of one-third or more of the voting power at its general meetings, and 153,280 ordinary shares are held by TUT3 as trustee of UT3;

(iii) 15,000,000 ordinary shares, representing approximately 15% of the issued voting shares, in Beautiland Company Limited held by a wholly owned subsidiary of TUT1 as trustee of UT1; and

(iv) 2,700,000 share stapled units, representing approximately 0.03% of the issued voting share stapled units, in HKEI and HKEIL held by TUT1 as trustee of UT1.

As at 31 December 2024, Mr Li Tzar Kuoi, Victor was also deemed to be interested in (i) 5,170,000 share stapled units, representing approximately 0.05% of the issued voting share stapled units, in HKEI and HKEIL held by LKSF; (ii) 2,835,759,715 ordinary shares, representing approximately 29.50% of the issued voting shares, in CKLS held by certain wholly owned subsidiaries of LKSF; and (iii) 350,527,953 ordinary shares, representing approximately 7.27% of the issued voting shares, in HTHKH held by LKSF. By virtue of the terms of the constituent documents of LKSF, Mr Li may be regarded as having the ability to exercise or control the exercise of one-third or more of the voting power at its general meetings.

In addition, Mr Li Tzar Kuoi, Victor had, as at 31 December 2024, the following interests:

(i) personal interests in 2,250,000 ordinary shares, representing approximately 0.02% of the issued voting shares, in CKLS held in his capacity as a beneficial owner;

(ii) family interests in (a) 192,000 ordinary shares, representing approximately 0.003% of the issued voting shares, in HTHKH held by a company of which his child is entitled to exercise or control the exercise of one-third or more of the voting power at its general meetings; and (b) 227,000 ordinary shares, representing approximately 0.009% of the issued voting shares, in CKI held by his spouse; and

(iii) corporate interests in (a) 2,519,250 ordinary shares, representing approximately 0.05% of the issued voting shares, in HTHKH; and (b) a nominal amount of US$10,000,000 in the 4.20% Guaranteed Perpetual Capital Securities issued by Cheung Kong Infrastructure Finance (BVI) Limited, which are held by companies of which Mr Li is entitled to exercise or control the exercise of one-third or more of the voting power at their general meetings.

Mr Fok Kin Ning, Canning had, as at 31 December 2024, the following interests:

(i) 5,100,000 ordinary shares, representing approximately 0.03% of the issued voting shares, in HTAL comprising personal and corporate interests in 4,100,000 ordinary shares and 1,000,000 ordinary shares respectively;

(ii) family interests in 267,400 ordinary shares, representing approximately 0.03% of the issued voting shares, in HUTCHMED held by his spouse;

(iii) corporate interests in 1,202,380 ordinary shares, representing approximately 0.02% of the issued voting shares, in HTHKH;

(iv) corporate interests in 2,000,000 share stapled units, representing approximately 0.02% of the issued voting share stapled units, in HKEI and HKEIL; and

(v) corporate interests in 1,500,000 ordinary shares, representing approximately 0.01% of the issued voting shares, in CKLS.

Mr Fok Kin Ning, Canning holds the above personal interests in his capacity as a beneficial owner and holds the above corporate interests through a company which is equally controlled by Mr Fok and his spouse.

Mr Frank John Sixt in his capacity as a beneficial owner had, as at 31 December 2024, personal interests in (i) 1,000,000 ordinary shares, representing approximately 0.007% of the issued voting shares, in HTAL; (ii) 255,000 ordinary shares, representing approximately 0.005% of the issued voting shares, in HTHKH; (iii) 900,000 ordinary shares, representing approximately 0.009% of the issued voting shares, in CKLS; and (iv) 492,000 ordinary shares, representing approximately 0.01% of the issued voting shares, in TOM.

Mr Ip Tak Chuen, Edmond in his capacity as a beneficial owner had, as at 31 December 2024, personal interests in 2,250,000 ordinary shares, representing approximately 0.02% of the issued voting shares, in CKLS.

Mr Kam Hing Lam had, as at 31 December 2024, the following interests:

(i) personal interests in 100,000 ordinary shares, representing approximately 0.003% of the issued voting shares, in CKI held in his capacity as a beneficial owner; and

(ii) family interests in (a) 100,000 ordinary shares, representing approximately 0.004% of the issued voting shares, in Power Assets; (b) 1,025,000 share stapled units, representing approximately 0.01% of the issued voting share stapled units, in HKEI and HKEIL; and (c) 6,225,000 ordinary shares, representing approximately 0.06% of the issued voting shares, in CKLS held by his child.

Ms Edith Shih in her capacity as a beneficial owner had, as at 31 December 2024, personal interests in (i) 700,000 ordinary shares and 100,000 American depositary shares ("ADS", each representing five ordinary shares), in aggregate representing approximately 0.13% of the issued voting shares, in HUTCHMED; and (ii) a nominal amount of US$400,000 in the 4.750% Guaranteed Notes due 2034 issued by CK Hutchison International (24) (II) Limited.

Mr Chow Kun Chee, Roland in his capacity as a beneficial owner had, as at 31 December 2024, personal interests in (i) 10,000 ordinary shares, representing approximately 0.0003% of the issued voting shares, in CKI; (ii) 903,936 ordinary shares, representing approximately 0.009% of the issued voting shares, in CKLS; (iii) 134,918 ordinary shares, representing approximately 0.006% of the issued voting shares, in Power Assets; (iv) 582,000 ordinary shares, representing approximately 0.01% of the issued voting shares, in TOM; and (v) 33,730 share stapled units, representing approximately 0.0003% of the issued voting share stapled units, in HKEI and HKEIL.

Mrs Chow Woo Mo Fong, Susan in her capacity as a beneficial owner had, as at 31 December 2024, personal interests in 250,000 ordinary shares, representing approximately 0.005% of the issued voting shares, in HTHKH.

Mr Lee Yeh Kwong, Charles had, as at 31 December 2024, the following interests:

(i) personal interests in 100,000 ordinary shares, representing approximately 0.003% of the issued voting shares, in CKI held in his capacity as a beneficial owner;

(ii) 247,000 ordinary shares, representing approximately 0.01% of the issued voting shares, in Power Assets comprising corporate interests in 100,000 ordinary shares held through a company of which Mr Lee is interested in the entire issued share capital and family interests in 147,000 ordinary shares held by his spouse; and

(iii) corporate interests in 25,000 share stapled units, representing approximately 0.0002% of the issued voting share stapled units, in HKEI and HKEIL held through a company of which Mr Lee is interested in the entire issued share capital.

Mr George Colin Magnus had, as at 31 December 2024, the following interests:

(i) 13,333 ordinary shares, representing approximately 0.0002% of the issued voting shares, in HTHKH comprising personal interests in 13,201 ordinary shares held in his capacity as a beneficial owner and family interests in 132 ordinary shares held by his spouse; and

(ii) 765,000 ordinary shares, representing approximately 0.007% of the issued voting shares, in CKLS comprising (a) personal interests in 753,360 ordinary shares held in his capacity as a beneficial owner; (b) family interests in 600 ordinary shares held by his spouse; and (c) other interests in 11,040 ordinary shares held by a company controlled by a trust of which Mr Magnus is a discretionary beneficiary.

Mr Graeme Allan Jack had, as at 31 December 2024, in aggregate 17,339 ADS, representing approximately 0.009% of the issued voting shares, in HUTCHMED comprising personal interests in (i) 15,401 ADS held in his capacity as a beneficial owner; and (ii) 1,938 ADS held in his capacity as a beneficiary of a trust pursuant to the long term incentive plan of HUTCHMED, subject to vesting conditions.

Mrs Leung Lau Yau Fun, Sophie had, as at 31 December 2024, the following interests:

(i) personal interests in 6,000 ordinary shares, representing approximately 0.0001% of the issued voting shares, in TOM held in her capacity as a beneficial owner;

(ii) family interests in 2,400 ordinary shares, representing approximately 0.00002% of the issued voting shares, in CKLS held by her spouse; and

(iii) corporate interests in (a) 100,000 share stapled units, representing approximately 0.001% of the issued voting share stapled units, in HKEI and HKEIL; (b) 200,000 ordinary shares, representing approximately 0.009% of the issued voting shares, in Power Assets; and (c) a nominal amount of US$1,000,000 in the 7.5% Notes due 2027 issued by Hutchison Whampoa Finance (CI) Limited, which are held by a company (as trustee of a charitable trust) of which Mrs Leung is interested in one-third of the issued share capital.

Save as disclosed above, as at 31 December 2024, none of the Directors or chief executives of the Company and their respective associates had any interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the SEHK pursuant to the CKHH Securities Code.

Certain Directors held qualifying shares in certain subsidiaries of the Company on trust for other subsidiaries.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year ended 31 December 2024, the following Directors of the Company had interests in the following businesses (apart from the businesses of the Company or its subsidiaries) conducted through the companies named below, their subsidiaries, associated companies or other investment forms which are considered to compete or be likely to compete, either directly or indirectly, with the core businesses of the Company or its subsidiaries conducted during the year required to be disclosed pursuant to Rule 8.10(2) of the Listing Rules:

Core Business Activities of the Company and its subsidiaries:

(1) Ports and related services
(2) Retail
(3) Infrastructure
(4) Telecommunications

Interests in Competing Business:

Directors	Name of Company/ Partnership/ Sole Proprietorship	Interest in the Competing Business	Nature of Competing Business
Victor T K Li	CKA	Chairman and Managing Director	(3)
	CKLS	Chairman	(2)
	HKEIML as trustee-manager of HKEI, and HKEIL	Deputy Chairman of HKEIL and Non-executive Director of both HKEIML and HKEIL	(3)
	Power Assets	Non-executive Director	(3)
Fok Kin Ning, Canning	HKEIML as trustee-manager of HKEI, and HKEIL	Chairman	(3)
	HPHM as trustee-manager of HPH Trust	Chairman[a]	(1)
	Power Assets	Chairman[a]	(3)
	Indosat	Deputy President Commissioner	(4)
	TPG	Chairman	(4)
Frank John Sixt	HKEIML as trustee-manager of HKEI, and HKEIL	Alternate Director	(3)
	TOM	Non-executive Chairman	(4)
	TPG	Non-executive Director	(4)

Directors	Name of Company/ Partnership/ Sole Proprietorship	Interest in the Competing Business	Nature of Competing Business
Lai Kai Ming, Dominic	HPHM as trustee-manager of HPH Trust	Chairman[(b)]	(1)
	TOM	Alternate Director	(4)
Ip Tak Chuen, Edmond	CKA	Deputy Chairman[(c)]	(3)
	CKLS	Senior Vice President and Chief Investment Officer	(2)
Kam Hing Lam	CKA	Deputy Managing Director	(3)
	CKLS	President	(2)
Edith Shih	HPHM as trustee-manager of HPH Trust	Non-executive Director	(1)
Andrew John Hunter	Power Assets	Chairman[(b)]	(3)

Notes:

(a) Retired on 1 April 2024

(b) Appointed on 1 April 2024

(c) Re-designated from the position of Deputy Managing Director to Deputy Chairman on 1 April 2024

Save as disclosed above, none of the Directors is interested in any businesses (apart from the businesses of the Company or its subsidiaries) which compete or are likely to compete, either directly or indirectly, with the core businesses of the Company or its subsidiaries during the year.

Information on Senior Management

BIOGRAPHICAL DETAILS OF SENIOR MANAGEMENT

The Company is engaged in four core businesses, each with a managing director who oversees the operations of the relevant business, with his own team of executives, under the guidance of the Board and supported by executives from the head office of the Company. The senior management of the Company comprises the chairmen, president, managing directors and chief executive officers of these core businesses and the executives in charge of major head office functions of the Company.

CHEUNG Kwan Hoi

aged 60, has been Group Chief Financial Officer of the Company since 1 May 2024. He acted as Group Deputy Chief Financial Officer from June 2015 to April 2024 and Group Corporate Development Director from January 2023 to April 2024. Mr Cheung was the Group Deputy Chief Financial Officer of Hutchison Whampoa Limited ("HWL")(1) from 2011 to 2015. He has been with the CK Hutchison Holdings Limited group (the "Group") for over 27 years in various finance and accounting roles and has over 36 years of experience in accounting and finance. Mr Cheung is a Commissioner of PT Indosat Tbk. He holds a Bachelor of Science degree in Mathematics and a Master of Science degree in Management Science. He is a member of both the Institute of Chartered Accountants in England & Wales and the Hong Kong Institute of Certified Public Accountants.

IP Sing Chi

aged 71, has been Group Managing Director of Hutchison Port Holdings Limited, the Company's ports division, since 2014 and has been with the Group since 1993. He is an Executive Director of Hutchison Port Holdings Management Pte. Limited ("HPHM") as trustee-manager of Hutchison Port Holdings Trust ("HPH Trust"). He is also a Non-independent Non-executive Director of Westports Holdings Berhad and a Non-executive Director of Orient Overseas (International) Limited and COSCO SHIPPING Development Co., Ltd.. In addition, Mr Ip was a member of the Hong Kong Port Development Council from 2009 until the end of December 2014 and was the founding Chairman (in 2000-2001) of the Hong Kong Container Terminal Operators Association Limited. He has over 40 years of experience in the maritime industry. He holds a Bachelor of Arts degree.

KAM Hing Lam

aged 78, has been an Executive Director and Deputy Managing Director of the Company since January 2015. He is the founding Group Managing Director of CK Infrastructure Holdings Limited, the infrastructure arm of the Company, and the founding President of CK Life Sciences Int'l., (Holdings) Inc., the agriculture-related/nutraceutical/pharmaceutical business of the Company. Mr Kam was Deputy Managing Director of Cheung Kong (Holdings) Limited(2) from 1993 to June 2015. He was an Executive Director of HWL from 1993 to 2015. Mr Kam is in addition an Executive Director and a Deputy Managing Director of CK Asset Holdings Limited ("CKA") and the Chairman and a Non-executive Director of Hui Xian Asset Management Limited ("HXAML") as the manager of Hui Xian Real Estate Investment Trust. Except CKA and HXAML, the aforementioned companies are either subsidiaries or associated companies of the Group of which Mr Kam has oversight as Director of the Company. Prior to joining the Group, Mr Kam had more than 20 years of experience in senior and regional capacities at major US multinational companies, including Johnson and Johnson, American Express and Levi Strauss. He is the brother-in-law of Mr Li Ka-shing, the Senior Advisor and a substantial shareholder (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)) of the Company, and an uncle of Mr Li Tzar Kuoi, Victor, Chairman of the Company. Mr Kam holds a Bachelor of Science degree in Engineering and a Master's degree in Business Administration.

Notes:

(1) Previously listed on The Stock Exchange of Hong Kong Limited (the "SEHK") until it was privatised in June 2015 and became a wholly-owned subsidiary of the Company

(2) Previously listed on the SEHK until its listing status was replaced by the Company in March 2015

LAI Kai Ming, Dominic

aged 71, was appointed as an Executive Director and Deputy Managing Director of the Company in June 2015 and re-designated as Executive Director and Group Co-Managing Director of the Company on 1 April 2024. Mr Lai has been Chairman of the AS Watson Group, the retail arm of the Group, since May 2024. Prior to that, he was Finance Director and Chief Operating Officer from 1994 to 1997 as well as Group Managing Director from 2007 to April 2024 of the AS Watson Group, Group Managing Director of the Harbour Plaza Hotel Management Group, the former hotel business of HWL, from 1998 to 2000, and an Executive Director of HWL from 2000 to 2015. Mr Lai is in addition Chairman of HPHM as the trustee-manager of HPH Trust, a Non-executive Director of Hutchison Telecommunications Hong Kong Holdings Limited ("HTHKH"), a Director of Hutchison Telecommunications (Australia) Limited ("HTAL"), a Commissioner of PT Duta Intidaya Tbk ("PTDI") and an Alternate Director to directors of HTHKH, HTAL and TOM Group Limited. The aforementioned companies are either subsidiaries or associated companies of the Group of which Mr Lai has oversight as Director of the Company. He has been with the Group for over 30 years and has over 40 years of management experience in different industries. Mr Lai holds a Bachelor of Science (Hons) degree and a Master's degree in Business Administration.

LUI Pok Man, Dennis

aged 74, heads the operations of the Hutchison Asia Telecommunications group comprising its telecommunications business in Asia and assists to oversee telecommunications operations of the Group in Europe. He first joined the Group in 1986 and has been with the telecommunications arm of the Company for over 38 years in various positions in a number of countries. Mr Lui is Executive Deputy Chairman of HTHKH. He has over 39 years of experience in the telecommunications industry. He holds a Bachelor of Science degree.

John Lyon MULCAHY

aged 69, has been Group Treasurer of the Company since June 2015 and was the Group Treasurer of HWL from January 2015 to June 2015. He has been with the Group since 2000 as Deputy Group Treasurer of HWL and has over 46 years of experience in banking and finance. He holds a Bachelor of Science degree in International Politics and a Master's degree in Business Administration.

NGAI Man Lin, Malina

aged 54, was appointed as Group Chief Executive Officer of the AS Watson Group in May 2024. She was Group Chief Operating Officer of the AS Watson Group from 2013 to 2024 and Chief Executive Officer of AS Watson (Asia & Europe) from 2019 to 2024. Ms Ngai joined HWL in 2000, with Hutchison Port Holdings and HWL head office prior to joining AS Watson, and has been with the Group for 25 years. Ms Ngai is active in public service and is currently a Council member of Baptist University of Hong Kong and a non-official member of the Correctional Services Department Complaints Appeal Board. She was a member of the Minimum Wage Commission, Human Resources Planning Commission, Environmental Campaign Committee, and Advisory Committee on Admission of Quality Migrants and Professionals. She holds a Doctorate and a Master's degree in Business Administration, a Master of Science degree in Finance and a Bachelor of Arts degree in Sports Administration. Ms Ngai was a competitive athlete and won a bronze medal for Hong Kong at the 1994 Asian Games.

Edith SHIH

aged 73, has been an Executive Director of the Company since January 2017 and a member of the Sustainability Committee of the Company since June 2020. Ms Shih has been the Company Secretary of the Company since June 2015 and was the Head Group General Counsel of the Company from June 2015 to March 2017, overseeing legal, regulatory, corporate finance, compliance and corporate governance affairs of the Group. Prior to that, Ms Shih was the Head Group General Counsel of HWL from 1993 to June 2015 and has been the Company Secretary of HWL since 1997. She has been with the Group for over 35 years and has over 40 years of experience in the legal, regulatory, corporate finance, compliance and corporate governance fields. Ms Shih is in addition a Non-executive Director of HTHKH, HUTCHMED (China) Limited and HPHM as the trustee-manager of HPH Trust as well as a Commissioner of PTDI. The aforementioned companies are either subsidiaries or associated companies of the Group of which Ms Shih has oversight as Director of the Company. She holds a Bachelor of Science degree, Master of Arts degrees and a Master of Education degree. Ms Shih is a solicitor qualified in England and Wales, Hong Kong and Victoria, Australia and a Fellow of both The Chartered Governance Institute ("CGI") and The Hong Kong Chartered Governance Institute ("HKCGI"), holding Chartered Secretary and Chartered Governance Professional dual designations. Ms Shih is a past International President and current member of the Council of CGI, and a past President and current Honorary Adviser of HKCGI. Further, she is also Chairman of the Process Review Panel for the Accounting and Financial Reporting Council, Vice-Chairman of the Council of The Hong Kong University of Science and Technology, and a member of the Executive Committee and Council of The Hong Kong Management Association.

Directors' Report

The Directors have pleasure in presenting to shareholders their report and the audited financial statements for the year ended 31 December 2024.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding and the activities of its principal subsidiary and associated companies and joint ventures are shown on pages 255 to 258.

BUSINESS REVIEW

A fair review of the business of the Group as required under Schedule 5 to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), comprising a discussion and analysis of the performance of the Group during the year, a description of the principal risks and uncertainties facing the Group, particulars of important events affecting the Group that have occurred since the end of the financial year 2024 (if any) as well as an indication of likely future development in the business of the Group are provided in the sections "Chairman's Statement", "Operations Review", "Analyses of Core Business Segments by Geographical Location", "Analyses by Core Business Segments", "Key Financial Information" and "Business Highlights" on pages 4 to 51 and "Risk Factors" on pages 58 to 64 of this annual report. Discussions on the environmental policies and performance of the Group, its compliance with the relevant laws and regulations that have a significant impact on the Group as well as an account of the Group's key relationships with its stakeholders that have a significant impact on the Group and on which the Group's success depends, are provided on pages 105 and 115 to 120 of the "Corporate Governance Report". All such discussions form part of this report.

GROUP PROFIT

The Consolidated Income Statement is set out on page 126 and shows the Group profit for the year ended 31 December 2024.

DIVIDENDS

An interim dividend of HK$0.688 per share for the first half of 2024 was paid to shareholders in mid September 2024.

The Directors recommended the declaration of a final dividend of HK$1.514 per share payable on Thursday, 12 June 2025 to shareholders whose names appear on the Register of Members of the Company at the close of business on Wednesday, 28 May 2025, being the record date for determining the entitlement of shareholders to the proposed final dividend.

RESERVES

Movements in the reserves of the Company and the Group during the year are set out in note 32 to the financial statements on pages 202 to 204 and the Consolidated Statement of Changes in Equity on pages 130 and 131 respectively.

CHARITABLE DONATIONS

Donations to charitable organisations by the Group during the year amounted to approximately HK$40 million (2023: approximately HK$101 million).

FIXED ASSETS

Particulars of the movements of fixed assets are set out in note 12 to the financial statements on pages 167 and 168.

SHARE CAPITAL

Details of the shares movement during the year are set out in note 31 to the financial statements on page 200.

DIRECTORS

As at the date of this report, the board of Directors of the Company (the "Board") comprises Mr Li Tzar Kuoi, Victor, Mr Fok Kin Ning, Canning, Mr Frank John Sixt, Mr Lai Kai Ming, Dominic, Mr Ip Tak Chuen, Edmond, Mr Kam Hing Lam, Ms Edith Shih, Mr Andrew John Hunter, Mr Chow Kun Chee, Roland, Mrs Chow Woo Mo Fong, Susan, Mr Lee Yeh Kwong, Charles, Mr George Colin Magnus, 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 and Mr Wong Kwai Lam.

The following changes to the Board composition were effected during 2024 and prior to the date of this report:

(1) Ms Tsim Sin Ling, Ruth was appointed as an Independent Non-executive Director with effect from 2 January 2024;

(2) Mr Victor T K Li ceased to be Group Co-Managing Director with effect from 1 April 2024 while remaining as Chairman and Executive Director;

(3) Mr Fok Kin Ning, Canning was appointed as Deputy Chairman with effect from 1 April 2024. He ceased to be Group Co-Managing Director but remained as an Executive Director;

(4) Mr Frank John Sixt and Mr Lai Kai Ming, Dominic were appointed as Group Co-Managing Directors with effect from 1 April 2024. Mr Sixt continued to be Group Finance Director;

(5) Mr Andrew John Hunter was appointed as an Executive Director with effect from 1 April 2024;

(6) Dr Wong Yick-ming, Rosanna retired as an Independent Non-executive Director with effect from the conclusion of the annual general meeting held on 23 May 2024; and

(7) Mr Graeme Allan Jack was appointed as an Independent Non-executive Director with effect from 13 December 2024.

On 21 March 2025, Mr George Colin Magnus retired as a Non-executive Director.

Both Mr George Colin Magnus and Dr Wong Yick-ming, Rosanna have no disagreement with the Board and nothing relating to the affairs of the Company needed to be brought to the attention of the shareholders of the Company.

Mr Graeme Allan Jack will hold office until the forthcoming annual general meeting (the "2025 AGM") pursuant to Article 101 of the Articles of Association of the Company and, being eligible, will offer himself for re-election at the 2025 AGM.

Mr Frank John Sixt, Mr Kam Hing Lam, Ms Edith Shih, Mr Chow Kun Chee, Roland, Mr Philip Lawrence Kadoorie and Mrs Leung Lau Yau Fun, Sophie will retire by rotation at the 2025 AGM pursuant to Article 111(A) of the Articles of Association of the Company and, being eligible, will offer themselves for re-election. Details regarding the re-election are set out in the circular to shareholders sent together with this annual report.

The Company has received written confirmation from all Independent Non-executive Directors regarding their independence in respect of Rule 3.13 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). The Company considers all the Independent Non-executive Directors to be independent. Please also see page 112 of the "Corporate Governance Report" for assessment by the Company in this regard.

Biographical details of the Directors are set out in the "Information on Directors" section of this annual report.

DIRECTORS' SERVICE CONTRACT

None of the Directors who are proposed for re-election at the 2025 AGM has a service contract with the Company not terminable by the Company within one year without payment of compensation (other than statutory compensation).

ARRANGEMENT TO PURCHASE SHARES OR DEBENTURES

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

DIRECTORS' MATERIAL INTERESTS IN SIGNIFICANT TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

There were no transactions, arrangements or contracts that are significant in relation to the businesses of the Company and its subsidiaries to which the Company or any of its subsidiary was a party and in which a Director or his/her connected entity had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

CONTINUING CONNECTED TRANSACTIONS

As announced by the Company on 13 December 2023 (the "Announcement"), the Company entered into with CK Asset Holdings Limited ("CKA") on the same date (i) a master leasing agreement (the "Master Leasing Agreement") setting out the framework terms governing the leasing and licensing of premises owned by the CKA group (including office space, car parks and building areas) to members of the Group (the "Leasing Transactions"); and (ii) a master purchase agreement (the "Master Purchase Agreement") setting out the framework terms governing the purchases of goods (such as air-conditioners and other electrical appliances and gift/cash coupons) and services (such as printing of sales brochures and advertising materials) (the "Project Related Supplies") by members of the CKA group from the Group for use in connection with the CKA group's property development projects (the "Project Related Supplies Transactions"), each for the period from 1 January 2024 to 31 December 2026.

Pursuant to the Master Leasing Agreement, relevant members of the Group and of the CKA group would enter into separate lease, tenancy or licence agreements with respect to the Leasing Transactions. The terms of, and the consideration (including short term lease payments, fixed lease payments, variable lease payments and management/service fees) payable under, such agreements would be negotiated on a case-by-case and arm's length basis, and on normal commercial terms which would be no less favourable than those which the relevant members of the Group could obtain from independent landlords or lessors of comparable premises. In this connection, the rental or licence fee payable would be at market rates, and the Group would seek competitive quotes (including conducting a comparison of prices of a sufficient number of independent landlords, lessors or licensors of comparable premises in the market) for management review with a view to ensuring that the rental or licence fees payable by the Group to the relevant members of the CKA group are fair and reasonable, having regard to the size, location, facilities and conditions of the premises required. The basis of management/service fees chargeable by the CKA group to relevant members of the Group would be the same as those the CKA group would charge other tenants or licensees of the same building or property.

Pursuant to the Master Purchase Agreement, relevant members of the Group and of the CKA group would enter into separate contracts with respect to the Project Related Supplies Transactions. The terms of, and the consideration payable under, such contracts would be negotiated on a case-by-case and arm's length basis, and on normal commercial terms which would be no more favourable than those which the relevant members of the Group made available to independent customers of the relevant Project Related Supplies. In this connection, the fee chargeable by the relevant members of the Group would be at market rates and be based by reference to the then prevailing market rates for the Project Related Supplies of similar or comparable quality, reliability and service levels charged by the Group or, if not available, the then prevailing market rates no more favourable than that the relevant members of the Group may make available to independent customers for the Project Related Supplies of similar or comparable scope, scale, quality, reliability and service level.

The Group believes that the entering into of the Leasing Transactions and the Project Related Supplies Transactions (together the "2024 CCTs") will help to achieve business continuity and efficiency.

CKA has been deemed by The Stock Exchange of Hong Kong Limited (the "SEHK") as a connected person of the Company under the Listing Rules. Accordingly, the 2024 CCTs constituted continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As disclosed in the Announcement, (i) the expected annual recognised amount of right-of-use assets in respect of the Leasing Transactions for the year ended 31 December 2024, and for the two years ending 31 December 2025 and 31 December 2026 would not exceed HK$655 million, HK$680 million and HK$780 million respectively; and (ii) the maximum aggregate annual amount in respect of the Project Related Supplies Transactions for the year ended 31 December 2024, and for the two years ending 31 December 2025 and 31 December 2026 would not exceed HK$198 million, HK$215 million and HK$590 million respectively.

For the year ended 31 December 2024, the recognised amount of right-of-use assets in respect of the Leasing Transactions was approximately HK$392 million (representing approximately 60% of the annual cap for 2024); and the aggregate amount in respect of the Project Related Supplies Transactions was approximately HK$35 million (representing approximately 18% of the annual cap for 2024).

The relevant pricing policies applicable to the 2024 CCTs of the Group have been followed when determining the price and terms of such transactions.

The internal audit of the Group has reviewed the 2024 CCTs and the adequacy and effectiveness of the internal control procedures covering the price negotiation, review and approval, agreement management, reporting and consolidation processes of the 2024 CCTs, and is of the view that satisfactory controls were in place in respect of the areas reviewed.

All the Independent Non-executive Directors of the Company, having reviewed the 2024 CCTs and the findings provided by the internal audit of the Group, confirmed that such transactions had been entered into (a) in the ordinary and usual course of business of the Group; (b) on normal commercial terms or better; and (c) according to the respective agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The Company has engaged its external auditor, PricewaterhouseCoopers, to report on the 2024 CCTs in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 (Revised) "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. Based on the work performed, the external auditor of the Company has confirmed in its letter to the Board that nothing has come to its attention which causes it to believe that:

(i) the 2024 CCTs have not been approved by the Board;

(ii) the 2024 CCTs were not, in all material respects, in accordance with the pricing policies of the Group for transactions involving the provision of goods or services by the Group;

(iii) the 2024 CCTs were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and

(iv) the aggregate amounts in respect of the 2024 CCTs have exceeded their respective annual caps for 2024 as disclosed in the Announcement.

Related parties transactions of the Group during the year ended 31 December 2024 are described in note 38 to the financial statements. None of such related parties transactions constitutes a non-exempted connected transaction under the Listing Rules.

PERMITTED INDEMNITY PROVISIONS

The Articles of Association of the Company provides that subject to the provisions of the relevant statutes, every Director 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 in defending any proceedings, whether civil or criminal, in which judgement 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. Directors liability insurance is in place for the directors of the Company and its subsidiaries in respect of potential costs and liabilities arising from claims that may be brought against the directors. The relevant provisions in the Articles of Association of the Company and the Directors' liability insurance were in force during the financial year ended 31 December 2024 and as of the date of this report.

INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF DIRECTORS AND CHIEF EXECUTIVES

Interests and short positions in shares, underlying shares and debentures of Directors and chief executives are set out in the section "Information on Directors" on pages 71 to 75.

INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS DISCLOSEABLE UNDER THE SECURITIES AND FUTURES ORDINANCE

So far as the Directors and chief executives of the Company are aware, as at 31 December 2024, other than the interests of the Directors and chief executives of the Company as disclosed in the section titled "Interests and Short Positions in Shares, Underlying Shares and Debentures of Directors and Chief Executives" in the "Information on Directors", the following persons had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO"), or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, or as otherwise notified to the Company and the SEHK:

(I) Interests and short positions of substantial shareholders in the shares and underlying shares of the Company

Long positions in the shares of the Company

Names	Capacity	Number of Shares Held	Total	Approximate % of Shareholding (5)
Li Ka-Shing Unity Trustee Company Limited ("TUT1") as trustee of The Li Ka-Shing Unity Trust ("UT1")	Trustee	1,005,817,044	1,005,817,044 (1)	26.26%
Li Ka-Shing Unity Trustee Corporation Limited ("TDT1") as trustee of The Li Ka-Shing Unity Discretionary Trust ("DT1")	Trustee and beneficiary of a trust	1,005,817,044	1,005,817,044 (1)	26.26%
Li Ka-Shing Unity Trustcorp Limited ("TDT2") as trustee of another discretionary trust ("DT2")	Trustee and beneficiary of a trust	1,005,817,044	1,005,817,044 (1)	26.26%
Li Ka-shing	Interest of a controlled corporation	300,000		
	Founder of discretionary trusts	1,162,632,010	1,162,932,010 (2)	30.36%

(II) Interests and short positions of other persons in the shares and underlying shares of the Company

(a) Long positions in the shares and underlying shares of the Company

Name	Capacity	Number of Shares/ Underlying Shares Held	Total	Approximate % of Shareholding (5)
BlackRock, Inc.	Interest of controlled corporations	192,060,713	192,060,713 (3)	5.01%

(b) Short positions in the shares and underlying shares of the Company

Name	Capacity	Number of Shares/ Underlying Shares Held	Total	Approximate % of Shareholding [5]
BlackRock, Inc.	Interest of controlled corporations	317,500	317,500 [4]	0.01%

Notes:

(1) The three references to 1,005,817,044 shares of the Company relate to the same block of shares of the Company. Of these 1,005,817,044 shares of the Company, 913,378,704 shares are held by TUT1 as trustee of UT1 and 92,438,340 shares are held by companies controlled by TUT1 as trustee of UT1. Each of TUT1 as trustee of UT1, TDT1 as trustee of DT1 and TDT2 as trustee of DT2 is taken to have a duty of disclosure under the SFO in relation to the same 1,005,817,044 shares of the Company as described in Note (1)(a) under the section titled "Interests and Short Positions in Shares, Underlying Shares and Debentures of Directors and Chief Executives" in the "Information on Directors".

(2) The 1,162,932,010 shares of the Company comprise:

(a) 300,000 shares held by Li Ka Shing Foundation Limited ("LKSF"). By virtue of the terms of the constituent documents of LKSF, Mr Li Ka-shing may be regarded as having the ability to exercise or control the exercise of one-third or more of the voting power at its general meetings.

(b) 1,162,632,010 shares of the Company as described in Note (1) under the section titled "Interests and Short Positions in Shares, Underlying Shares and Debentures of Directors and Chief Executives" in the "Information on Directors". As Mr Li Ka-shing may be regarded as a founder of each of DT1, DT2 and two other discretionary trusts (DT3 and DT4) for the purpose of the SFO, Mr Li Ka-shing is taken to have a duty of disclosure under the SFO as a substantial shareholder in relation to the same 1,162,632,010 shares of the Company after his retirement from the directorship of the Company.

(3) Such long position includes derivative interests in 6,276,500 underlying shares of the Company, which are derived from unlisted and cash settled derivatives.

(4) Such short position consists of derivative interests in 317,500 underlying shares of the Company, which are derived from unlisted and cash settled derivatives.

(5) The percentages of shareholding in this table were computed based on the number of issued shares of the Company as at 31 December 2024, being 3,830,044,500 shares.

Save as disclosed above, as at 31 December 2024, no other person (other than the Directors and chief executives of the Company) had any interest or short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO, or as otherwise notified to the Company and the SEHK.

BANK LOANS AND OTHER BORROWINGS

The Company did not have any borrowings (including debentures) for the year ended 31 December 2024.

The total borrowings (including debentures) of the Group as at 31 December 2024 amounted to HK$256,392 million (2023: HK$271,922 million). Particulars of borrowings are set out in note 25 to the financial statements on pages 187 to 191.

EQUITY-LINKED AGREEMENTS

No equity-linked agreements that will or may result in the Company issuing shares nor require the Company to enter into an agreement that will or may result in the Company issuing shares was entered into by the Company during the year or subsisted at the end of the year.

SHARE SCHEME

Neither the Company nor its subsidiaries had any share scheme during the year ended 31 December 2024.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the businesses of the Company were entered into or existed during the year.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year ended 31 December 2024, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities (including sale of treasury shares, if any) of the Company.

PRE-EMPTIVE RIGHTS

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

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the respective percentage of purchases attributable to the Group's five largest suppliers combined and the revenue from sales of goods or rendering of services attributable to the Group's five largest customers combined was less than 30% of the total value of Group purchases and total Group revenue.

SUFFICIENCY OF PUBLIC FLOAT

As at the date of this report, based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained the prescribed public float under the Listing Rules.

AUDITOR

The financial statements for the year ended 31 December 2024 have been audited by PricewaterhouseCoopers, Certified Public Accountants, who will retire and, being eligible, offer themselves for re-appointment at the 2025 AGM.

By order of the Board

Edith Shih
Executive Director and Company Secretary

Hong Kong, 20 March 2025

Corporate Governance Report

The Company strives to attain and maintain high standards of corporate governance best suited to the needs and interests of the Company and its subsidiaries (the "Group") as it believes that an effective corporate governance framework is fundamental to promoting and safeguarding the interests of shareholders and other stakeholders and enhancing shareholder value. Accordingly, the Company has adopted and applied corporate governance principles and practices that emphasise a quality board of Directors (the "Board"), effective risk management and internal control systems, stringent disclosure practices, transparency and accountability as well as effective communication and engagement with shareholders and other stakeholders. It is, in addition, committed to continuously enhancing these standards and practices and inculcating a robust culture of compliance and ethical governance underlying the business operations and practices across the Group.

The Company has complied throughout the year ended 31 December 2024 with all applicable code provisions of the Corporate Governance Code (the "CG Code") contained in Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), other than that in respect of the separate roles of Chairman and Group Co-Managing Directors. Effective from 1 April 2024, Mr Victor T K Li is Chairman, Mr Fok Kin Ning, Canning is Deputy Chairman, and Mr Frank John Sixt and Mr Lai Kai Ming, Dominic are Group Co-Managing Directors. The Company is in full compliance with the code provisions of the CG Code.

THE BOARD

Corporate Purpose, Values and Culture

The Group's purpose is to create a better world through delivering the essential services that society needs, underpinned by the business values of innovation, collaboration, integrity and sustainability across all levels of the Group.

As a multinational conglomerate committed to the development, innovation and technology of core businesses of the Group, the Group lives up to this purpose by instilling a culture that is forward looking and agile to achieve competitiveness. It also respects and promotes creativity, opportunities for ideas exchange and cross-fertilisation of innovative advancements and solutions to enhance long-term sustainable growth and value as a principal objective of the Company. By upholding integrity, the Group strives to ensure fair and responsible practices in its operations and further solidifies its commitment to its purpose and values.

Guided by the Group's core values, the Board plays a leading role in defining the purpose and strategic direction of the Group, sets the tone and shapes the corporate culture of the Company to ensure all businesses across the Group are aligned with the same purpose. Alongside the Group's robust corporate governance framework and effective risk management and internal control systems, the desired culture is developed and reflected consistently in the operating practices of the Group, workplace policies and practices as well as relations with stakeholders, through active collaboration, effective engagement and regular training at all levels. Board oversight of culture encompasses a range of measures and tools over time, including:

– Active Collaboration: The Group encourages collaboration across different functions, teams and gradings to promote understanding, cooperation and diversity of thought. This collaborative approach fuels innovation and creativity, providing employees with an environment where they can truly thrive and flourish, thereby contributing to the sustainable growth of the Group.

– Workforce Engagement: This involves fostering a culture of open communication, transparency, and collaboration throughout the Group. Core businesses undertake employee engagement activities regularly to collect feedback and identify areas for improvement, including conducting employee surveys at least biannually and arranging town hall meetings to foster open dialogue between employees and senior management. These interactions help gauge overall employee sentiment and alignment with the core values of the Group.

– Employee Retention and Training: The Board oversees initiatives related to overall employee retention and training which include developing and implementing programmes that promote growth opportunities and career progression for employees at all gradings, fostering a positive work environment. The Group provides induction sessions for new joiners to ensure they understand and embrace the desired culture, values and expectation of the Group. Employee engagement is also supported by the Group's comprehensive performance management and reward programme to ensure equity, engagement and retention.

- Stringent Financial Reporting: The Group maintains a robust financial reporting system to provide accurate and transparent financial information to stakeholders. This commitment promotes a culture of integrity, accountability and ethical behaviour throughout the Group.

- Effective and Accessible Whistleblowing Framework: A strong whistleblowing framework is crucial for detecting and addressing impropriety, misconduct or malpractice within the Group. The Board ensures the effectiveness and accessibility of the whistleblowing framework, allowing employees and those who deal with the Group to report concerns confidentially and without fear of retaliation. This fosters a culture that encourages transparency, ethical behavior and accountability.

- Legal and Regulatory Compliance: The Board, supported by the Group Legal Department ("GLD") and the Group Corporate Secretarial Department ("GCSD"), has overall responsibility to oversee legal and regulatory compliance within the Group. Regular reviews and assessments are conducted to ensure the Group's compliance with applicable laws and regulations. By setting a strong tone at the top and emphasising the importance of compliance, the Board fosters a culture that embodies legal and ethical standards, promoting trust, integrity and responsible decision-making. Employees are expected to follow the Code of Conduct and group policies that reflect the values and corporate culture of the Group.

- Staff Health, Safety, Wellbeing and Support: The Group places a high priority on creating and maintaining a workplace culture that is healthy, comfortable and supportive. The Group establishes comprehensive governance, policies and procedures to ensure a zero harm working environment. It also actively promotes diversity and inclusivity within its workforce. In addition, initiatives that promote and support work-life balance and provide resources for employee wellness are also implemented.

From the annual Board performance evaluation conducted, the Directors are satisfied with the performance of the Board and acknowledged that the Board plays an effective role in the development and determination of the Group's culture, strategy and overall commercial objective. Taking into account the corporate culture in a range of contexts, the Board considers that the culture and the purpose, values and strategy of the Group are aligned.

Corporate Strategy

The principal objective of the Company is to enhance long-term total return for all its stakeholders. To achieve this objective, the Group focuses on achieving recurring and sustainable earnings, cash flow and dividend growth without compromising the Group's financial strength and stability. The Group executes disciplined management of revenue growth, margin and costs, capital and investments to return ratio targets, earnings and cash flow accretive merger and acquisition activities, as well as organic growth in sectors or geographic areas where the Group has management experience and resources. Technology transformation also remains a key initiative of the Group to capture new cost and revenue opportunities in all businesses. At the same time, the Group is committed to maintaining long-term investment grade ratings, preserving strong liquidity and flexibility, sustaining a long and balanced debt maturity profile and actively managing cash flow and working capital. It explores opportunities to enhance shareholders' returns, which include potential in-market consolidation and solidifying strategic alliances with global technology partners. The Chairman's Statement and the Operations Review contained in this annual report and the Operations Analysis posted on the Company's website (http://www.ckh.com.hk/en/ir/presentation.php), include discussions and analyses of the Group's performance, the basis on which the Group generates and preserves value in the longer term and delivers the Group's objectives. The Group also focuses on sustainability and delivering business solutions that support social and environmental challenges, such as enabling the transition to a net-zero economy. Further information on the sustainability initiatives of the Group and its key relationships with stakeholders can also be found in the standalone Sustainability Report of the Group.

Role of the Board

The Board is accountable to shareholders for the long-term sustainable success of the Company. It is responsible for shaping and overseeing the corporate culture, setting and guiding the long-term strategic objectives of the Company with appropriate focus on value creation and risk management, directing, supervising and monitoring the managerial performance and operating practices of the Group to ensure they align with the desired culture. It also ensures ongoing effective communication with shareholders and engagement with key stakeholders as it develops the purpose and values of the Company. Directors are charged with the task of promoting the long term sustainable success of the Company and making decisions in the best interests of the Company with due regard to sustainability considerations.

The Board, led by the Chairman, Mr Victor T K Li, and the Deputy Chairman, Mr Fok Kin Ning, Canning, fosters and oversees the culture, determines and monitors Group-wide strategies and policies, annual budgets and business plans, evaluates the performance of the Company, and supervises the management of the Company ("Management"). Management is responsible for the day-to-day operations of the Group under the leadership of the Group Co-Managing Directors, and ensuring that the desired culture of the Company is understood and shared at all levels of the Group.

Board Composition

As at the date of this report, the Board comprises 19 Directors, including the Chairman, Deputy Chairman, Group Co-Managing Director and Group Finance Director ("GCMD/GFD"), Group Co-Managing Director, two Deputy Managing Directors, two Executive Directors, four Non-executive Directors and seven Independent Non-executive Directors. Throughout 2024, the number of Independent Non-executive Directors on the Board exceeds the one-third requirement under the Listing Rules.

The following changes to the Board composition have taken place during the year and up to the date of this report:

(1) Ms Tsim Sin Ling, Ruth was appointed as an Independent Non-executive Director with effect from 2 January 2024;
(2) Mr Victor T K Li ceased to be Group Co-Managing Director with effect from 1 April 2024 while remaining as Chairman and Executive Director;
(3) Mr Fok Kin Ning, Canning was appointed as Deputy Chairman with effect from 1 April 2024. He ceased to be Group Co-Managing Director but remains as Executive Director;
(4) Mr Frank John Sixt and Mr Lai Kai Ming, Dominic were appointed as Group Co-Managing Directors with effect from 1 April 2024. Mr Sixt continues to be Group Finance Director;
(5) Mr Andrew John Hunter was appointed as an Executive Director with effect from 1 April 2024;
(6) Dr Wong Yick-ming, Rosanna retired as an Independent Non-executive Director with effect from the conclusion of the annual general meeting held on 23 May 2024 (the "2024 AGM"); and
(7) Mr Graeme Allan Jack was appointed as an Independent Non-executive Director with effect from 13 December 2024.

Subsequent to the date of this report, the Company has announced that Mr George Colin Magnus retired as a Non-executive Director of the Company with effect from 21 March 2025, reducing the total number of Directors to 18.

Biographical details of the Directors are set out in the section of "Information on Directors" on pages 65 to 69 and on the website of the Company. A list setting out the names of the Directors and their roles and functions is posted on the websites of the Company and Hong Kong Exchanges and Clearing Limited ("HKEX") (www.hkexnews.hk).

Ms Tsim Sin Ling, Ruth, Mr Andrew John Hunter and Mr Graeme Allan Jack, who were appointed to the Board on 2 January 2024, 1 April 2024 and 13 December 2024 respectively, had prior to their appointment obtained legal advice from an external law firm as required under Rule 3.09D of the Listing Rules on 22 December 2023, 20 March 2024 and 10 December 2024 respectively. Each of them has confirmed his/her understanding of the obligations as a Director of the Company.

All Non-executive Directors (other than Ms Chow Ching Yee, Cynthia, Mr Graeme Allan Jack, Mr Philip Lawrence Kadoorie and Ms Tsim Sin Ling, Ruth) entered into service contracts for an initial term ending on 31 December of the year of appointment. Thereafter, the appointment is automatically renewed for successive 12-month periods. Although the appointment of Ms Chow Ching Yee, Cynthia, Mr Graeme Allan Jack, Mr Philip Lawrence Kadoorie and Ms Tsim Sin Ling, Ruth does not have a specific term, their appointment is subject to the same rotation requirement as the other Directors. All Directors are subject to retirement by rotation at least once every three years. A retiring Director is eligible for re-election, and the re-election of retiring Directors at general meetings is presented in separate resolutions. Further, no Director has a service contract with the Company not terminable by the Company within one year without payment of compensation (other than statutory compensation).

Chairman, Deputy Chairman and Group Co-Managing Directors

The Chairman is responsible for providing leadership to the Board, overseeing its functioning and ensuring that it acts in the best interests of the Group. The Deputy Chairman supports the Chairman in effectively managing the Group, fostering its growth and ensuring its sustainable success. Through close collaboration with the Chairman, the Deputy Chairman actively contributes to the overall leadership and strategic direction of the Group. They are also responsible for ensuring that Board meetings are planned and conducted effectively, including setting the agenda for each Board meeting, taking into account, where appropriate, matters proposed by Directors and the Company Secretary. With the support of other Executive Directors and the Company Secretary, the Chairman seeks to ensure that all Directors are properly briefed on issues to be deliberated at Board meetings and are provided with adequate and accurate information in a timely manner.

The Chairman promotes a culture of openness and actively encourages Directors to voice their opinion and be fully engaged in the Board's affairs so as to contribute to the Board's effective functioning. The Board, under the leadership of the Chairman, has adopted good corporate governance practices and procedures and taken appropriate steps to promote effective communication and ongoing engagement with shareholders and other stakeholders, as outlined later in this report.

The Group Co-Managing Directors, assisted by other Executive Directors, are responsible for managing the businesses of the Group, attending to the formulation and successful implementation of Group policies and assuming full accountability to the Board for all Group operations. Acting as principal managers of the Group's businesses, the Group Co-Managing Directors attend to developing strategic operating plans that reflect the long-term objectives and priorities established by the Board and are directly responsible for overseeing and delivering operational performance of the Group.

Working with the other Executive Directors and the executive management team of each core business division, the Group Co-Managing Directors present annual budgets to the Board for consideration and approval, and ensure that the Board is fully apprised of the funding requirements of the Group. The Group Co-Managing Directors ensure that the funding requirements of the businesses are met and monitor the operating and financial performance of the businesses against plans and budgets. The Group Co-Managing Directors maintain an ongoing dialogue with all Directors to keep them fully informed of all major business development and issues. In addition, they are also responsible for building and maintaining an effective executive team to support them in their roles.

Following the changes in the Group Co-Managing Directors position effective from 1 April 2024 as described above, the roles of Chairman and Group Co-Managing Directors are now separate. The Company is in full compliance with the code provisions of the CG Code.

Prior to 1 April 2024, the position of Managing Director of the Company was jointly held by Mr Victor T K Li and Mr Fok Kin Ning, Canning as Group Co-Managing Directors, while Mr Li also took on the position of Chairman. With the Group being a multinational conglomerate with diverse businesses in about 50 countries/markets, Mr Li and Mr Fok in their then position as Group Co-Managing Directors shared responsibilities in the overall strategic direction and day-to-day management of the Group, with no single individual having unfettered management decision power. Further, the Board comprising experienced and seasoned professionals continued to scrutinise material business matters and monitor performance of the Group to ensure that management function was effectively and properly exercised with balance of power and authority. The Audit Committee, Nomination Committee and Remuneration Committee, all chaired by an Independent Non-executive Director, also provided strong independent oversight of the Management in their respective areas of responsibilities and expertise. Hence, the arrangements provided checks and balances without jeopardising the independent exercise of powers of the Chairman and the Group Co-Managing Directors.

Board Process

The Board meets regularly, and at least four times a year with meeting dates scheduled prior to the beginning of the year. Between scheduled meetings, senior management of the Group provides to Directors, on a regular basis, monthly updates and other information with respect to the performance and business activities of the Group. Throughout the year, in addition to Board meetings, Directors participate in the deliberation and approval of routine and operational matters of the Company by way of written resolutions with supporting explanatory materials, supplemented by additional verbal and written information from the Company Secretary or other executives as and when required. Details of material or notable transactions of subsidiaries and associated companies are provided to Directors as appropriate. Whenever warranted, additional Board meetings are held. Further, Directors have full access to information on the Group and advice and services of the Company Secretary and the GLD. They also have full access to independent professional advice at all times whenever deemed necessary and they are at liberty to propose appropriate matters for inclusion in Board agendas.

With respect to regular meetings of the Board, Directors receive written notice of the meeting generally about a month in advance and a draft agenda for review and comment about three weeks prior thereto. The full set of Board papers is normally supplied no less than three days prior to the meeting. For other meetings, Directors are given as much notice as is reasonable and practicable in the circumstances. Except for those circumstances permitted by the Articles of Association of the Company and the Listing Rules, a Director would abstain from voting on resolutions approving any contract, transaction, arrangement or any other kind of proposal put forward to the Board in which he/she or any of his/her close associates is materially interested, and such Director is not counted for quorum determination purposes.

Directors' Attendance and Commitment

In 2024, the Company held four Board meetings with 100% attendance. All Directors also attended 2024 AGM and the extraordinary general meeting of the Company held on 17 October 2024 (the "EGM"). The attendance record is set out below:

Directors	Board Meetings Attended/ Eligible to Attend	Attendance at 2024 AGM	Attendance at EGM
Chairman			
Victor T K Li (1) (2)	4/4	√	√
Executive Directors			
Fok Kin Ning, Canning (3) *(Deputy Chairman)*	4/4	√	√
Frank John Sixt (4) *(Group Co-Managing Director and Group Finance Director)*	4/4	√	√
Lai Kai Ming, Dominic (4) *(Group Co-Managing Director)*	4/4	√	√
Ip Tak Chuen, Edmond *(Deputy Managing Director)*	4/4	√	√
Kam Hing Lam (1) *(Deputy Managing Director)*	4/4	√	√
Edith Shih	4/4	√	√
Andrew John Hunter (5)	3/3	√	√
Non-executive Directors			
Chow Kun Chee, Roland	4/4	√	√
Chow Woo Mo Fong, Susan	4/4	√	√
Lee Yeh Kwong, Charles	4/4	√	√
George Colin Magnus (6)	4/4	√	√
Independent Non-executive Directors			
Chow Ching Yee, Cynthia	4/4	√	√
Graeme Allan Jack (7)	N/A	N/A	N/A
Philip Lawrence Kadoorie	4/4	√	√
Leung Lau Yau Fun, Sophie	4/4	√	√
Paul Joseph Tighe	4/4	√	√
Tsim Sin Ling, Ruth (8)	4/4	√	√
Wong Kwai Lam	4/4	√	√
Wong Yick-ming, Rosanna (9)	2/2	√	N/A

Notes:

(1) Mr Victor T K Li is a nephew of Mr Kam Hing Lam.

(2) Ceased to be Group Co-Managing Director with effect from 1 April 2024.

(3) Appointed as Deputy Chairman and ceased to be Group Co-Managing Director with effect from 1 April 2024.

(4) Appointed as Group Co-Managing Director with effect from 1 April 2024.

(5) Appointed on 1 April 2024.

(6) Retired with effect from 21 March 2025.

(7) Appointed on 13 December 2024.

(8) Appointed on 2 January 2024.

(9) Retired with effect from the conclusion of the 2024 AGM.

In addition to Board meetings, in 2024 the Chairman held monthly meetings with the Executive Directors and also met with the Independent Non-executive Directors twice without the presence of other Directors. Such meetings provide an effective forum for the Chairman to listen to the views of the Independent Non-executive Directors on issues including corporate governance improvement, effectiveness of the Board, and such other issues they may wish to raise in the absence of other Directors and senior management of the Company.

All Directors have confirmed that they have given sufficient time and attention to the affairs of the Group throughout their tenure during the year ended 31 December 2024. In addition, Directors disclose to the Company in a timely manner their other commitments, such as directorships in other public listed companies and major appointments as well as update the Company on any subsequent changes. As at the date of this report, none of the Independent Non-executive Directors concurrently holds more than four Hong Kong listed company directorships (including the Company).

Board Performance

The Company regards board evaluation as a critical tool to assess Board effectiveness and efficiency. Led by the Chairman with the support of the Company Secretary, an internal performance evaluation on the Board and its committees had been conducted for year 2024. The Nomination Committee supports and draws reference from this annual evaluation. The evaluation involved each Director completing a questionnaire to provide individual ratings as well as comments covering a range of topics. The objective of the evaluation is to ensure that the Board and its committees continue to act effectively in fulfilling the duties and responsibilities expected of them, and to develop action plans for improvement. The scope of the evaluation covered various aspects, including Board composition and expertise, information flow to Board members, Board process and effectiveness, continuous development and training, Board accountability and leadership. In addition, the constituent, expertise and effectiveness of each of the Board committees were also evaluated. The findings of the evaluation were then analysed and presented to the Nomination Committee and the Board in aggregate form without attributing specific comments or ratings to individual Board members in order to preserve confidentiality, foster a culture of trust and facilitate candid discussions. Based on the performance review for year 2024, the Board considers its existing practice as effective. Positive feedback was received in recognition of the diversity efforts of the Board in appointing new Directors, which helps maintain a balanced mix of expertise and disciplines. The Group's initiatives to enhance overall performance in challenging and rapidly evolving times were also acknowledged. The Board is satisfied that it has met its performance objectives and each Director has contributed positively to the overall effectiveness of the Board and Board committees.

Board Independence

The Company recognises that Board independence is key to good corporate governance. As part of the established governance framework, the Group has in place effective mechanisms that underpin a strong independent Board, ensuring that independent views and input from Directors are conveyed to the Board. The governance framework and mechanisms are kept under regular review to align with international best practice, ensuring their effectiveness. In March 2025, the Board conducted a review and considered that such mechanisms were properly implemented during 2024 and were effective.

The current composition of the Board (comprising more than one-third Independent Non-executive Directors) and the Audit Committee (comprising all Independent Non-executive Directors) exceed the independence requirements under the Listing Rules. The Company has a vigorous selection, nomination and appointment/re-appointment process for Directors (including Independent Non-executive Directors), see "Nomination Process" on pages 109 to 112 of this report. None of the Independent Non-executive Directors has served on the Board for more than nine years. Fees to Independent Non-executive Directors are in the form of cash payment with additional fees payable to reflect membership of Board committees and none of them receives remuneration based on performance of the Group. Information about remuneration of the Directors is set out on pages 114 and 115 of this report. The remuneration of Independent Non-executive Directors is also subject to a regular review mechanism to maintain competitiveness and commensurate with their responsibilities and workload.

To facilitate attendance and participation at Board and other Board committee meetings, the Company plans meeting schedules for the year well in advance, with electronic facilities for attendance as required. External independent professional advice is also available to all Directors (including Independent Non-executive Directors) whenever deemed necessary. A guide for obtaining independent and legal or other professional advice is provided to Directors. The Board process, ranging from agenda setting, provision of information and focus on constructive debates and discussions, facilitates effective and active participation by all Independent Non-executive Directors (see "Board Process" and "Directors' Attendance and Commitment" on pages 91 and 92 of this report). Board process and effectiveness are also assessed during the annual evaluation of the Board performance, see "Board Performance" above. Each year, the Chairman meets with the Independent Non-executive Directors twice without the presence of other Directors, which provides an open agenda enabling them to express their views outside the boardroom.

The Independent Non-executive Directors have historically and consistently demonstrated strong commitment to their roles, dedicating sufficient time to discharge their responsibilities at the Board and its relevant committees. Notably, they all achieved 100% attendance throughout 2024. Their commitment is also subject to self-confirmation each year.

Training

Upon appointment to the Board, Directors receive a package of comprehensive orientation materials on the Group comprising information on the Group, duties as a director and board committee member, as well as internal governance and sustainability policies of the Group. These orientation materials are presented to the Directors by senior executives in the form of a detailed induction to the Group's businesses, strategic direction and governance practice. Induction sessions had been conducted and presented by senior executives to the newly appointed Directors, Ms Chow Ching Yee, Cynthia, Ms Tsim Sin Ling, Ruth and Mr Andrew John Hunter in 2024 as well as Mr Graeme Allan Jack in early 2025. In addition, a separate briefing session presented by the General Manager of Group Management Services Department ("GMSD", the Group's internal audit function) ("Internal Audit GM") on the risk management and internal control systems of the Group was also arranged.

The Company arranges and provides Continuous Professional Development ("CPD") training in the forms of formal training programmes, seminars, workshops, expert briefings, webcasts and selected reading materials to Directors to help them to keep abreast of current trends and issues facing the Group, including the latest changes in the commercial (including industry-specific and innovative changes), legal and regulatory environment in which the Group conducts its businesses and to refresh their knowledge and skills on the roles, functions and duties of a listed company director. From time to time, Directors also participate as speakers at events to share knowledge and insights on different topics. In addition, CPD may take the form of attendance at external forums or briefing sessions (including delivery of speeches) on relevant topics. CPD training of approximately 30 hours had been provided to Directors in 2024.

The Directors are required to provide the Company with details of CPD training undertaken by them from time to time. The training records are maintained by the Company Secretary and are made available for regular review by the Audit Committee.

During 2024, CPD training was provided to Directors on the following areas and topics:

Areas	Topics	Mode of Training
Directors' Duties/ Industry trends/ Group's Businesses	• Directors' conduct, duties and governance skillset *(by Securities and Futures Commission ("SFC"))* • Global challenges and opportunities *(by the Company, Airport Authority Hong Kong and McDonald's Hong Kong)* • Empowering investors and companies to unlock regional and global opportunities *(by Vistra)* • Role of private equity and the future of the listed company *(by KKR)* • Evolution of investment decision-making *(by Cambridge Associates)*	Seminars
Legal and Regulatory	• Regulatory and enforcement updates and disciplinary processes *(by HKEX and SFC)* • Legislative updates *(by Companies Registry)* • Emerging international regulatory concerns *(by Accounting and Financial Reporting Council)* • Overview of Competition Ordinance in Hong Kong *(by Competition Commission)* • Review of the UK capital markets and regulations *(by Latham & Watkins London)* • Cross-boundary flow of personal information *(by Office of the Privacy Commissioner for Personal Data, Hong Kong ("PCPD"))*	Reading materials, seminars and webinars
Corporate Governance/ Sustainability Practices	• Climate disclosure requirements *(by HKEX, The Hong Kong Chartered Governance Institute ("HKCGI"), PricewaterhouseCoopers ("PwC") and Freshfields LLP)* • Enhanced climate-related reporting *(by HKEX)* • Global governance updates *(by The Corporate Secretaries International Association Limited)* • Corporate governance code reform *(by the Company)* • Sustainability governance *(by Ernst & Young and HKCGI)* • Corporate social responsibility *(by HKCGI)* • Guidance on ethics, bribery and corruption *(by HKCGI, Hong Kong Business Ethics Development Centre, ICAC)* • Update on board diversity *(by HKEX)* • Climate in context – Geopolitics, business, and the board *(by KPMG LLP)*	Reading materials, seminars and webinars
Financial Reporting/ Risk Management and Internal Controls	• Review of issuers' financial statement disclosures *(by HKEX)* • Whistleblowing in Asia Pacific *(by Deloitte Touche Tohmatsu)* • Guide on internal controls and planning for upcoming audit *(by HKEX)* • Continued evolution of the 3 lines of defence model *(by PwC)*	Reading materials and seminars
Digital/ Information Technology	• Generative AI and cybersecurity *(by SFC and PwC)* • Data security management *(by PCPD)* • Guidance Note on PCPD's AI regulatory framework *(by HKCGI)*	Reading materials, seminars and podcast

Based on the details so provided, the CPD training undertaken by the Directors during the year is summarised as follows, representing an average of approximately 27.5 hours undertaken by each Director during the year:

	Areas					
Directors	Directors' Duties/ Industry trends/ Group's Businesses	Legal and Regulatory	Corporate Governance/ Sustainability Practices	Financial Reporting/Risk Management and Internal Controls	Digital/ Information Technology	Approximate number of hours of CPD training completed in 2024 (8)
Chairman						
Victor T K Li (1)	√	√	√	√	√	13.5 hours
Executive Directors						
Fok Kin Ning, Canning (2) *(Deputy Chairman)*	√	√	√	√	√	13.5 hours
Frank John Sixt (3) *(Group Co-Managing Director and Group Finance Director)*	√	√	√	√	√	> 40 hours
Lai Kai Ming, Dominic (3) *(Group Co-Managing Director)*	√	√	√	√	√	> 40 hours
Ip Tak Chuen, Edmond *(Deputy Managing Director)*	√	√	√	√	√	13.5 hours
Kam Hing Lam *(Deputy Managing Director)*	√	√	√	√	√	8 hours
Edith Shih	√	√	√	√	√	> 40 hours
Andrew John Hunter (4)	√	√	√	√	√	12 hours
Non-executive Directors						
Chow Kun Chee, Roland	√	√	√	√	√	31 hours
Chow Woo Mo Fong, Susan	√	√	√	√	√	> 40 hours
Lee Yeh Kwong, Charles	√	√	√	√	√	27 hours
George Colin Magnus	√	√	√	√	√	13.5 hours
Independent Non-executive Directors						
Chow Ching Yee, Cynthia	√	√	√	√	√	16.5 hours
Graeme Allan Jack (5)	√	√	√	√	√	27 hours
Philip Lawrence Kadoorie	√	√	√	√	√	13 hours
Leung Lau Yau Fun, Sophie	√	√	√	√	√	18 hours
Paul Joseph Tighe	√	√	√	√	√	13 hours
Tsim Sin Ling, Ruth (6)	√	√	√	√	√	> 40 hours
Wong Kwai Lam	√	√	√	√	√	8 hours
Wong Yick-ming, Rosanna (7)	√	√	√	√	–	5 hours

Notes:

(1) Ceased to be Group Co-Managing Director with effect from 1 April 2024.

(2) Appointed as Deputy Chairman and ceased to be Group Co-Managing Director with effect from 1 April 2024.

(3) Appointed as Group Co-Managing Director with effect from 1 April 2024.

(4) Appointed on 1 April 2024.

(5) Appointed on 13 December 2024.

(6) Appointed on 2 January 2024.

(7) Retired with effect from the conclusion of the 2024 AGM.

(8) The total number of hours included both the training provided by the Company and other CPD trainings undertaken by the Directors.

Securities Transactions

The Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 of the Listing Rules as the code of conduct regulating Directors' dealings in securities of the Company. In summary, a Director who wishes to deal in the securities of the Company must notify the Chairman (or a Director designated by the Board for such specific purpose) in writing prior to any dealings and obtain a dated written acknowledgement before any dealing. Any clearance to deal granted in response to a Director's request would be valid for no longer than five business days of clearance being received. After dealings, the Director must submit a disclosure of interests filing with respect to the dealing, within the time frame required under Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO").

In response to specific enquiries made, all Directors have confirmed that they have complied with the required standards set out in such code regarding their securities transactions throughout their tenure during the year ended 31 December 2024.

Board Committees

The Board is supported by four permanent board committees: Audit Committee, Nomination Committee, Remuneration Committee and Sustainability Committee, details of which are described later in this report. The terms of reference for these Committees, which have been adopted by the Board, are available on the websites of the Company and HKEX. Other board committees are established by the Board as and when warranted to take charge of specific tasks.

COMPANY SECRETARY

The Company Secretary is accountable to the Board for ensuring that Board procedures are followed and Board activities are efficiently and effectively conducted. These objectives are achieved through adherence to proper Board processes and timely preparation of and dissemination to Directors comprehensive Board meeting papers. Minutes of all meetings of the Board and Board Committees are prepared and maintained by the Company Secretary to record in sufficient detail the matters considered and decisions reached by the Board or Board Committees, including any concerns raised or dissenting views voiced by any Director. All draft and final minutes of Board meetings and meetings of Board Committees are sent to Directors or Board Committee members as appropriate for comments, approval and records. Board records are available for inspection by any Director upon request.

The Company Secretary who works closely with the Board to formulate the purpose, values and strategy of the Company, takes charge in developing a robust compliance and ethical culture to meet both mounting regulatory and investor expectations, and to ensure the culture and the purpose, values and strategy of the Group are aligned.

The Company Secretary plays a leading role in ensuring that the Company develops and maintains a sound and effective corporate governance framework, in particular, a set of risk management and internal control systems so that regulatory compliance, good corporate governance practices and culture are upheld and practised by the Company.

The Company Secretary is responsible for apprising the Board with all legislative, regulatory, corporate governance and sustainability developments of relevance to the Group and that it takes these developments into consideration when making decisions for the Group. From time to time, the Company Secretary organises seminars on specific topics of importance and interest and disseminates reference materials to Directors for their information.

The Company Secretary is also directly responsible for the Group's compliance with all obligations under the Listing Rules and the Codes on Takeovers and Mergers and Share Buy-backs, including the preparation, publication and despatch of annual reports and interim reports within the time limits laid down in the Listing Rules, and the timely dissemination to shareholders and the market of information relating to the Group.

Furthermore, the Company Secretary advises the Directors on connected transactions, notifiable transactions, price-sensitive/inside information, and Directors' obligations for disclosure of interests and dealings in the Group's securities, to ensure that the standards and disclosure requirements under the Listing Rules and applicable laws, rules and regulations are complied with and, where required, reported in the annual reports of the Company.

The Company Secretary also serves as a crucial conduit of communications internally and externally. She facilitates information flow and communication among Directors and also conveys the Board's decisions to Management from time to time and ensures a good channel of communication with shareholders. She also works with the Board and Management to assist in responding to regulators in a timely manner.

The appointment and removal of the Company Secretary is subject to Board approval. Whilst the Company Secretary reports to the Chairman, the Deputy Chairman and the Group Co-Managing Directors, all members of the Board have access to her advice and service. The Company Secretary has day-to-day knowledge of the Group's affairs. She confirms that she has complied with all the required qualifications, experience and training requirements under the Listing Rules.

ACCOUNTABILITY AND AUDIT

Financial Reporting

The annual and interim results of the Company are published in a timely manner, within three months and two months respectively of the year end and the half-year end.

The responsibility of Directors in relation to the financial statements is set out below. This should be read in conjunction with, but distinguished from, the independent auditor's report on pages 121 to 125 which acknowledges the reporting responsibility of the Group's auditor.

Annual Report and Financial Statements

The Directors acknowledge their responsibility for the preparation of the annual report and financial statements of the Company. The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and comply with the applicable disclosure requirements of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the "Companies Ordinance") and the Listing Rules. Directors should incorporate such internal control as the Directors determine as necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Accounting Policies

The Directors consider that in preparing the financial statements, the Group has adopted appropriate accounting policies and made judgements and estimates that are reasonable in accordance with the applicable accounting standards.

Accounting Records

The Directors are responsible for ensuring that the Group keeps accounting records which disclose the financial position and reflect the transactions of the Group, upon which financial statements of the Group could be prepared in accordance with the Group's accounting policies.

Safeguarding Assets

The Directors are responsible for taking all reasonable and necessary steps to safeguard the assets of the Group and to prevent and detect fraud and other irregularities within the Group.

Going Concern

The Directors, having made appropriate enquiries, are of the view that the Group has adequate resources to continue in operational existence for the foreseeable future and that, for this reason, it is appropriate for the Group to adopt the going concern basis in preparing the financial statements.

Audit Committee

As at the date of this report, the Audit Committee comprises five Independent Non-executive Directors who possess the relevant financial and business management experience and skills to understand financial statements and monitor the financial governance, risk management and internal controls of the Company. The composition of the Audit Committee exceeds the independence requirements under the Listing Rules. It is chaired by Mr Wong Kwai Lam with Ms Chow Ching Yee, Cynthia, Mr Graeme Allan Jack (appointed on 13 December 2024), Mr Paul Joseph Tighe and Ms Tsim Sin Ling, Ruth (appointed on 2 January 2024) as members.

The Audit Committee held four meetings in 2024 with 100% attendance.

Members	Attended/Eligible to Attend
Wong Kwai Lam *(Chairman)*	4/4
Chow Ching Yee, Cynthia	4/4
Graeme Allan Jack (1)	N/A
Paul Joseph Tighe	4/4
Tsim Sin Ling, Ruth (2)	4/4

Notes:

(1) Appointed as member on 13 December 2024.

(2) Appointed as member on 2 January 2024.

The internal and external auditors attended all Audit Committee meetings. In addition, the Audit Committee held private sessions with them, as well as GCMD/GFD, separately without the presence of Management.

The function of the Audit Committee is to assist the Board in fulfilling its duties through the review and supervision of the Company's financial reporting, risk management and internal control systems (including cyber risks) and to take on any other responsibility as may be delegated by the Board from time to time. The Audit Committee is responsible for monitoring the integrity of the Group's interim and annual results and financial statements, and reviewing the significant financial reporting judgements contained therein as well as overseeing the relationship between the Company and its external auditor. It is also required to develop and review the Company's policies and practices on corporate governance, including compliance with statutory and Listing Rules requirements; and review the scope, extent and effectiveness of the activities of the Group's internal audit function. In addition, it is authorised to engage independent legal and other advisers and conduct investigations as it determines to be necessary.

Throughout 2024, the Audit Committee discharged the duties and responsibilities under its terms of reference and the CG Code. The following paragraphs of this report set out a summary of the work performed by the Audit Committee during 2024 and 2025 (up to the date of this report).

During 2024 and 2025 (up to the date of this report), the Audit Committee met with the GCMD/GFD, other senior management, the Internal Audit GM and external auditor, PwC, to review the 2024 interim and 2023 and 2024 annual results, reports and financial statements, and other financial, corporate governance, risk management, internal control and cyber risks of the Group. It received, considered and discussed the reports and presentations of Management, the Internal Audit GM and PwC. As part of these reviews and discussions, the Audit Committee evaluated the application by Management of critical accounting policies and material areas in which significant accounting judgements were applied, and focused on key audit matters reported by PwC, including the approach of Management on goodwill, other indefinite life intangible assets and investments in associated companies and joint ventures impairment testing. The Audit Committee also challenged Management to review all aspects of its impairment assessment approach to ensure the approach remains robust in terms of accounting judgements including compliance with the relevant accounting requirements to ensure that the Group's 2023 and 2024 annual results, reports and financial statements were prepared in accordance with HKFRS and comply with the applicable disclosure requirements of the Companies Ordinance and the Listing Rules, and for such control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. Based on these reviews and discussions, the Audit Committee is satisfied that the Group's 2024 interim and the Group's 2023 and 2024 annual results, reports and financial statements have been prepared in accordance with the aforementioned requirements and recommended that these be approved by the Board.

The Audit Committee met four times during 2024 and two times during 2025 (up to the date of this report) with PwC to consider its reports on the scope, strategy, progress and outcome of its independent review of the Group's 2024 interim financial statements and audit of the Group's 2023 and 2024 annual financial statements. It reviewed the composition of the audit engagement teams and PwC's strategy and approach for the review and the annual audit, including the audit risk and materiality assessment, the nature, timing and scope of the audit procedures, and PwC's reporting obligations before the audit commenced. It received and discussed updates with PwC on the audit including observations on the control environment and material areas in which significant accounting judgements were applied, as well as information about the firm's quality management and monitoring process for the audit, recent results from internal and external key quality reviews and inspections across the Group, as well as audit quality indicators focused on (i) the delivery of audit deliverables against agreed timetable and milestones; (ii) the hours of audit work delivered by senior PwC audit team members; (iii) the involvement of specialist and expert; (iv) the findings and results from internal and external reviews and inspections; and (v) the use of technology. The Audit Committee is satisfied with PwC's competence, expertise, resources, as well as the effectiveness of the audit process.

There were no breaches of the policy on hiring employees or former employees of the external auditor during the reported period. The Audit Committee reviewed the audit fees and the fees for non-audit services payable to PwC. The non-audit services were carried out in accordance with PwC's independence policy to ensure that they do not create a conflict of interest and comply with the Group's policy regarding the engagement of its external auditors for the various services.

During the reported period, the Audit Committee also reviewed the independence and objectivity of the external auditor. It had considered all relationships (including requirements for rotation of audit partners, provision of non-audit services and long-term audit relationship) between the Company and PwC when assessing the independence and objectivity of the external auditor. The Audit Committee considered PwC to be independent and PwC, in accordance with applicable professional ethical standards, provided the Audit Committee written confirmation of its independence and objectivity for 2024.

To assist the Board in assessing the overall governance, financial reporting, risk management and internal control framework and maintaining effective risk management and internal control systems covering all material controls, including financial, operational and compliance controls, in 2024, the Audit Committee reviewed the process by which the Group evaluated its control environment and managed significant risks (including cyber risks). It received, considered and provided feedback on the risk management report, the composite risk register, the risk heat map, the presentations of the Internal Audit GM and Management on their review with respect to the effectiveness of the risk management and internal control systems of the Group. Based on these reviews, the Audit Committee concurred with confirmation from Management that such systems are effective and adequate. It also reviewed and was satisfied with the adequacy of resources, qualifications and experience of the Group's accounting, internal audit and financial reporting functions, and their training programmes and budget.

In addition, the Audit Committee reviewed, in conjunction with GMSD, the 2024 work plans and resource requirements, and deliberated on the reports regarding the effectiveness of risk management and internal control systems (including cyber risks) of the Group. Further, it also considered the reports from the GLD on the Group's material litigation proceedings and compliance status on key legal and regulatory requirements. These reviews and reports were taken into consideration by the Audit Committee when it made its recommendation to the Board for approval of the consolidated financial statements. During 2024, the Audit Committee also received periodic presentations on, and reviewed, the compliance status of the Group with respect to the CG Code as well as other corporate governance topics including the Group's policies and practices on compliance with legal and regulatory requirements. The Audit Committee noted that the Company has complied throughout the year with all applicable code provisions of the CG Code, other than that prior to 1 April 2024, in respect of the separate roles of Chairman and Group Co-Managing Directors, which deviation has been properly explained and disclosed in this report. It has also received regular update reports on CPD training of Directors.

In January 2024, the Audit Committee reviewed and recommended to the Board updates to its terms of reference and the Shareholders Communication Policy to reflect the amendments to the Listing Rules effective on 31 December 2023. In March 2025, the Audit Committee once again reviewed and recommended to the Board updates to its terms of reference to reflect the latest amendments to the CG Code which will take effect on 1 July 2025.

The Audit Committee, on behalf of the Board, also conducted a review of the implementation and effectiveness of the Shareholders Communication Policy in January 2025. Having considered the multiple channels of communication and engagement in place (see "Relationship with Shareholders and Other Stakeholders" on pages 115 to 117 of this report), the Audit Committee is satisfied that the Shareholders Communication Policy has been properly implemented during 2024 and is effective.

External Auditor

The Group's policy regarding the engagement of its external auditors for the various services listed below is as follows:

- Audit services – include audit services provided in connection with the audit of the consolidated financial statements. All such services are to be provided by the external auditor.

- Audit related services – include services that would normally be provided by an external auditor but not generally included in audit fees, such as audits of the Group's pension plans, accounting advice related to mergers and acquisitions, internal control reviews of systems and/or processes, and issuance of special audit reports for tax or other purposes. The external auditor is to be invited to undertake those services that must be undertaken, or is otherwise best placed to undertake, by it in its capacity as auditor.

- Taxation related services – include all tax compliance and tax planning services, except for those services which are provided in connection with the audit. The Group engages the services of the external auditor where it is best suited. All other significant taxation related work is undertaken by other parties as appropriate.

- Other services – include, amongst others, financial due diligence, review of actuarial reports and calculations, risk management diagnostics and assessments, and non-financial systems consultations. The external auditor is also permitted to assist Management and GMSD with internal investigations and fact-finding into alleged improprieties. These services are subject to specific approval by the Audit Committee.

- General consulting services – the external auditor is not eligible to provide services involving general consulting work.

An analysis of the fees of PwC and other external auditors is shown in note 7(d) to the financial statements. For the year ended 31 December 2024, PwC fees, amounting to HK$407 million were primarily for audit services and those for non-audit services (which included tax compliance and other tax related services, and financial due diligence services) amounted to HK$22 million, representing approximately 5% of the total PwC fees (audit and non-audit).

Ms Luk Lai Yin who served as the lead audit engagement partner from PwC for the audits of 2017, 2018, 2019, 2020, 2021, 2022 and 2023 financial statements had retired from the Group's audit engagements by rotation after serving in that role for the issuance of the independent auditor's report on the 2023 financial statements included in the 2023 Annual Report. A new audit partner from PwC, Mr Wong Hung Nam, has been appointed for that role to lead the audits of the Group's financial statements with effect from the 2024 audit.

The Audit Committee is satisfied with PwC's competence, expertise, resources, independence and objectivity, as well as the effectiveness of the audit process, and recommended to the Board on the re-appointment of PwC as the external auditor which will be considered by the shareholders at the forthcoming annual general meeting.

Audit Report on the Annual Financial Statements

The consolidated financial statements of the Group for the year ended 31 December 2024 have been audited by PwC in accordance with Hong Kong Standards on Auditing issued by the HKICPA. The unqualified auditor's report is set out on pages 121 to 125. The consolidated financial statements of the Group for the year ended 31 December 2024 have also been reviewed by the Audit Committee.

RISK MANAGEMENT AND INTERNAL CONTROL

Effective risk management and internal control systems are fundamental components of good corporate governance. They are pivotal to the sustainable growth of the Group, fostering resilience, and safeguarding the interests of stakeholders.

The Company recognises the dynamic nature of the risks (including sustainability and cyber risks) its businesses face. To ensure an effective management of the risks, a comprehensive governance structure is in place to systematically identify, assess, manage, and monitor risks that may have a material adverse impact on the achievement of the Group's strategic and business objectives.

To illustrate the structure and process of the risk management and internal control systems of the Group, the following table depicts detailed roles and responsibilities, in terms of "Governance and Oversight" by the Board through the Audit Committee and the Sustainability Committee, "Risk Review and Communication" by the Executive Directors, "Risk and Control Monitoring" by the Group functions, "Risk and Control Ownership" by the executive management teams of each core business, and "Independent Assurance" by GMSD.

Governance and Oversight

The Board

- Has overall responsibility for the systems of risk management and internal control of the Group.
- Evaluates and determines the nature and extent of the risks that the Group is willing to accept in pursuit of its strategic and business objectives, with due regard to its risk appetite.
- Inculcates appropriate risk culture across the business operations of the Group.
- Ensures that appropriate and effective risk management and internal control systems are established and maintained.
- Oversees the management of sustainability risks and opportunities, through delegation to the Sustainability Committee.
- Reviews the effectiveness of the risk management and internal control systems of the Group, through delegation to the Audit Committee, and through review of Group-wide strategies, budgets, business plans and performances.

Audit Committee

- Reviews and assesses the risk management and internal control systems of the Group, with particular regard to their effectiveness.
- Performs corporate governance functions delegated by the Board.

(For details of roles and responsibilities, please refer to the Audit Committee Terms of Reference)

Sustainability Committee

- Reviews sustainability risks and opportunities, and assesses emerging sustainability issues and trends that could impact the business operations and performance of the Group (for details of roles and responsibilities, please refer to the Sustainability Committee Terms of Reference).

Risk Review and Communication

Executive Directors

- Provides leadership on risk and return balance.
- Monitors the risk profile of the Group and assesses if significant risks are appropriately mitigated.
- Ensures that a review of the effectiveness of the risk management and internal control systems of the Group has been conducted, and makes recommendation to the Board, through the Audit Committee, regarding the effectiveness of the systems.

Risk and Control Monitoring

Group Functions

- Establishes relevant policies and procedures for Group-wide adoption.
- Monitors the implementation and effectiveness of the risk management practices in core businesses and provides guidance where appropriate. In particular, the following dedicated working groups are formed:
  - Governance Working Group, chaired by the Executive Director and Company Secretary and comprising representatives from key functional departments of the Company, provides timely updates on emerging matters of compliance.
  - Competition and Regulatory Affairs Group, chaired by the Deputy Chairman of European Head Office and comprises legal and public affairs representatives across the Group, serves as a dedicated forum for the review, assessment and coordination of regulatory, public affairs and competition matters relevant to the Group's businesses across Europe and Asia.
  - Cyber Security Working Group, chaired by the GCMD/GFD and including technical specialists from core businesses, as well as representatives from GMSD and the Group Information Services Department, manages the cyber security defences of the Group, monitors cyber threat landscape and set strategic plan.
  - Sustainability Working Group, comprising two Executive Directors as Co-Chairs, as well as other senior executives from key functional departments of the Company, supports the Sustainability Committee in discharging its responsibilities.

Risk and Control Ownership

Core Businesses

- Carries out risk management activities and escalates promptly on material issues.
- Ensures that a risk-aware culture is maintained at all levels of the operations through ongoing policy reinforcement and training.
- Conducts a review of the effectiveness of the risk management and internal control systems and provides management declaration on the review results half-yearly.

Independent Assurance

Internal Audit

- Provides independent assurance as to the existence and effectiveness of the risk management activities and controls in the business operations of the Group (please refer to page 108 of this annual report for more details).

Whilst the risk management and internal control systems of the Group are designed to identify and manage risks that could adversely impact the achievement of the Group's strategic and business objectives, they do not provide absolute assurance against material misstatement, errors, losses, fraud or non-compliance.

Risk Management

The Company adopts an Enterprise Risk Management framework which is consistent with the COSO (the Committee of Sponsoring Organisations of the Treadway Commission) framework. The framework facilitates a systematic approach in identifying, assessing, managing and monitoring risks (including sustainability and cyber risks) within the Group, be they of strategic, financial, operational or compliance nature.

Risk management is an integral part of the day-to-day operations and management of the Group and is a continuous process carried out at all levels of the Group. There are ongoing dialogues between the Executive Directors and the executive management teams of each core business about the current and emerging risks (including sustainability and cyber risks) that are relevant to their businesses, the plausible impacts of the risks and mitigation measures to ensure that the executive management teams of each core business have performed their duties to have effective systems. These measures, among others, include instituting additional controls and deploying appropriate insurance instruments to minimise or transfer the impact of risks that the Group's businesses face. The latter also includes Directors and Officers Liability Insurance to protect Directors and officers of the Group against potential personal legal liabilities.

In terms of formal risk review and reporting, the Group adopts a "top-down and bottom-up" approach, involving regular inputs from each core business as well as discussions and reviews by the Executive Directors and the Board, through the Audit Committee. More specifically, on a half-yearly basis, each core business is required to formally identify the significant risks (including sustainability and cyber risks) it faces and assess the risk severity based on potential impact and likelihood, whilst the Executive Directors provide input after taking a holistic assessment of all the significant risks that the Group faces. Relevant risk information including key mitigation measures and plans are recorded in a risk register to facilitate the ongoing review and tracking of progress.

The composite risk register together with the risk heat map, as confirmed by the Executive Directors, form part of the risk management report for review and approval by the Audit Committee on a half-yearly basis. The Audit Committee, on behalf of the Board, reviews the report, discusses the risk management and internal control systems, including matters related to cyber risks, with the Internal Audit GM and Executive Directors, and provides input as appropriate so as to ensure effective systems in place. Pages 58 to 64 of this annual report provide a description of the Group's risk factors which could affect the Group's financial condition or results of operations that differ materially from expected or historical results. More information about the Group's strategies and approaches to managing the sustainability and cyber risks that are material and relevant to the Group's businesses is set out in the standalone Sustainability Report of the Group.

Internal Control

Group structures covering all subsidiaries, associated companies and joint ventures are maintained and updated on a timely and regular basis. Executive Directors are appointed to the boards of all material operating subsidiaries and associated companies for overseeing and monitoring those companies, including attendance at board meetings, review and approval of budgets and plans, and determination of business strategies with associated risks identified and key business performance targets set. The executive management team of each core business division is accountable for the conduct and performance of each business in the division within the agreed strategies, and similarly, management of each business is accountable for its conduct and performance. The Group Co-Managing Directors monitor the performance and review the risk profiles of the Group companies on an ongoing basis.

The internal control procedures of the Group include a comprehensive system for reporting information to the executive management teams of each core business and the Executive Directors.

Business plans and budgets are prepared annually by the management of individual businesses and subject to review and approval by both the executive management teams and Executive Directors as part of the Group's five-year corporate planning cycle. Reforecasts for the current year are prepared on a quarterly basis, reviewed for variances to the budget and for approval. When setting budgets and reforecasts, management identifies, evaluates and reports on the likelihood and potential financial impact of significant business risks.

Executive Directors review monthly management reports on the financial results and key operating statistics of each business and hold monthly meetings with the executive management team and senior management of business operations to review these reports, business performance against budgets, forecasts, significant business risk sensitivities and strategies. In addition, finance directors and financial controllers of the executive management teams of each core business attend monthly meetings with the Group Chief Financial Officer ("GCFO") and members of his finance team to review monthly performance against budget and forecast, and to address accounting and finance related matters.

The Group maintains a centralised cash management system for its unlisted subsidiary operations. The Group's Treasury function oversees the Group's investment and lending activities and also evaluates and monitors financial and operational risks, and makes recommendations to Management to mitigate those risks. Treasury reports on the Group's cash and liquid investments, borrowings and movements thereof are distributed to the Management weekly.

The Group has established guidelines and procedures for the approval and control of expenditures. Operating expenditures are subject to overall budget control and are controlled within each business with approval levels set by reference to the level of responsibility of each executive and officer. Capital expenditures are subject to overall control within the annual budget review and approval process, and more specifically, material expenditures within the approved budget as well as unbudgeted expenditures are subject to approval by the GCFO prior to commitment. Quarterly reports of actual versus budgeted and approved expenditures are also reviewed.

The Group has also established treasury policies covering specific aspects, such as bank account control and procedures, monitoring and compliance control for loan covenants, approval and reporting process for derivatives and hedging transactions.

In terms of formal review of the Group's risk management and internal control systems, a risk management and internal control self-assessment process that, on a half-yearly basis, requires the executive management team and senior management of each core business to review, evaluate and declare the effectiveness of such systems covering all material controls, including financial, operational and compliance controls over the operations of the business and devise action plans to address the issues, if any, is in place. These assessment results, together with the risk management report as mentioned earlier and the independent assessments by the internal and external auditors, form part of the bases on which the Audit Committee formulates its opinion on the effectiveness of the Group's risk management and internal control systems.

Legal and Regulatory Compliance

The Group is committed to ensuring its businesses are operated in compliance with local and international laws, rules and regulations. The GLD has the responsibility of safeguarding the legal interests of the Group. The Group has in place a Policy on Legal Documentation Review and Reporting Procedures and Litigation Proceedings which is applicable to material legal matters across the entire Group worldwide, subject to variations that may be agreed between the GLD and an individual division from time to time.

In addition, the Group has established a Policy on Corporate Secretarial Practices which sets out the procedures for corporate secretarial compliance, including corporate authorisation for execution of documentation, preparation, approval and signing of minutes of Board and committee meetings and Board resolutions. In respect of any transaction which requires GLD clearance, GCSD will require confirmation of GLD clearance before it would arrange for the convening of Board meetings or the signing of Board resolutions. The GCSD is also responsible for regulatory filings and Listing Rules compliance.

The GLD team, led by the Head Group General Counsel, is responsible for monitoring the day-to-day legal affairs of the Group, including preparing, reviewing and approving all legal documentation of Group companies, working in conjunction with finance, tax, treasury, corporate secretarial and business unit personnel on the review and co-ordination process, and advising Management on legal and commercial issues of concern. In addition, the GLD is also responsible for overseeing regulatory compliance matters of all Group companies. It analyses and monitors the regulatory frameworks within which the Group operates, including reviewing applicable laws and regulations and preparing and submitting responses or filings with relevant regulatory and/or government authorities on regulatory issues and consultations.

GLD also prepares and updates internal policies and conducts tailor-made workshops where necessary so as to strengthen the internal controls and compliance procedures of the Group. It determines and approves the engagement of external legal advisers, ensuring the requisite professional standards are adhered to as well as the most cost effective services are rendered. Further, GLD organises and holds continuing education seminars/conferences on legal and regulatory matters of relevance to the Group for Directors, business executives and the Group legal and corporate secretarial teams.

On the listed companies level, the Group is subject to the Listing Rules, the Codes on Takeovers and Mergers and Share Buy-backs, the Cayman Islands Companies Act, the Companies Ordinance, the SFO and/or the laws, rules and regulations of the jurisdictions where the Group companies are incorporated or registered and where their securities are listed and traded. The GLD is vigilant with the legal requirements under these statutes, rules and regulations which would have a material implication or impact on the Group. The Company is not aware of any incidents of non-compliance with such laws and regulations that may have a significant impact on the Group.

Governance Policies

The Group places utmost importance on the ethical, personal and professional standards of Directors and employees of the Group. All employees adhere to various Group policies that reflect the core values and corporate culture of the Group. The Code of Conduct is the central tool through which the Company sets the conduct expectations for employees underscoring the strong commitment of the Group to upholding high standards of business integrity, honesty and transparency in all its business dealings. The Company has also established anti-corruption and whistleblowing policies and systems, which are conducive to setting a healthy corporate culture and good corporate governance practices. In addition, the Group has adopted and implemented a number of other governance policies to incorporate the core values of the Group into its operations and practices. These policies are reviewed from time to time to ensure their relevance and appropriateness to the Group's businesses, corporate strategy and stakeholder expectations. In addition, employees are required to make a self-declaration every year to confirm that he/she has read, understood and will continue to comply with, the various Group policies. See the governance policies on the Company's website.

Key governance policies and guidelines of the Group include:

Code of Conduct

The Code of Conduct of the Group sets the standards for employees as are reasonably necessary to promote honest and ethical conduct, accurate and timely disclosure in the reports and documents that the Group files or submits to regulators, compliance with applicable laws and regulations, prompt internal reporting of violations and accountability for adherence to the Code of Conduct. Every employee is required to undertake to adhere to the Code of Conduct, which includes provisions dealing with conflict of interest, diversity and a respectful workplace, health and safety, protection and proper use of company assets, record keeping, bribery and corruption, personal data protection and privacy as well as reporting procedures for illegal and unethical behaviour. Employees are required to report any non-compliance with the Code of Conduct in accordance with the established reporting and escalation procedures.

Whistleblowing Policy

In line with the commitment to achieve and maintain the highest standards of openness, probity and accountability, the Company expects and encourages employees of the Group and those who deal with the Group (e.g. customers, suppliers, creditors and debtors) to report to the Company, in confidence, any suspected impropriety, misconduct or malpractice within the Group. In this regard, the Company has adopted the Whistleblowing Policy. The policy aims to provide reporting channels and guidance on reporting possible improprieties and reassurance to whistleblowers of the protection that the Group will extend to them, including anonymity and legal protection against unfair dismissal or victimisation for any genuine reports made. The Board delegated the authority to the Audit Committee, which is responsible for ensuring that proper arrangements are in place for fair and independent investigation of any matters raised and appropriate follow-up actions are taken.

Anti-Fraud and Anti-Bribery Policy

In its business dealings, the Group does not tolerate any form of fraud or bribery, whether direct or indirect, by, or of, its Directors, officers, employees, agents or consultants or any persons or companies acting for it or on its behalf. The Anti-Fraud and Anti- Bribery Policy, which outlines the Group's zero-tolerance stance against bribery and corruption, assists employees in recognising circumstance which may lead to or give the appearance of being involved in corruption or unethical business conduct, so as to avoid such conduct which is clearly prohibited, and to promptly seek guidance where necessary. Each Group company is required to report any actual or suspected incidents of bribery, theft, fraud or similar offences to the GCMD/GFD and the Internal Audit GM for independent analyses and necessary follow up (see page 108 of this report for more details).

Policy on Appointment of Third Party Representatives

The Group is also committed to exercising proper controls in engaging third party representatives (such as advisers, agents, consultants, introducers and finders). All Group companies are required to exercise due care and diligence in selecting third party representatives and in monitoring their activities, and should adhere to the Group's Policy on Appointment of Third Party Representatives in this regard.

Corporate Communications Policy

The Group highly values its reputation in the communities and countries where it operates. Employees are required to observe the Corporate Communications Policy to ensure that the market receives timely and accurate information about the Group. The Group Corporate Affairs Department ("GCAD") and subsidiary corporate communications/public relations departments assist the Management to provide clear, consistent and congruent messages for the Group's businesses through the media in a speedy, professional and well-coordinated manner.

Shareholders Communication Policy

The Group is committed to enhancing long-term shareholder value through regular communication with its shareholders, both individual and institutional. To this end, the Group strives to ensure that all shareholders have ready, equal and timely access to all publicly available information of the Group. The Shareholders Communication Policy sets out the framework the Company has put in place to promote effective two-way communication with shareholders so as to enable them to engage actively with the Company and exercise their rights as shareholders in an informed manner.

Policy on Securities Dealings and Handling of Confidential and Price-sensitive Inside Information

With a view to ensuring that inside information is identified, handled and disseminated in compliance with the SFO, and proper internal control procedures are in place to guard against mishandling of inside information which may constitute insider dealing or breach of any other statutory obligations, the Group has implemented the Policy on Securities Dealings and Handling of Confidential and Price-sensitive Inside Information. The policy also adopts additional precautions which should be taken by employees who are in possession of inside information, including identification of project by code name and dissemination of information for stated purpose and on a need-to-know basis only. Whilst all employees are absolutely prohibited at all times from dealing in the securities of any listed entity within the Group when they are in possession of unpublished and price-sensitive information or confidential information, certain members of senior management or staff are subject to specific additional compliance requirements as are communicated to them individually from time to time (including but not limited to obtaining written pre-clearance from designated members of management prior to any dealing in any such securities). Further, certain staff members in the Group CFO Office are subject to a two-month blackout period prior to the release of the Company's annual results and a one-month blackout period prior to the release of interim results, while relevant staff in the GCSD and GCAD are subject to a two-week blackout period.

The Company has established effective systems and procedures to ensure a timely and structured flow of information, enabling Management to promptly identify, assess, and escalate any material information. Control procedures are in place to monitor the Group's financial performance, business developments and corporate events across various business divisions and function units, which are required to report to Management through regular reporting or as and when internal escalation triggers occur. Management will promptly evaluate the impact of reported matters and where appropriate, escalate the matter to a designated committee (comprising at least two Executive Directors) for further consideration. If the committee considers that the reported matter constitutes inside information, such matter will be submitted to the Board for consideration and determination, and, if appropriate, disclosed by the Company in a timely manner.

Policy on Personal Data Governance

The Group is also committed to the safeguard and protection of the personal data of its customers and employees. Employees must only collect and use personal data in accordance with applicable data protection laws, as well as the Policy on Personal Data Governance and the applicable local policies and procedures.

Information Security Policy

Employees must not disclose any confidential information of the Group, its customers, suppliers, business partners or shareholders, except when disclosure is authorised by the Group in accordance with the Information Security Policy which defines the common policies for information confidentiality, integrity and availability to be applied across the entire Group.

Cyber Security Policy

The policy provides a framework for defining the baseline for cyber security practices, and managing cyber risks to ensure that the Group's efforts in this area are effective, coherent and well-coordinated.

Cyber Security Acceptable Use Policy

This policy outlines the guidelines and responsibilities governing the usage of information systems and resources as well as associated assets across the Group. The policy aims to protect the Group's assets, ensures compliance with laws and maintains a secure cyber environment. It also covers sections on cyber security incident reporting and handling, setting out the procedures to facilitate prompt assessment and support for affected business units to enhance overall cyber security governance and minimise the impact and prevent future occurrence.

Policy on Reasonable and Ethical Procurement, Implementation and Use of Artificial Intelligence (AI)

This policy was introduced in September 2024 to define and help communicate the common policies on usages and deployments of AI systems to be applied across the Group to ensure that AI system is used on a safe and ethical basis.

Board Diversity Policy and Director Nomination Policy

The two Board policies, Board Diversity Policy and Director Nomination Policy, set out the approach to achieving diversity as well as the approach and procedures the Board adopts for the nomination and selection of Directors. Further details of the policies are provided on page 109 of this report.

Workforce Diversity Policy

This Policy promotes a diversified and inclusive working environment where individual differences are respected and all employees are treated with dignity. It enhances recruitment, supports retention, and fosters innovation and growth by leveraging diverse perspectives. Key components include adhering to non-discriminatory employment practices and procedures, encouraging collaboration among the workforce, providing training and development opportunities to address specific needs and career aspirations of diverse employees and regularly assessing the policy's effectiveness.

Internal Audit

The Internal Audit GM, reporting directly to the Audit Committee and also to the GCMD/GFD, provides independent assurance as to the existence and effectiveness of the risk management activities and controls in the Group's business operations worldwide. It has wide authority to access to documents, records, properties and personnel of the Group. By applying risk assessment methodology and considering the dynamics of the Group's activities, internal audit devises its three-year risk-based audit plan for review by the Audit Committee. The audit plan is subject to continuous reassessment taking into account external and internal factors such as macro economic and regulatory changes, business and operational changes, emerging risks and opportunities (including sustainability and cyber-related ones), as well as audit and fraud findings which may affect the risk profile of the Group during the year.

GMSD is responsible for assessing the effectiveness of the Group's risk management and internal control systems, including reviewing the continuing connected transactions of the Company (refer to pages 82 and 83 of this annual report for more details), formulating an impartial opinion on the systems, and reporting its findings and recommendations to the Audit Committee, the GCMD/GFD and the senior management concerned, as well as following up on the issues to ensure that they are satisfactorily resolved within the agreed timeline. In addition, GMSD maintains a regular dialogue with the external auditor so that the parties are aware of the significant factors which may affect their respective scope of work.

Depending on the nature of business and risk exposure of individual business units, the scope of work performed by GMSD includes financial, IT, operations, sustainability, business ethics, governance policy and regulatory compliance reviews, recurring and surprise audits, as well as productivity efficiency reviews.

GMSD is also responsible for periodic fraud analyses and independent investigations. In accordance with the Group's Code of Conduct and Anti-Fraud and Anti-Bribery Policy, each core business derives its own set of escalation procedures to cater for its operational needs, and is required to report to the GCMD/GFD and the Internal Audit GM any actual or suspected fraudulent activities within a 24-hour timeframe should the amount involved exceeds the de minimis threshold as agreed between the GCMD/GFD and the executive management team of each core business. In addition, each core business submits a summary of fraud incidents statistics to the GCMD/GFD and the Internal Audit GM on a quarterly basis. These cases, together with those escalated through the Company's established whistleblowing channels, are recorded in the Company's centralised fraud incidents register under the custody of the Internal Audit GM, and are independently assessed and investigated as appropriate. The Internal Audit GM would promptly escalate any incidents of a material nature to the Chairman of the Audit Committee for his direction. Also, a summary of the quarterly fraud incidents and relevant statistics (including results of independent investigations and actions taken) is presented to the Audit Committee and the Group Co-Managing Directors.

Reports from the external auditor on internal controls and relevant financial reporting matters are presented to the Internal Audit GM and, as appropriate, to the GCMD/GFD and the finance director or financial controller of the relevant executive management team. These reports are reviewed and appropriate actions are taken.

The Board, through the Audit Committee, has conducted a review of the effectiveness of the Group's risk management and internal control systems for the year ended 31 December 2024 covering all material controls, including financial, operational and compliance controls, and concurs with confirmation from Management that such systems are effective and adequate. Neither significant changes in the risk profile of the Group nor significant areas of concern which might affect shareholders were identified. In addition, the Board, through the Audit Committee and the Sustainability Committee, has reviewed and is satisfied with the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit, financial reporting, and sustainability performance and reporting functions.

NOMINATION OF DIRECTORS

Nomination Committee

The Nomination Committee is chaired by Mr Paul Joseph Tighe (appointed on 23 May 2024), an Independent Non-executive Director, and with the Chairman Mr Victor T K Li and Independent Non-executive Director Mrs Leung Lau Yau Fun, Sophie as members. Dr Wong Yick-ming, Rosanna ceased to be the Chairman of the Nomination Committee upon her retirement from the Board with effect from 23 May 2024. Although the majority of the members are Independent Non-executive Directors, the Nomination Committee has an Executive Director among its membership. This is to provide perspective and insight from executive management relating to the day-to-day business and operations of the Group, thereby enabling more befitting candidates to be nominated for consideration.

The responsibilities of the Nomination Committee are to review the structure, size, composition (including skills, knowledge, experience and diversity profile) of members of the Board against the Group's needs at least annually, assist the Board in maintaining a Board skills matrix and make recommendation on the composition of the Board to achieve the Group's corporate strategy as well as promote shareholder value. It identifies suitable director candidates and selects or makes recommendation to the Board on the appointment or re-appointment of Directors and succession planning of Directors. Furthermore, it also assesses the independence of Independent Non-executive Directors having regard to the criteria under the Listing Rules and reviews the Director Nomination Policy and the Board Diversity Policy periodically and makes recommendation on any proposed revisions to the Board. The Nomination Committee also reviews and assesses regularly the time commitment of and contribution to the Board by each Director as well as the Director's ability to discharge his/her responsibilities, and supports the regular evaluation of the performance of the Board. It is authorised by the Board to obtain independent professional advice where necessary on matters within its terms of reference.

Nomination Process

The nomination process has been, and will continue to be, conducted in accordance with the Director Nomination Policy and the Board Diversity Policy, which are available on the website of the Company. The Board will from time to time review these policies and monitor their implementation to ensure continued effectiveness and compliance with regulatory requirements and good corporate governance practices.

Pursuant to the Director Nomination Policy, the Nomination Committee, in determining the suitability of a candidate, will consider the potential contributions a candidate can bring to the Board including the attributes complementary to the Board, the commitment, motivation and integrity of the candidate, having due consideration of the benefits of a diversified Board.

Under the Board Diversity Policy, Board candidates are selected based on merit and the contribution such candidate can bring to the Board to complement and expand the competencies, experience and perspectives of the Board as a whole, taking into account the corporate strategy of the Group and the benefits of various aspects of diversity, including gender, age, culture, ethnicity, educational background, professional experience and other factors that the Nomination Committee may consider relevant from time to time towards achieving a diversified Board.

As at the date of this report, the Board comprises 19 Directors. The table below shows the Board structure, and skills set, expertise and competencies of the Directors:

Structure and Size						Committees				Qualification		Skills and Expertise					
Name	Age	Years on Board	Gender	Ethnicity	Designation	Audit	Nomination	Remuneration	Sustainability	Professional	Educational	Business Management	Strategic Planning & Risk Management	Financial Reporting/ Banking	Legal/Regulatory	Sustainability	Related Industry Knowledge/Experience
Victor T K Li	60	10	M	C	ED		•	•			BSc, MSc	•	•	•			•
Canning Fok	73	10	M	C	ED					N1	BA	•	•	•			•
Frank Sixt	73	10	M	NC	ED				•	N2	MA, LLL	•	•	•	•	•	•
Dominic Lai	71	9.5	M	C	ED						BSc, MBA	•	•	•			•
Edmond Ip	72	10	M	C	ED						BA, MSc	•	•	•		•	•
Kam Hing Lam	78	10	M	C	ED						BSc, MBA	•	•	•			•
Edith Shih	73	8	F	C	ED				•	N3	BSE, MA, MA, EdM	•	•	•	•	•	•
Andrew Hunter	66	<1	M	NC	ED					N4	MA, MBA	•	•	•			•
Roland Chow	87	10	M	C	NED					N5	LLM	•	•		•		
Susan Chow	71	8	F	C	NED					N6	BSc	•	•		•		•
Charles Lee	88	10	M	C	NED					N7	LLM	•	•	•	•		
George Magnus	89	10	M	NC	NED						MA	•	•	•			•
Cynthia Chow	61	1	F	C	INED	•		•			BA, MBA	•	•	•			
Graeme Jack	74	<1	M	NC	INED	•				N8	BCom	•	•	•			
Philip Kadoorie	33	2	M	NC	INED						BSc	•	•			•	•
Sophie Leung	79	3	F	C	INED		•				BS	•	•	•	•		
Paul Tighe	68	4	M	NC	INED	•	•				BSc		•	•	•	•	
Ruth Tsim	68	1	F	C	INED	•			•	N9	MBA	•	•	•		•	•
Wong Kwai Lam	75	4.5	M	C	INED	•		•			BA, PhD	•	•	•			

F: Female
M: Male

C: Chinese
NC: Non-Chinese

ED: Executive Director
NED: Non-executive Director
INED: Independent Non-executive Director

Notes:

N1: Fellow of Chartered Accountants Australia and New Zealand ("CA ANZ")

N2: member of the Bar and of the Law Society of the Provinces of Québec and Ontario, Canada

N3: solicitor qualified in England and Wales, Hong Kong and Victoria, Australia; Fellow of both The Chartered Governance Institute and The Hong Kong Chartered Governance Institute, holding Chartered Secretary and Chartered Governance Professional dual designations

N4: member of the Institute of Chartered Accountants of Scotland and of the HKICPA

N5: solicitor of the High Court of the Hong Kong Special Administrative Region

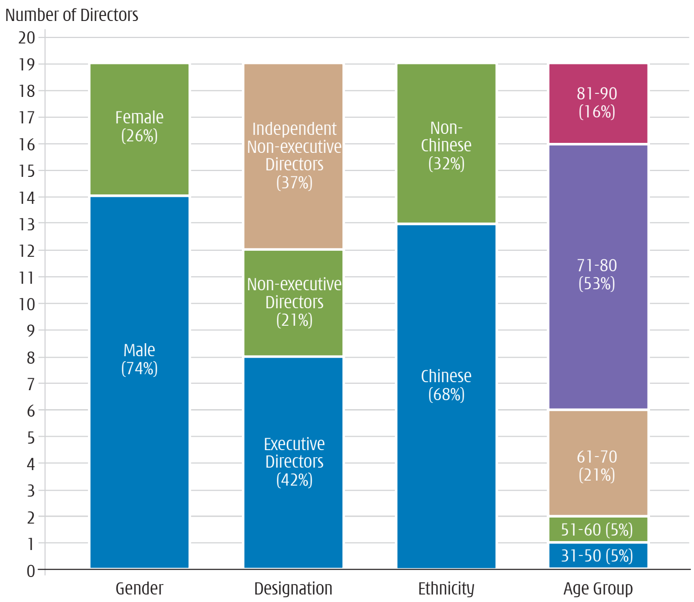
N6: qualified solicitor

N7: qualified solicitor in both Hong Kong and the United Kingdom; Chartered Secretary and Chartered Governance Professional

N8: Fellow of the HKICPA; Associate of CA ANZ

N9: Fellow of the Association of Chartered Certified Accountants and the HKICPA; Associate of the Institute of Chartered Accountants in England and Wales; member of the Chartered Professional Accountants of British Columbia in Canada

The charts below show the diverse skills set of 19 Directors and the diversity profile of the Board:



Following several Board changes in 2024, including the retirement of a female Director and the appointment of three new Directors, one of whom is a female Director, the female representation on the Board decreased from 31.5% to 26.3% (five out of 19 Directors), which remains at a relatively high level amongst companies listed on The Stock Exchange of Hong Kong Limited. Upon the retirement of Mr George Colin Magnus from the Board with effect from 21 March 2025, the female representation on the Board will increase to 27.7% (five out of 18 Directors). The Company cements its commitment to gender diversity within its business so it continues to review and assess the appropriate level of gender diversity and composition that aligns with the strategy of the Company. The Company targets to have about 30% female directors on its Board. This target will be reviewed on an annual basis and from time to time by the Nomination Committee, as warranted. The Company will continue to seek to ensure it has an appropriate mix of diversity and has a number of initiatives in place to meet its strategic imperative of ensuring it has a diverse Board. Structured recruitment, selection and training programmes at various levels within the Group will also continue to be conducted to develop a broader pool of skilled and experienced potential Board members.

The Board also places tremendous emphasis on diversity (including gender diversity) across all levels of the Group. The female ratio on senior management of the Company is 25% (two out of eight), comprising the chairmen, president, managing directors and chief executive officers of the core businesses and the executives in charge of major head office functions of the Company. A Workforce Diversity Policy was introduced in March 2025 to promote a diversified and inclusive workplace where all employees feel valued, regardless of background (see page 107 of this report). The total gender diversity of the Group is balanced, with a slightly higher female employee base driven by the Retail division. To support diversity across all facets, beyond gender, including race and ethnicity, disability, social mobility and age, the Group is enhancing diversity and inclusion efforts through employee networks, mentoring programmes, hiring practices, policies and awareness raising events and training for all employees to support inclusive behaviours. Further details on the gender ratio of the Group and initiatives taken to improve gender diversity across senior management and the wider workforce, together with relevant data, can be found in the 2024 Sustainability Report of the Group, which will be published together with this annual report.

If the Board determines that an additional or replacement Director is required, the Nomination Committee will deploy multiple channels for identifying suitable director candidates, including referral from Directors, shareholders, management, advisers of the Company and external executive search firms. Where a retiring Director, being eligible, offers himself/herself for re-election, the Nomination Committee will consider and, if appropriate, recommend such retiring Director to stand for re-election. A circular containing the requisite information on retiring Directors will be sent to shareholders prior to the general meeting at which such Directors are to be proposed for re-election, in accordance with the Listing Rules.

Shareholders of the Company may also nominate a person to stand for election as a Director at a general meeting in accordance with the Articles of Association of the Company and applicable laws and regulations. The procedures for such proposal are posted on the website of the Company.

The Nomination Committee held three meetings in 2024 with 100% attendance.

Members	Attended/Eligible to Attend
Paul Joseph Tighe [(1)] *(Chairman)*	1/1
Wong Yick-ming, Rosanna [(2)]	2/2
Victor T K Li	3/3
Leung Lau Yau Fun, Sophie	3/3

Notes:

(1) Appointed as Chairman on 23 May 2024.

(2) Ceased to be Chairman upon her retirement from the Board with effect from 23 May 2024.

In 2024, the Nomination Committee reviewed the structure, size and composition of the Board, ensuring that it has a sound diversity and a balanced composition of skills and experience appropriate for the requirements of the businesses of the Group and that appropriate individuals with relevant expertise and leadership qualities are appointed to the Board to complement the capabilities of existing Directors. Throughout the year, adjustments were made to the Board (as detailed below), all subject to a stringent assessment process in accordance with the Director Nomination Policy and Board Diversity Policy. This ensured that the Board possesses the necessary skills, experience and knowledge in alignment with the strategy of the Company. In April 2024, Mr Andrew John Hunter was appointed as Executive Director upon recommendation of the Nomination Committee and approved by the Board. In addition, in view of the retirement of Mr Fok Kin Ning, Canning from his position as Group Co-Managing Director, the Nomination Committee also recommended various changes to the positions of Executive Directors, including the re-designation of Mr Victor T K Li as Chairman and Executive Director, the appointment of Mr Fok Kin Ning, Canning as Deputy Chairman and the appointment of Mr Frank John Sixt and Mr Lai Kai Ming, Dominic as Group Co-Managing Directors. In December 2024, Mr Graeme Allan Jack was appointed as an additional Independent Non-executive Director upon recommendation by the Nomination Committee to enhance the financial expertise of the Board.

The Nomination Committee also assessed the independence of all Independent Non-executive Directors and considered all of them to be independent having regard to their annual independence confirmation and the assessment of their independence with reference to the independence criteria set out in Rule 3.13 of the Listing Rules. In particular, the Nomination Committee considered that all Independent Non-executive Directors continue to provide a balanced and independent view to the Board and play a leading role in the Board committees and bring independent and external dimension as well as constructive and informed comments on issues of the Group's strategy, policy, performance, accountability, resources, key appointments and standards of conduct. None of the Independent Non-executive Directors have any involvement in the daily management of the Company, or any financial or other interests or relationships in the business of the Company. In addition, there are no circumstances which would materially interfere with their exercise of independent judgement.

At its meeting in February 2025, the Nomination Committee, alongside its review of the structure, size, composition (including skills, knowledge, experience and diversity profile) of the Board, reviewed and assessed the time commitment and contribution to the Board by each Director. The assessment considered each Director's ability to discharge their responsibilities, referencing factors such as participation in Board and Board Committee meetings, existing listed company directorships, other significant external time commitments, CPD training undertaken and the results of the performance evaluation for the Board and its committees. The Nomination Committee recognised the invaluable advice provided by senior Board members, drawing from their decades of experiences and deep understanding of commercial trends, especially during the turbulent times in Hong Kong. The Nomination Committee is satisfied that each Director can discharge their responsibilities effectively.

At the same meeting, the Nomination Committee reviewed the results of the Board performance evaluation, confirming that the overall performance aligns with the business and strategic goals of the Group. The Nomination Committee affirmed the independence of the Independent Non-executive Directors, deliberated and selected Directors for retirement and re-election at the 2025 annual general meeting and recommended to the Board for consideration. The Board Diversity Policy and Director Nomination Policy were also reviewed and their implementation and effectiveness during 2024 were endorsed by the Nomination Committee. The Nomination Committee concluded that both policies remain robust and effective for the Group, taking into account the processes leading to the re-election of Directors at the 2024 AGM of the Company and the appointment of three new Directors in 2024.

The terms of reference of the Nomination Committee was updated in February 2024 and April 2025 respectively to reflect the amendments to the CG Code.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

Remuneration Committee

The Remuneration Committee comprises three members with expertise in human resources and personnel emoluments. The Remuneration Committee is chaired by Mr Wong Kwai Lam, an Independent Non-executive Director, with the Chairman Mr Victor T K Li and Independent Non-executive Director Ms Chow Ching Yee, Cynthia (appointed on 23 May 2024) as members. Dr Wong Yick-ming, Rosanna ceased to be the Chairman of the Remuneration Committee upon her retirement from the Board with effect from 23 May 2024. The composition of the Remuneration Committee meets the requirements of chairmanship and independence under the Listing Rules. Although the majority of the members are Independent Non-executive Directors, the Remuneration Committee has an Executive Director among its membership. This is to provide perspective and insight from executive management on the capabilities, effectiveness and performance of Directors and senior management. The Remuneration Committee meets towards the end of each year. But remuneration matters are also considered and approved by way of written resolutions and where warranted, at additional meetings.

The Remuneration Committee held one meeting in 2024 with 100% attendance.

Members	**Attended/Eligible to Attend**
Wong Kwai Lam (1) *(Chairman)*	1/1
Wong Yick-ming, Rosanna (2)	N/A
Victor T K Li	1/1
Chow Ching Yee, Cynthia (3)	1/1

Notes:

(1) Appointed as Chairman on 23 May 2024.

(2) Ceased to be Chairman upon her retirement from the Board with effect from 23 May 2024.

(3) Appointed as member on 23 May 2024.

The responsibilities of the Remuneration Committee are to assist the Board in achieving its objectives of attracting, retaining and motivating a broader and more diverse pool of employees of the highest calibre and experience needed to shape and execute the strategy across the Group's substantial, diverse and international business operations. It assists the Group in the administration of a fair and transparent procedure for setting remuneration policies for all Directors and senior executives of the Group. Whilst the Board retains its power to determine the remuneration of Non-executive Directors, the responsibility for reviewing and determining the remuneration package of individual Executive Directors and senior management of the Group is delegated to the Remuneration Committee. It is authorised by the Board to obtain independent professional advice where necessary on matters within its terms of reference.

During the year, the Remuneration Committee reviewed background information on market data (including economic indicators, statistics and the Remuneration Bulletin), the Group's business activities and human resources issues, and headcount and staff costs. It also reviewed and approved the proposed 2025 directors' fees for Executive Directors and made recommendation to the Board on the proposed 2025 directors' fees for Non-executive Directors. Prior to the end of the year, the Remuneration Committee reviewed and approved the 2024 year-end bonus and 2025 remuneration packages of Executive Directors, subsidiaries' managing directors and senior executives of the Group. No Director or any of his/her associates was involved in deciding his/her own remuneration. In February 2024, the Remuneration Committee also reviewed and recommended to the Board updates to its terms of reference to reflect the amendments to the Listing Rules which took effect on 31 December 2023. Considering the various changes in positions of Executive Directors effective from April 2024, the Remuneration Committee in March 2024 reviewed and approved the remuneration packages of Mr Fok Kin Ning, Canning, Mr Frank John Sixt and Mr Lai Kai Ming, Dominic.

Remuneration Policy

The remuneration of Directors and senior executives is determined with reference to their expertise and experience in the industry, the performance and profitability of the Group as well as remuneration benchmarks from other local and international companies and prevailing market conditions. Executive Directors and employees also participate in bonus arrangements which are determined in accordance with the performance of the Group and the individual's performance.

2024 Remuneration

Directors' emoluments comprise payments to Directors by the Company and its subsidiaries in connection with the management of the affairs of the Company and its subsidiaries. The emoluments exclude amounts received from the Company's listed subsidiaries and paid to the Company. Details of emoluments paid to each Director in 2024 are set out below:

Name of Directors	Director's fees HK$ million	Basic salaries, allowances and benefits-in-kind HK$ million	Discretionary bonuses HK$ million	Provident fund contributions HK$ million	Inducement or compensation fees HK$ million	Total emoluments HK$ million
Victor T K LI [1][2]						
Paid by the Company	0.31	5.31	46.04	–	–	51.66
Paid by CK Infrastructure Holdings Limited ("CKI")	0.13	–	30.02	–	–	30.15
	0.44	5.31	76.06	–	–	81.81
FOK Kin Ning, Canning [3]	0.22	8.41	71.57	0.72	–	80.92
Frank John SIXT [3][4]	0.28	12.07	74.21	–	–	86.56
LAI Kai Ming, Dominic [3]	0.22	7.53	71.52	0.62	–	79.89
IP Tak Chuen, Edmond						
Paid by the Company	0.22	0.45	1.79	–	–	2.46
Paid by CKI	0.10	1.80	2.35	–	–	4.25
	0.32	2.25	4.14	–	–	6.71
KAM Hing Lam						
Paid by the Company	0.22	2.59	8.56	–	–	11.37
Paid by CKI	0.08	4.20	10.57	–	–	14.85
	0.30	6.79	19.13	–	–	26.22
Edith SHIH [3][4]	0.28	4.99	17.84	0.37	–	23.48
Andrew John HUNTER [5]						
Paid by the Company	0.16	–	1.06	–	–	1.22
Paid by CKI	0.08	14.37	17.67	1.44	–	33.56
	0.24	14.37	18.73	1.44	–	34.78
CHOW Kun Chee, Roland [6]	0.22	–	–	–	–	0.22
CHOW WOO Mo Fong, Susan [6]	0.22	–	–	–	–	0.22
LEE Yeh Kwong, Charles [6]	0.22	–	–	–	–	0.22
George Colin MAGNUS [6]						
Paid by the Company	0.22	–	–	–	–	0.22
Paid by CKI	0.08	–	–	–	–	0.08
	0.30	–	–	–	–	0.30
CHOW Ching Yee, Cynthia [2][7][8]	0.39	–	–	–	–	0.39
Graeme Allan JACK [7][8][9]	0.02	–	–	–	–	0.02
Philip Lawrence KADOORIE [7]	0.22	–	–	–	–	0.22
LEUNG LAU Yau Fun, Sophie [1][7]	0.25	–	–	–	–	0.25
Paul Joseph TIGHE [1][7][8]						
Paid by the Company	0.37	–	–	–	–	0.37
Paid by CKI	0.20	–	–	–	–	0.20
	0.57	–	–	–	–	0.57
TSIM Sin Ling, Ruth [4][7][8][10]	0.39	–	–	–	–	0.39
WONG Kwai Lam [2][7][8]	0.41	–	–	–	–	0.41
WONG Yick-ming, Rosanna [11]	0.15	–	–	–	–	0.15
Total:	5.66	61.72	353.20	3.15	–	423.73

Notes:

(1) Member of the Nomination Committee.

(2) Member of the Remuneration Committee.

(3) Directors' fees to these Directors from the Company's listed subsidiaries during the period they served as directors have been paid to the Company and are not included in the amounts above.

(4) Member of the Sustainability Committee.

(5) Appointed on 1 April 2024.

(6) Non-executive Director.

(7) Independent Non-executive Director. The total emoluments of the Independent Non-executive Directors of the Company are HK$2.40 million (2023: HK$2.15 million).

(8) Member of the Audit Committee.

(9) Appointed on 13 December 2024.

(10) Appointed on 2 January 2024.

(11) Former Independent Non-executive Director and member of each of the Nomination Committee, Remuneration Committee and Sustainability Committee. Retired with effect from 23 May 2024.

The remuneration paid to the members of senior management by bands during the year is set out below:

Remuneration Bands*	Number of Individuals
HK$11 million to HK$20 million	1
HK$21 million to HK$25 million	3
HK$26 million to HK$30 million	2
HK$31 million to HK$50 million	1
HK$51 million to HK$80 million	1

* Rounding to the nearest million.

RELATIONSHIP WITH SHAREHOLDERS AND OTHER STAKEHOLDERS

In order to stay attuned to changing expectations of stakeholders, the Group gives high priority to, and actively promotes, investor relations and constructive dialogues with the investment community throughout the year. Multiple channels of communication and engagement are available.

Through its Executive Directors, the GCAD, Group Investor Relations Department and the GCSD, the Group engages with and responds to requests for information and queries from the investment community including shareholders, analysts and the media through regular briefing meetings, webcasts, conference calls and presentations. In 2024, over 250 meetings were conducted with institutional investors and analysts by means of video calls, conference calls, group and one-on-one meetings and roadshows, with an increasing emphasis on sustainability strategy and priorities.

The Board also provides clear and full information on the Group to shareholders through the publication of notices, announcements, circulars, interim and annual reports. The Memorandum and Articles of Association of the Company is published on the websites of the Company and HKEX. Moreover, a wide range of information on the Group is available to shareholders and stakeholders through the Investor Relations page on the Company's website, including details of the arrangements on dissemination of corporate communications of the Company and for requesting printed copies of corporate communications. A dedicated Corporate Governance section is also available on the Company's website. This report and the corporate governance policies and practices are available and updated on a regular basis. There is also an expanded Sustainability section on the website containing further information on sustainability as well as the sustainability policies.

Annual general meetings and other general meetings of the Company provide one of the primary forums for communication with shareholders and for shareholders' participation. Such meetings provide shareholders with the opportunity to share their views and to meet the Board and certain members of senior management. Question and answer sessions at general meetings foster constructive dialogues between shareholders of the Company, Board members and Management.

Shareholders are encouraged to participate at general meetings of the Company physically, through electronic means, or by proxy if they are unable to attend in person. Pursuant to the Articles of Association of the Company, any two or more shareholders (or one shareholder which is a recognised clearing house, or its nominee(s)) holding not less than one-tenth of the paid up share capital of the Company, carrying the right of voting at general meetings of the Company, have rights to call for general meetings and to put forward agenda items for consideration by shareholders, by depositing at the principal office of the Company in Hong Kong a written requisition for such general meetings, signed by the shareholders concerned together with the objects of the meeting. The Board would within 21 days from the date of deposit of requisition convene the meeting to be held within a further 21 days.

All substantive resolutions at general meetings are decided on a poll which is conducted by the Company Secretary and scrutinised by the Company's Hong Kong Share Registrar. The results of the poll are published on the websites of the Company and HKEX. In addition, regular updated financial, business and other information on the Group are made available to the shareholders and stakeholders on the Company's website.

The Company held two shareholders' meetings in 2024, being the 2024 AGM held on 23 May 2024 and the EGM held on 17 October 2024 at Harbour Grand Kowloon as hybrid meetings at which shareholders could join physically or by electronic facilities and could also vote through the online platform. The 2024 AGM and the EGM were attended by all Directors and PwC. The respective chairpersons of the Board, Audit Committee, Nomination Committee, Remuneration Committee and Sustainability Committee all attended the 2024 AGM and the EGM. Directors are requested and encouraged to attend shareholders' meetings.

Separate resolutions were proposed at the 2024 AGM and the EGM on each substantive issue and the percentage of votes cast in favour of such resolutions as disclosed in the announcements of the Company dated 23 May 2024 and 17 October 2024 are set out below:

Ordinary resolutions proposed at the 2024 AGM		Percentage of Votes
1	Adoption of the audited Financial Statements, the Directors' Report and the Independent Auditor's Report for the year ended 31 December 2023	99.9701%
2	Declaration of a final dividend	99.9997%
3(a)	Re-election of Mr Li Tzar Kuoi, Victor as Director	82.9654%
3(b)	Re-election of Mr Lai Kai Ming, Dominic as Director	94.6415%
3(c)	Re-election of Mr Ip Tak Chuen, Edmond as Director	73.6616%
3(d)	Re-election of Mr Andrew John Hunter as Director	75.0851%
3(e)	Re-election of Ms Chow Ching Yee, Cynthia as Director	99.1539%
3(f)	Re-election of Mrs Chow Woo Mo Fong, Susan as Director	73.7671%
3(g)	Re-election of Mr George Colin Magnus as Director	71.0935%
3(h)	Re-election of Ms Tsim Sin Ling, Ruth as Director	66.2928%
4	Re-appointment of PricewaterhouseCoopers as Independent Auditor and authorisation of Directors to fix the Auditor's remuneration	99.3972%
5(1)	Granting of a general mandate to Directors to issue additional shares of the Company	95.7094%
5(2)	Granting of a general mandate to Directors to repurchase shares of the Company	99.8038%

Ordinary resolution proposed at the EGM	Percentage of Votes
Approval of (a) the transactions and steps contemplated under the contribution agreement dated 14 June 2023 entered into between the Company, Brilliant Design (BVI) Limited (formerly known as Brilliant Design Limited), CK Hutchison Group Telecom Holdings Limited, Vodafone International Operations Limited, Vodafone Group Plc and Vodafone UK Trading Holdings Limited; (b) the grant of the V Call Option by Brilliant Design (BVI) Limited to Vodafone International Operations Limited (including but not limited to the transaction contemplated pursuant to the exercise of the V Call Option); (c) subject to the respective exercise price for the H 1st Secondary Call Option and the H 2nd Secondary Call Option being not more than £9.257 billion and £18.15 billion, respectively, the exercise of the respective H 1st Secondary Call Option and/or the H 2nd Secondary Call Option (as the case may be); and (d) the exercise of the H Put Option; and all actions taken or to be taken by the Company and/or its subsidiaries pursuant to or incidental to such transactions	99.9815%

Accordingly, all resolutions put to shareholders at the 2024 AGM and the EGM were passed. The results of the voting by poll were published on the websites of the Company and HKEX.

Other corporate information relating to the Company is set out in the "Information for Shareholders" section of this annual report. This includes, among others, dates for key corporate events for 2025 and public float capitalisation as at 31 December 2024.

The Group values feedback from shareholders and other stakeholders on its efforts to promote transparency and foster investor relationship. Comments and suggestions to the Board or the Company are welcome and can be addressed to the Company Secretary by mail to 48th Floor, Cheung Kong Center, 2 Queen's Road Central, Hong Kong or by email at cosec@ckh.com.hk. Institutional investors and analysts can contact the Group Investor Relations of the Company by mail to 47th Floor, Cheung Kong Center, 2 Queen's Road Central, Hong Kong or by email at ir@ckh.com.hk. The Company also sets up a dedicated email address (sustainability@ckh.com.hk) for stakeholders to provide feedback and suggestions on the sustainability reports and sustainability issues. The Board receives updates from the Company Secretary, the Head of Group Investor Relations and the Group's sustainability lead from time to time on key issues raised by shareholders and investors. In developing and formulating Group strategy, the Board considers such key issues raised and takes shareholders and stakeholders feedback into account (see also page 120 of this report on the Group's efforts to engage with a broad range of stakeholders on sustainability topics).

Shareholders Communication Policy

The Audit Committee is responsible for regular review of the effectiveness and compliance with prevailing regulatory and other requirements of the Shareholders Communication Policy. In February 2024, the policy was updated with respect to the arrangements for electronic dissemination of corporate communications of the Company to shareholders. In January 2025, the Audit Committee reviewed the policy and considered that the implementation of the policy was effective during 2024 (see page 99 of this report).

Dividend Policy

The Board adopted a Dividend Policy for the Company and is committed to maintaining an optimal capital structure and investment grade credit ratings. The policy is pursued to deliver returns to shareholders whilst ensuring that adequate capital resources are available for business growth and investment opportunities. Subject to business conditions, market opportunities and maintenance of the Company's strong investment grade credit ratings, the Board aims to deliver a sustainable dividend that is in line with earnings improvement and long-term growth of the Company. It is confirmed that all dividend decisions made by the Board were made in accordance with the Dividend Policy of the Company.

SUSTAINABILITY

Sustainability Governance

The Group's sustainability governance structure provides a solid foundation for developing and delivering its commitment to sustainability, which is embedded at all levels of the Group, including the Board, the Sustainability Committee, the Audit Committee, the Sustainability Working Group, the European Working Group, the Governance Working Group and the Cyber Security Working Group as well as the sustainability functions embedded across all core businesses.

The Board level Sustainability Committee is chaired by Mr Frank John Sixt, GCMD/GFD, with Executive Director and Company Secretary Ms Edith Shih and Independent Non-executive Director Ms Tsim Sin Ling, Ruth (appointed on 23 May 2024) as members. Dr Wong Yick-ming, Rosanna ceased to be a member of the Sustainability Committee upon her retirement from the Board with effect from 23 May 2024.

The responsibilities of the Sustainability Committee are to propose and recommend to the Board on the Group's sustainability objectives, strategies, priorities, initiatives and goals. It oversees, reviews and evaluates actions taken by the Group in furtherance of sustainability priorities and goals, including coordinating with business divisions of the Group and ensuring that operations and practices adhere to the relevant priorities and goals. The Sustainability Committee also reviews and reports to the Board on sustainability risks and opportunities, monitors and assesses emerging sustainability issues and trends that could impact the business operations and performance of the Group. Moreover, it considers the impact of the Company's sustainability programmes on its stakeholders, including employees, shareholders, investors, customers, business partners, suppliers, governments and regulators, local communities, non-government organisations, and the environment, and appraises and advises the Board on the Company's public communication, disclosure and publications as regards to its sustainability performance. It is authorised by the Board to obtain independent professional advice where necessary on matters within its terms of reference.

The Sustainability Committee held two meetings in 2024 with 100% attendance.

Members	Attended/Eligible to Attend
Frank John Sixt *(Chairman)*	2/2
Edith Shih	2/2
Tsim Sin Ling, Ruth [(1)]	1/1
Wong Yick-ming, Rosanna [(2)]	1/1

Notes:

(1) Appointed as member on 23 May 2024.

(2) Ceased to be member upon her retirement from the Board with effect from 23 May 2024.

During 2024, the Sustainability Committee reviewed and approved the 2023 Sustainability Report published in April 2024. The Sustainability Committee also received updates from the Group's sustainability lead on the European sustainability progress, as well as presentations on (i) the forthcoming 2024 Sustainability Report; (ii) HKEX new ESG disclosure requirements; (iii) debriefing on ESG/sustainability ratings given by various ESG rating agencies and related matters; and (iv) debriefing on stakeholders expectations and concerns.

At its meeting in March 2025, the Sustainability Committee reviewed and recommended to the Board for approval the 2024 Sustainability Report, which will be published together with this annual report. It adopted a new Workforce Diversity Policy and recommended to the Board for approval. The Sustainability Committee also received an update from the European Sustainability Working Group and a debriefing on the ratings obtained by the Group on various sustainability surveys in the previous year.

The adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's sustainability performance and reporting function was examined and considered satisfactory by the Sustainability Committee in March 2024 for the 2023 annual review, in July 2024 for the 2024 interim review and in March 2025 for the 2024 annual review.

Supporting the Sustainability Committee is the Sustainability Working Group, comprising two Executive Directors as Co-Chairs, as well as other senior executives from key departments that impact the material sustainability issues of the Group.

Sustainability is embedded in the risk management approach of the Group, through the biannual formal examination of all business divisions as to its respective material sustainability risks and presentations to senior management with plans on how these risks are managed as part of the biannual review of risk management and internal control systems. As an integral part of the sustainability governance, these self-assessment results are subject to internal audits and then submitted to the GCMD/GFD biannually as well as the Audit Committee and Sustainability Committee respectively for review and approval.

Sustainability Framework

The Group's overall sustainability approach and priorities are built on four pillars: Environmental, Social, Governance and Sustainable Business Model & Innovation, with the latter pillar underscoring the importance of sustainability integration into the business strategies of the Group and the commercial opportunities that sustainability presents. The Group-level framework includes eight goals which extend to all core businesses which complement, rather than replace, the business division level strategies which should always serve to address individual material sustainability issues based on the sectors and geographical locations in which they operate.

Each pillar is supported by Group-wide policies, leadership at Group level and collective efforts of each core business division. On an ongoing basis, the Group continues to assess, update and refine its sustainability policies with a view of ensuring that its systems, processes, standards and practices are enabling the achievement of the sustainability objectives of the Group which also evolve to reflect emerging sustainability trends. These policies can be found in the "Sustainability Policies" section of the Company's website (https://www.ckh.com.hk/en/esg/esg_policies.php). These policies and the governance policies mentioned earlier in this report form the foundation of the sustainability governance framework of the Group.

Progress

Beyond the following sustainability summary of progress, the standalone Sustainability Report of the Group, which will be published together with this annual report, will provide more details of the Group's initiatives, efforts and achievement in sustainability.

During 2024, the Group dedicated significant efforts to implement its decarbonisation strategy focusing on achieving its science-based targets, net-zero pathways and scope 3 footprints, as more granular details can be found in the Sustainability Report.

With the Group's core businesses having set emissions reduction targets, underpinned by expansive action plans, the Group has decided to set its own Group-wide commitment of reducing scope 1 and 2 emissions by 50% by 2035 versus a 2020 baseline, as well as committing to the long-term pursuit of net-zero carbon emissions across its value chain by 2050. This target is based on the significant efforts by each of its core businesses in recent years to develop ambitious targets that are supported by expansive plans.

As part of the ongoing efforts to align the Group's climate action strategy development and reporting to leading practice frameworks, the Company has leveraged the Task Force on Climate-related Financial Disclosures (TCFD) recommendations to provide more detailed insight to the Group's climate-related governance, strategy, risk management, and metrics and targets. While CK Hutchison Group Telecom also published its first TCFD report in 2023, both CKI and **3** UK also completed their own climate scenario analysis assessments and worked diligently to align with the TCFD recommendation. This process enabled respective division to identify the climate-related risks and opportunities, aiding in the evaluation of potential financial implications for its operations.

Sustainability is prioritised by the Group not only because of the risks it poses but also as it acts as a growth opportunity for the Group. Throughout 2024, the Group's core businesses continued to invest in innovation and technology to create competitive advantage and future-ready its business:

– The Ports division implemented a number of decarbonising initiatives, such as the application of mandatory "Equipment Electrification Directive" and on-site renewable energy generation, ensuring the Greenhouse Gas (GHG) emission reduction roadmap and net zero targets shall be reached according to the proposed timeline.

– The Retail division continues to expand its low carbon vehicle fleet across the division, significant achievement can be found with Watsons China, where electric vehicles account for over 80% of all warehouse-to-store deliveries in the cities of Beijing, Shanghai, Guangzhou, Shenzhen, Tianjin, Chongqing and Xiamen. Furthermore, the division has been purchasing renewable energy through Energy Attributes Certificates in selected markets, acquired over 580 GWh of renewable energy through Energy Attributes Certificates across Mainland China, Hong Kong, Philippines, Malaysia, Thailand, Türkiye, Indonesia, bringing positive contribution to the Group's emission reduction targets.

– The Infrastructure division acquired a number of renewable energy assets in 2024, such as UK Renewables Energy, a portfolio of operating onshore wind farms in the United Kingdom, and Powerlink Renewable Assets, a renewable energy portfolio in the United Kingdom.

– The Telecommunication division has leveraged on technology solution and the purchase of renewable energy to achieve encouraging outcome, as CK Hutchison Group Telecom increased its supply of purchased renewable electricity and continued to invest in energy efficiency for its operations. All operations continue to invest in energy efficiency measures with the implementation of network optimisation equipment features, virtualisation of core network and network services, and optimisation of data centres, including through the use of Artificial Intelligence.

Stakeholders Engagement

Throughout 2024, the Group continued its ongoing efforts to engage with a variety of stakeholders. As the Group has a diverse range of businesses and operates in about 50 countries/markets, maintaining a close dialogue with key stakeholders in each industry and geographical jurisdiction is critical when making business decisions and considering the associated potential sustainability impact. Recognising that sustainability performance is becoming an important investment decision factor for investors, the Company is dedicating significant efforts to investor outreach on sustainability topics as well as engaging with the ESG ratings agencies, which are highlighted as the most important to the Group's top investors. In recognition of this effort, the Group continues to engage with various ESG rating agencies, such as MSCI, and the Company's rating maintained as "Medium" ESG risk level by Sustainalytics. The Group has also participated for the first time in the CDP (formerly Carbon Disclosure Project) survey and received a B in its climate section (see "Relationship with Shareholders and Other Stakeholders" on pages 115 to 117 of this report).

The Group aspires to be an employer of choice through competitive remuneration packages, continuous professional training, and a safe and inclusive working environment. As part of the talent pipeline development, monthly in-house and external training courses and programmes covering a wide range of topics including technical skills development training, soft skills training and wellness programmes are provided to employees at all levels. Further, Group companies work with educational and professional institutions to inspire, train and mentor the younger generation for future careers with the Group. The Group is committed to providing a work environment that is free from all forms of discrimination on the basis of race, ethnicity, gender, creed, religion, age, disability, sexual preference or position.

The Group is also committed to the overall well-being of its employees, ensuring that the overall health and safety and performance are closely monitored across divisions, and policies that align with international standards, such as ISO 45001, are developed to guide the operations of the Group. Besides its annual internal evaluation, the Group also seeks external party to perform safety audit to safeguard the safety of the employees. Diversity and inclusion are topics that the Group is committed into, and the excellence of the Group in this area is well recognised. For example, **3** Austria, **3** Hong Kong, **3** Sweden and Wind Tre received national or regional recognition as being among the best employers locally. **3** Ireland was awarded Investors in Diversity Gold standard in 2024, while UK Power Networks also received the "Diversity and Inclusion Strategy of the Year" from Women in Green Business Awards in London. The AS Watson Group also announced as the first health and beauty retailer signatory of the Women's Empowerment Principle from the United Nations Entity for Gender Equality and Empowerment.

Compliance with Laws and Regulations

Many of the Group's businesses operate in highly regulated environments. Regulatory frameworks are closely analysed and monitored and internal policies are prepared and updated accordingly. Tailor-made workshops are conducted to strengthen awareness and understanding of the Group's internal controls and compliance procedures. In addition, refresher courses on ethical business practices are provided on a regular basis. Where appropriate, best practices are shared amongst Group companies to increase cross-fertilisation of ideas and know-how. Further, GMSD is responsible for the assessment of the Group's sustainability practices and relevant regulatory compliance.

The Company is not aware of any incidents of non-compliance with laws and regulations that may have a significant impact on the Group concerning employment, occupational health and safety or labour standards, product responsibility, anti-corruption, air and water discharges, and generation of waste during the year (see also page 105 of this report on the Group's compliance with the relevant laws and regulations which have a significant impact on the Group).

By order of the Board

Edith Shih
Executive Director and Company Secretary

Hong Kong, 20 March 2025

Independent Auditor's Report

To the Shareholders of CK Hutchison Holdings Limited

(incorporated in the Cayman Islands with limited liability)

Opinion

What we have audited

The consolidated financial statements of CK Hutchison Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group"), which are set out on pages 126 to 258, comprise:

- the consolidated and Company statements of financial position as at 31 December 2024;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Company and of the Group as at 31 December 2024, and of its consolidated profit and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters identified in our audit are summarised as follows:

- Goodwill; and
- Investments in associated companies and joint ventures.

Key Audit Matter	*How our audit addressed the Key Audit Matter*
Goodwill *Refer to notes 16 and 45 to the consolidated financial statements* The Group has a significant amount of goodwill arising from various acquisitions. As at 31 December 2024, the carrying amounts of goodwill amounted to approximately HK$267 billion. Goodwill is subject to impairment assessments annually and when there is an indication of impairment. In carrying out the impairment assessments, significant judgements are required to estimate the recoverable amounts, being the higher of the fair value less costs of disposal and value in use. The recoverable amounts are estimated taking into consideration the future cash flows of the respective business units based on the latest approved financial budgets for the next five years and a number of other assumptions, including the growth rates to extrapolate the cash flows beyond the budget period and the discount rates to bring the future cash flows back to their present values. We considered this is a key audit matter as significant judgements are involved in the impairment assessments.	Our procedures to address this key audit matter included: • Understanding management's assessment process of impairment of goodwill; • Assessing the appropriateness of the valuation methodologies used; • Assessing the reasonableness of key assumptions used in management's estimation of recoverable amounts based on our knowledge of the relevant businesses and industries, other appropriate supporting evidence, and with the involvement of our valuations experts; • Testing source data to supporting evidence, such as approved budgets, on a sample basis, and considering the reasonableness of the estimated future cash flows, the growth rates and discount rates applied; and • Performing sensitivity analyses on the key assumptions to evaluate the potential impacts on the recoverable amounts including the growth rates and discount rates as these are the key assumptions to which the measurement of recoverable amounts is the most sensitive. We found the assumptions adopted in relation to the impairment assessments to be supportable and reasonable based on available evidence.

Key Audit Matters (continued)

Key Audit Matter

Investments in associated companies and joint ventures

Refer to notes 17, 18 and 45 to the consolidated financial statements

The Group has significant investments in associated companies and joint ventures, which are accounted for under the equity method. As at 31 December 2024, the carrying amounts of investments in associated companies and joint ventures amounted to approximately HK$140 billion and HK$154 billion respectively.

Investments in associated companies and joint ventures are subject to impairment assessments when there is an indication of impairment. For those associated companies and joint ventures in which such indication exists, the Group performed impairment assessments. In carrying out the impairment assessments, significant judgements are required to estimate the recoverable amounts of the Group's investments in the associated companies and the joint ventures.

We considered this is a key audit matter as significant judgements are involved in the impairment assessments.

How our audit addressed the Key Audit Matter

Our procedures to address this key audit matter included:

- Understanding management's process for identifying the existence of impairment indicators and performing impairment assessments of investments in associated companies and joint ventures when indicators of impairment exist;
- Assessing the appropriateness of the valuation methodologies used in the impairment assessments; and
- Assessing the reasonableness of key assumptions used by management in the estimation of recoverable amounts of those investments in associated companies or joint ventures with impairment indicators, including the projections of cash flows, the growth rates and discount rates applied; and comparing cash flow projections to supporting evidence, such as approved budgets.

We found the assumptions adopted in relation to the impairment assessments to be supportable and reasonable based on available evidence.

Other Information

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Wong Hung Nam.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 20 March 2025

Consolidated Income Statement

for the year ended 31 December 2024

2024# US$ million		Note	2024 HK$ million	2023 HK$ million
36,071	Revenue	4	281,351	275,575
(13,615)	Cost of inventories sold	7	(106,194)	(105,739)
(5,332)	Staff costs		(41,591)	(39,226)
(1,979)	Expensed customer acquisition and retention costs		(15,433)	(15,188)
(5,187)	Depreciation and amortisation	7	(40,460)	(40,083)
(6,781)	Other expenses and losses	7	(52,895)	(48,095)
67	Other income and gains	7	524	2,067
	Share of profits less losses of:			
885	Associated companies		6,903	8,138
1,251	Joint ventures		9,757	7,990
5,380			41,962	45,439
(1,717)	Interest expenses and other finance costs	8	(13,392)	(12,227)
3,663	**Profit before tax**		28,570	33,212
(537)	Current tax	9	(4,189)	(4,119)
(68)	Deferred tax credit (charge)	9	(528)	1,116
3,058	**Profit after tax**		23,853	30,209
(867)	**Profit attributable to non-controlling interests and holders of perpetual capital securities**		(6,765)	(6,709)
2,191	**Profit attributable to ordinary shareholders**		17,088	23,500
US$ 0.57	**Earnings per share for profit attributable to ordinary shareholders**	10	HK$ 4.46	HK$ 6.14

Details of distribution paid to the holders of perpetual capital securities, interim dividend paid and proposed final dividend payable to the ordinary shareholders are set out in note 11.

\# See note 43.

Consolidated Statement of Comprehensive Income

for the year ended 31 December 2024

2024# US$ million		Note	2024 HK$ million	2023 HK$ million
3,058	**Profit after tax**		23,853	30,209
	Other comprehensive income (losses)			
	Items that will not be reclassified to profit or loss			
(68)	Changes in fair value of equity instruments at fair value through other comprehensive income		(528)	718
104	Remeasurement of defined benefit obligations		810	(1,470)
(11)	Share of other comprehensive income (losses) of associated companies		(83)	(560)
(121)	Share of other comprehensive income (losses) of joint ventures		(945)	269
(12)	Tax relating to components of other comprehensive income (losses) that will not be reclassified to profit or loss	32 (b)	(90)	376
(108)			(836)	(667)
	Items that may be reclassified to profit or loss			
16	Changes in fair value of debt instruments at fair value through other comprehensive income		126	120
(1,223)	Exchange gains (losses) on translation of foreign operations		(9,543)	7,771
–	Exchange losses reclassified to profit or loss		–	342
(17)	Losses on cash flow hedges		(132)	(1,059)
190	Gains (losses) on net investment hedges		1,484	(1,641)
–	Reclassification adjustments for hedging gains included in profit or loss		–	(1,735)
(726)	Share of other comprehensive income (losses) of associated companies		(5,670)	1,889
(681)	Share of other comprehensive income (losses) of joint ventures		(5,311)	3,728
1	Tax relating to components of other comprehensive income (losses) that may be reclassified to profit or loss	32 (b)	5	4
(2,440)			(19,041)	9,419
(2,548)	Other comprehensive income (losses), net of tax		(19,877)	8,752
510	**Total comprehensive income**		3,976	38,961
(533)	**Total comprehensive income attributable to non-controlling interests and holders of perpetual capital securities**		(4,155)	(7,476)
(23)	**Total comprehensive income (losses) attributable to ordinary shareholders**		(179)	31,485

See note 43.

Consolidated Statement of Financial Position

at 31 December 2024

2024# US$ million		Note	2024 HK$ million	2023 HK$ million
	Non-current assets			
14,330	Fixed assets	12	111,777	119,826
7,383	Right-of-use assets	13	57,589	61,198
8,188	Telecommunications licences	14	63,869	64,264
10,159	Brand names and other rights	15	79,241	83,396
34,272	Goodwill	16	267,325	271,136
17,931	Associated companies	17	139,855	143,638
19,770	Interests in joint ventures	18	154,208	156,337
2,326	Deferred tax assets	19	18,140	21,074
1,044	Liquid funds and other listed investments	20	8,142	15,786
2,591	Other non-current assets	21	20,203	19,862
117,994			920,349	956,517
	Current assets			
15,552	Cash and cash equivalents	23	121,303	127,323
3,195	Inventories		24,923	24,473
5,893	Trade receivables and other current assets	24	45,967	50,590
24,640			192,193	202,386
	Current liabilities			
3,969	Bank and other debts	25	30,956	58,324
240	Interest bearing loan from a non-controlling shareholder	28	1,874	–
432	Current tax liabilities		3,368	4,166
1,557	Lease liabilities	13	12,142	13,616
10,595	Trade payables and other current liabilities	26	82,645	86,419
16,793			130,985	162,525
7,847	Net current assets		61,208	39,861
125,841	Total assets less current liabilities		981,557	996,378
	Non-current liabilities			
28,902	Bank and other debts	25	225,436	213,598
205	Interest bearing loans from non-controlling shareholders	28	1,597	3,245
6,715	Lease liabilities	13	52,377	54,307
2,304	Deferred tax liabilities	19	17,974	19,572
410	Pension obligations	29	3,197	3,536
3,639	Other non-current liabilities	30	28,384	31,571
42,175			328,965	325,829
83,666	**Net assets**		652,592	670,549

2024[#] US$ million		Note	2024 HK$ million	2023 HK$ million
	Capital and reserves			
491	Share capital	31 (a)	3,830	3,830
31,150	Share premium	31 (a)	242,972	242,972
36,912	Reserves	32	287,913	297,233
68,553	Total ordinary shareholders’ funds		534,715	544,035
–	Perpetual capital securities	31 (b)	–	4,566
15,113	Non-controlling interests		117,877	121,948
83,666	**Total equity**		652,592	670,549

See note 43.

Frank John Sixt
Director

Lai Kai Ming, Dominic
Director

Consolidated Statement of Changes in Equity

for the year ended 31 December 2024

Total equity# US$ million		Attributable to: Ordinary shareholders: Share capital and share premium* HK$ million	Reserves@ HK$ million	Total ordinary shareholders' funds HK$ million	Holders of perpetual capital securities HK$ million	Non-controlling interests HK$ million	Total equity HK$ million
85,968	At 1 January 2024	246,802	297,233	544,035	4,566	121,948	670,549
3,058	Profit for the year	–	17,088	17,088	71	6,694	23,853
	Other comprehensive income (losses)						
(68)	Changes in fair value of equity instruments at fair value through other comprehensive income	–	(528)	(528)	–	–	(528)
16	Changes in fair value of debt instruments at fair value through other comprehensive income	–	126	126	–	–	126
104	Remeasurement of defined benefit obligations	–	646	646	–	164	810
(1,223)	Exchange losses on translation of foreign operations	–	(8,156)	(8,156)	–	(1,387)	(9,543)
(17)	Losses on cash flow hedges	–	(122)	(122)	–	(10)	(132)
190	Gains on net investment hedges	–	1,123	1,123	–	361	1,484
(737)	Share of other comprehensive income (losses) of associated companies	–	(5,320)	(5,320)	–	(433)	(5,753)
(802)	Share of other comprehensive income (losses) of joint ventures	–	(4,969)	(4,969)	–	(1,287)	(6,256)
(11)	Tax relating to components of other comprehensive income (losses)	–	(67)	(67)	–	(18)	(85)
(2,548)	Other comprehensive income (losses), net of tax	–	(17,267)	(17,267)	–	(2,610)	(19,877)
510	Total comprehensive income (losses)	–	(179)	(179)	71	4,084	3,976
	Transactions with owners in their capacity as owners:						
(872)	Dividends paid relating to 2023	–	(6,798)	(6,798)	–	–	(6,798)
(338)	Dividends paid relating to 2024	–	(2,635)	(2,635)	–	–	(2,635)
(1,017)	Dividends paid to non-controlling interests	–	–	–	–	(7,932)	(7,932)
(21)	Distributions paid on perpetual capital securities	–	–	–	(162)	–	(162)
(574)	Redemption of perpetual capital securities	–	–	–	(4,475)	–	(4,475)
80	Equity contribution from non-controlling interests	–	–	–	–	624	624
1	Unclaimed dividends write back	–	9	9	–	–	9
(2)	Relating to purchase of non-controlling interests	–	(37)	(37)	–	16	(21)
(69)	Relating to partial disposal / disposal of subsidiary companies	–	320	320	–	(863)	(543)
(2,812)		–	(9,141)	(9,141)	(4,637)	(8,155)	(21,933)
83,666	**At 31 December 2024**	246,802	287,913	534,715	–	117,877	652,592

Total equity # US$ million		Share capital and share premium * HK$ million	Reserves @ HK$ million	Total ordinary shareholders' funds HK$ million	Holders of perpetual capital securities HK$ million	Non-controlling interests HK$ million	Total equity HK$ million
		Attributable to: Ordinary shareholders					
82,988	At 1 January 2023	246,802	276,711	523,513	4,561	119,235	647,309
3,873	Profit for the year	–	23,500	23,500	172	6,537	30,209
	Other comprehensive income (losses)						
92	Changes in fair value of equity instruments at fair value through other comprehensive income	–	718	718	–	–	718
15	Changes in fair value of debt instruments at fair value through other comprehensive income	–	120	120	–	–	120
(188)	Remeasurement of defined benefit obligations	–	(1,108)	(1,108)	–	(362)	(1,470)
996	Exchange gains on translation of foreign operations	–	7,457	7,457	–	314	7,771
44	Exchange losses reclassified to profit or loss	–	339	339	–	3	342
(136)	Losses on cash flow hedges	–	(1,033)	(1,033)	–	(26)	(1,059)
(210)	Losses on net investment hedges	–	(1,308)	(1,308)	–	(333)	(1,641)
(222)	Reclassification adjustments for hedging gains included in profit or loss	–	(1,735)	(1,735)	–	–	(1,735)
170	Share of other comprehensive income of associated companies	–	1,183	1,183	–	146	1,329
512	Share of other comprehensive income of joint ventures	–	3,065	3,065	–	932	3,997
49	Tax relating to components of other comprehensive income (losses)	–	287	287	–	93	380
1,122	Other comprehensive income, net of tax	–	7,985	7,985	–	767	8,752
4,995	Total comprehensive income	–	31,485	31,485	172	7,304	38,961
13	Impact of hyperinflation	–	82	82	–	21	103
	Transactions with owners in their capacity as owners:						
(1,024)	Dividends paid relating to 2022	–	(7,989)	(7,989)	–	–	(7,989)
(371)	Dividends paid relating to 2023	–	(2,896)	(2,896)	–	–	(2,896)
(608)	Dividends paid to non-controlling interests	–	–	–	–	(4,744)	(4,744)
(21)	Distributions paid on perpetual capital securities	–	–	–	(167)	–	(167)
(19)	Recognition of put option liabilities arising from business combinations	–	(148)	(148)	–	–	(148)
2	Unclaimed dividends write back	–	15	15	–	–	15
1	Relating to purchase of a subsidiary company	–	–	–	–	8	8
4	Relating to purchase of non-controlling interests	–	(34)	(34)	–	70	36
8	Relating to partial disposal of subsidiary companies	–	7	7	–	54	61
(2,015)		–	(10,963)	(10,963)	(167)	(4,591)	(15,721)
85,968	At 31 December 2023	246,802	297,233	544,035	4,566	121,948	670,549

\# See note 43.
* See note 31(a).
@ See note 32.

Consolidated Statement of Cash Flows

for the year ended 31 December 2024

2024# US$ million		Note	2024 HK$ million	2023 HK$ million
	Operating activities			
9,632	Cash generated from operating activities before interest expenses and other finance costs, tax paid and changes in working capital	33 (a)	75,130	75,416
(1,701)	Interest expenses and other finance costs paid (net of capitalisation)		(13,267)	(12,083)
(596)	Tax paid		(4,652)	(3,931)
7,335	**Funds from operations (before principal elements of lease payments)**		57,211	59,402
(382)	Changes in working capital	33 (b)	(2,983)	(7,965)
6,953	**Net cash from operating activities**		54,228	51,437
	Investing activities			
(2,611)	Purchase of fixed assets	12	(20,365)	(21,670)
(9)	Additions to telecommunications licences	14	(72)	(1,956)
(245)	Additions to brand names and other rights	15	(1,913)	(1,675)
(527)	Purchase of subsidiary companies, net of cash acquired	33 (c)	(4,114)	(55)
(6)	Additions to unlisted investments		(44)	(74)
159	Repayments of loans from associated companies and joint ventures		1,242	2,829
(317)	Purchase of and advances to associated companies and joint ventures		(2,470)	(819)
19	Proceeds from disposal of fixed assets		146	168
43	Proceeds from disposal of subsidiary companies, net of cash disposed	33 (d)	333	2,563
–	Proceeds from disposal of financial instruments		–	2,451
23	Proceeds from partial disposal / disposal of associated companies and joint ventures		179	734
34	Proceeds from disposal of other unlisted investments		266	74
(3,437)	Cash flows used in investing activities before additions to / disposal of liquid funds and other listed investments		(26,812)	(17,430)
919	Disposal of liquid funds and other listed investments		7,172	2,088
(34)	Additions to liquid funds and other listed investments		(262)	(73)
(2,552)	**Cash flows used in investing activities**		(19,902)	(15,415)
4,401	**Net cash inflow before financing activities**		34,326	36,022
	Financing activities			
7,000	New borrowings	33 (e)	54,594	58,211
(7,718)	Repayment of borrowings	33 (e)	(60,201)	(75,361)
(1,808)	Principal elements of lease payments	33 (e)	(14,103)	(14,476)
60	Net loans from non-controlling shareholders	33 (e)	466	527
80	Issue of equity securities by subsidiary companies to non-controlling shareholders		624	–
–	Proceeds from partial disposal of subsidiary companies		–	61
(536)	Redemption of perpetual capital securities		(4,180)	–
(1,210)	Dividends paid to ordinary shareholders		(9,433)	(10,885)
(1,019)	Dividends paid to non-controlling interests		(7,951)	(4,694)
(21)	Distributions paid on perpetual capital securities		(162)	(167)
(5,172)	**Cash flows used in financing activities**		(40,346)	(46,784)
(771)	Decrease in cash and cash equivalents		(6,020)	(10,762)
16,323	Cash and cash equivalents at 1 January		127,323	138,085
15,552	**Cash and cash equivalents at 31 December**		121,303	127,323

2024# US$ million		Note	2024 HK$ million	2023 HK$ million
	Analysis of cash, liquid funds and other listed investments			
15,552	Cash and cash equivalents, as above	23	121,303	127,323
1,044	Liquid funds and other listed investments	20	8,142	15,786
16,596	**Total cash, liquid funds and other listed investments**		129,445	143,109
33,077	Total principal amount of bank and other debts and unamortised fair value adjustments arising from acquisitions	25	258,003	273,694
445	Interest bearing loans from non-controlling shareholders	28	3,471	3,245
16,926	**Net debt**		132,029	133,830
(445)	Interest bearing loans from non-controlling shareholders		(3,471)	(3,245)
16,481	**Net debt (excluding interest bearing loans from non-controlling shareholders)**		128,558	130,585

See note 43.

Notes to the Financial Statements

1 General information

CK Hutchison Holdings Limited (the "Company" or "CKHH") is a company incorporated in the Cayman Islands with limited liability. The shares of the Company are listed on The Stock Exchange of Hong Kong Limited ("Stock Exchange"). The consolidated financial statements of the Company and its subsidiaries (collectively, the "Group") as at and for the year ended 31 December 2024 (the "Annual Financial Statements") were authorised for issue by the Company's board of directors on 20 March 2025.

The Chairman's Statement, the Operations Review, the Group Capital Resources and Liquidity, and the Risk Factors, issued outside the Annual Financial Statements as part of the announcement of the Group's results for the year ended 31 December 2024 and the Group's 2024 Annual Report, include discussions of the performance of the Group's businesses for the current year, the principal risk and uncertainties affecting the Group's businesses, the important corporate transactions concluded since the end of the 2023 financial year, and the Group's liquidity and financial profile.

2 Use of judgements, assumptions and estimates

The preparation of financial statements under Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") requires entities to make judgements, estimates and assumptions about the reported amounts and the accompanying disclosures.

In preparing the Annual Financial Statements, the Group has made accounting related estimates based on judgements and assumptions about current and, for some estimates, future economic and market conditions that the Group considers are relevant and reasonable. It is reasonably possible that actual achievements, results, performances or other future events or conditions could differ from those on which the estimates are based. This could result in materially different estimates, judgements and assumptions from those used for the purposes of the Annual Financial Statements. Hence, our accounting estimates, judgements and assumptions could change over time in response to how these events and conditions develop. Note 45 sets out further information on our significant accounting judgements, estimates and assumptions applied in preparing the Annual Financial Statements.

3 Basis of preparation

The Annual Financial Statements have been prepared in accordance with HKFRS and the applicable disclosure requirements of the Hong Kong Companies Ordinance Cap. 622. The Annual Financial Statements are prepared on a going concern basis, as Management is satisfied that the Group has the ability to continue as a going concern. In making this assessment, Management has assessed the potential cash generation of the Group, the liquidity of the Group and existing funding available to the Group. On the basis of these assessments, Management has determined that, at the date on which the Annual Financial Statements were authorised for issue, the use of the going concern basis of accounting to prepare the Annual Financial Statements is appropriate.

The Annual Financial Statements have been prepared on a historical cost basis, except that defined benefit plans plan assets, investment properties, certain financial assets and liabilities (including derivative instruments) are measured at fair values.

There were no new accounting standards or interpretations adopted during the year ended 31 December 2024 that had a significant effect on the Group in 2024. A summary of the amendments to HKFRS adopted by the Group in the current year and the Group's material accounting policies are included in note 46.

4 Revenue

(a) An analysis of revenue of the Company and subsidiary companies is as follows:

	2024 HK$ million	2023 HK$ million
Sale of goods	**162,682**	161,147
Revenue from services	**110,586**	105,838
Interest	**7,969**	8,448
Dividend income	**114**	142
	281,351	275,575

4 Revenue (continued)

(b) Further details are set out below in respect of revenue of the Company and subsidiary companies, including the disaggregation of revenue from contracts with customers within the scope of HKFRS 15:

(i) By segments *

	Revenue from contracts with customers				
	recognised at a point in time HK$ million	recognised over time HK$ million	Subtotal HK$ million	Revenue from other sources HK$ million	2024 Total HK$ million
Ports and Related Services	–	34,133	34,133	154	34,287
Retail	135,918	42	135,960	–	135,960
Infrastructure	3,564	–	3,564	1,894	5,458
Telecommunications **					
CK Hutchison Group Telecom					
3 Group Europe	*13,020*	*68,669*	*81,689*	*12*	*81,701*
Hutchison Telecommunications Hong Kong Holdings	*1,221*	*3,561*	*4,782*	*–*	*4,782*
Corporate and Others	*–*	*699*	*699*	*1,049*	*1,748*
	14,241	72,929	87,170	1,061	88,231
Finance & Investments and Others **	11,227	1,112	12,339	5,076	17,415
	164,950	108,216	273,166	8,185	281,351

	Revenue from contracts with customers				
	recognised at a point in time HK$ million	recognised over time HK$ million	Subtotal HK$ million	Revenue from other sources HK$ million	2023 Total HK$ million
Ports and Related Services	–	30,794	30,794	160	30,954
Retail	133,624	48	133,672	–	133,672
Infrastructure	3,728	–	3,728	2,877	6,605
Telecommunications **					
CK Hutchison Group Telecom					
3 Group Europe	*12,652*	*67,558*	*80,210*	*12*	*80,222*
Hutchison Telecommunications Hong Kong Holdings	*1,364*	*3,532*	*4,896*	*–*	*4,896*
Corporate and Others	*26*	*444*	*470*	*1,095*	*1,565*
	14,042	71,534	85,576	1,107	86,683
Finance & Investments and Others **	12,022	1,096	13,118	4,543	17,661
	163,416	103,472	266,888	8,687	275,575

* See note 5 for operating segment information.

** Hutchison Asia Telecommunications, reported previously in this note under "Telecommunications", is grouped within and reported as a part of "Finance & Investments and Others" with effect from 1 January 2024. Comparative information has been reclassified to conform to this presentation. See note 5(a) under "Telecommunications" for further details.

4 Revenue (continued)

(b) Further details are set out below in respect of revenue of the Company and subsidiary companies, including the disaggregation of revenue from contracts with customers within the scope of HKFRS 15 (continued):

(ii) By geographical locations *

	Revenue from contracts with customers				
	recognised at a point in time HK$ million	recognised over time HK$ million	Subtotal HK$ million	Revenue from other sources HK$ million	2024 Total HK$ million
Hong Kong	24,334	4,171	28,505	258	28,763
Mainland China	16,590	240	16,830	3	16,833
The People's Republic of China	40,924	4,411	45,335	261	45,596
Europe	77,047	82,372	159,419	1,630	161,049
Canada	–	1	1	203	204
Asia, Australia and Others	35,752	20,320	56,072	1,015	57,087
	112,799	102,693	215,492	2,848	218,340
	153,723	107,104	260,827	3,109	263,936
Finance & Investments and Others	11,227	1,112	12,339	5,076	17,415
	164,950	108,216	273,166	8,185	281,351

	Revenue from contracts with customers				
	recognised at a point in time HK$ million	recognised over time HK$ million	Subtotal HK$ million	Revenue from other sources HK$ million	2023 Total HK$ million
Hong Kong	25,402	4,167	29,569	288	29,857
Mainland China	19,817	231	20,048	24	20,072
The People's Republic of China	45,219	4,398	49,617	312	49,929
Europe	72,857	80,145	153,002	1,707	154,709
Canada	–	–	–	229	229
Asia, Australia and Others	33,318	17,833	51,151	1,896	53,047
	106,175	97,978	204,153	3,832	207,985
	151,394	102,376	253,770	4,144	257,914
Finance & Investments and Others	12,022	1,096	13,118	4,543	17,661
	163,416	103,472	266,888	8,687	275,575

* See note 5 for operating segment information.

4 Revenue (continued)

(c) Contract balances related to contracts with customers within the scope of HKFRS 15

Under HKFRS 15, a contract asset or a contract liability is generated when either party to the contract performs, depending on the relationship between the entity's performance and the customer's payment. When an entity satisfies a performance obligation by transferring a promised goods or service, the entity has earned a right to consideration from the customer and, therefore, has a contract asset. When the customer performs first, for example, by prepaying its promised consideration, the entity has a contract liability. Generally, contract assets may represent conditional or unconditional rights to consideration. The right would be conditional, for example, when an entity is required first to satisfy another performance obligation in the contract before it is entitled to payment from the customer. If an entity has an unconditional right to receive consideration from the customer, the contract asset is classified as and accounted for as a receivable and presented separately from other contract assets. A right is unconditional if nothing other than the passage of time is required before payment of that consideration is due.

The following table provides information about trade receivables, contract assets and contract liabilities from contracts with customers within the scope of HKFRS 15.

	2024 HK$ million	2023 HK$ million
Trade receivables, which are included in "Trade receivables and other current assets" (see note 24)	**15,327**	16,297
Contract assets (see notes 21 and 24)	**7,121**	7,580
Contract liabilities (see note 26)	**(5,500)**	(5,948)

Trade receivables are non-interest bearing and are generally on terms of 30 to 60 days. In 2024, HK$717 million (2023: HK$653 million) was recognised in the consolidated income statement as provision for expected credit losses on trade receivables.

Contract assets primarily relate to the Group's rights to consideration for delivered services and devices but not billed at the reporting date. Contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the customer. In 2024, HK$1,018 million (2023: HK$927 million) was recognised in the consolidated income statement as provision for expected credit losses on contract assets.

Contract liabilities primarily relate to the Group's unfulfilled performance obligations for which consideration has been received at the reporting date. On fulfilment of its obligations, the contract liability is recognised in revenue in the period when the performance obligations are fulfilled. HK$4,792 million (2023: HK$4,614 million) was recognised as revenue in 2024 that was included in the contract liability balance at the beginning of the year.

(d) Transaction price allocated to the remaining performance obligations

The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied or partially unsatisfied at the reporting date. The Group applies the practical expedient in paragraph 121 of HKFRS 15 and does not disclose the amount of the transaction price allocated to the remaining performance obligations for contracts with an original expected duration of one year or less. In addition, contracts that include a promise to perform an undefined quantity of tasks at a fixed contractual rate per unit, with no contractual minimums that would make some or all of the consideration variable, are not included in the following analysis as the possible transaction prices and the ultimate consideration for those contracts will depend on the occurrence or non-occurrence of future customer usage. In light of these basis of preparation, the following does not reflect the expectation of the Group's future performance. The analysis is for compliance with HKFRS 15 disclosure requirement in respect of transaction price allocated to the remaining performance obligations.

	2024 HK$ million	2023 HK$ million
Within one year	**12,200**	15,384
More than one year	**7,121**	5,195
	19,321	20,579

5 Operating segment information

(a) Description of segments and basis of presentation of segment information

For management purposes, the Group is organised into four core businesses – ports and related services, retail, infrastructure and telecommunications. The Group's most senior executive management (the Chief Operating Decision Maker as defined in HKFRS 8) monitors the operating results of the core businesses separately for the purpose of making decisions about resource allocation and performance assessment.

Segment information sets out in this note is organised into these four core businesses, as follows:

Ports and Related Services:

This division is the world's leading port network, and has interests in 53 ports comprising 295 operational berths in 24 countries as at 31 December 2024. The division comprises the Group's 80% interest in the Hutchison Ports group of companies and its 30.07% interest in a listed associated company Hutchison Port Holdings Trust ("HPH Trust"). Results of HPH Trust are included in the segment results (under Ports and Related Services) based on the Group's effective shareholdings (net of non-controlling interests) in HPH Trust.

Retail:

The retail division consists of the AS Watson ("ASW") group of companies, the world's largest international health and beauty retailer with a 170 million loyalty member base. ASW operated 12 retail brands with 16,951 stores in 30 markets worldwide as at 31 December 2024.

Infrastructure:

The Infrastructure division comprises the Group's 75.67% interest in CK Infrastructure Holdings Limited ("CKI"), a subsidiary company listed on the Stock Exchange and interests in six co-owned infrastructure investments with CKI, including Northumbrian Water, Park'N Fly, Australian Gas Networks, Dutch Enviro Energy, Wales & West Utilities and UK Rails.

Telecommunications:

The Group's telecommunications division consists of CK Hutchison Group Telecom Holdings ("CK Hutchison Group Telecom") which consolidates the **3** Group businesses in Europe ("**3** Group Europe") and a 66.09% interest in Hutchison Telecommunications Hong Kong Holdings, which is listed on the Stock Exchange.

Hutchison Asia Telecommunications, previously presented under "Telecommunications" in this operating segment note, is grouped within and presented as a part of "Finance & Investments and Others" with effect from 1 January 2024. This is to conform to a change in the composition of internal management reporting to the Group's most senior executive management. Comparative operating segment information in this note has been reclassified to conform to this new presentation.

In addition, "Finance & Investments and Others" is presented in the segment information below to reconcile to the totals included in the Group's consolidated income statement and consolidated statement of financial position. "Finance & Investments and Others" covers the activities of other areas of the Group that are not presented separately and includes a 87.87% interest in the Australian Securities Exchange listed Hutchison Telecommunications (Australia) Limited ("HTAL"), which has a 25.05% attributable interest in a listed associated company TPG Telecom Limited ("TPG"), Hutchison Asia Telecommunications, Hutchison Whampoa (China), Hutchison E-Commerce, the Marionnaud business, listed associated companies HUTCHMED (China) Limited ("HUTCHMED"), TOM Group, CK Life Sciences Int'l., (Holdings) Inc. and Cenovus Energy Inc. ("Cenovus Energy"), corporate head office operations and the returns earned on the Group's holdings of cash and liquid investments.

The Group has adopted HKFRS 16 "Leases" accounting standard (which relates to accounting for leases) for its statutory reporting but its management reporting has remained on the precedent lease accounting standard Hong Kong Accounting Standard 17 "Leases" ("HKAS 17"). The Group believes that the HKAS 17 basis metrics ("Pre-HKFRS 16 basis"), which are not intended to be a substitute for, or superior to, the reported metrics on a HKFRS 16 basis ("Post-HKFRS 16 basis"), better reflect the management's view of the Group's underlying operational performances. Pre-HKFRS 16 basis metrics financial information is regularly reviewed by the Group's most senior executive management.

5 Operating segment information (continued)

(a) Description of segments and basis of presentation of segment information (continued)

Segment information sets out below is presented, except where indicated otherwise, on a Pre-HKFRS 16 basis together with reconciliations to the total under the Post-HKFRS 16 basis. Section (c) of this note includes reconciliation from Pre-HKFRS 16 basis metrics to Post-HKFRS 16 basis metrics for the Group's consolidated income statement, consolidated statement of comprehensive income, and consolidated statement of cash flows for the current and comparative years, and the Group's consolidated statement of financial position as at 31 December 2024 and 31 December 2023.

Saved as disclosed in the notes below, the column headed as Company and Subsidiaries refers to the holding company of the Group and subsidiary companies' respective items and the column headed as Associates and JV refers to the Group's share of associated companies and joint ventures' respective items.

(b) Segment results, assets and liabilities

(i) An analysis of revenue by segments

	Revenue							
	Company and Subsidiaries HK$ million	**Associates and JV HK$ million**	**2024 Total HK$ million**	**%**	Company and Subsidiaries HK$ million	Associates and JV HK$ million	2023 Total HK$ million	%
Ports and Related Services	**34,287**	**10,995**	**45,282**	**9%**	30,954	9,897	40,851	9%
Retail	**135,960**	**54,233**	**190,193**	**40%**	133,672	49,672	183,344	40%
Infrastructure	**5,458**	**49,866**	**55,324**	**12%**	6,605	48,109	54,714	12%
Telecommunications								
CK Hutchison Group Telecom								
3 Group Europe	*81,701*	*9*	*81,710*	*18%*	*80,222*	*9*	*80,231*	*17%*
Hutchison Telecommunications Hong Kong Holdings	*4,782*	*–*	*4,782*	*1%*	*4,896*	*–*	*4,896*	*1%*
Corporate and Others	*1,748*	*131*	*1,879*	*–*	*1,565*	*122*	*1,687*	*–*
	88,231	**140**	**88,371**	**19%**	86,683	131	86,814	18%
Finance & Investments and Others	**17,415**	**80,097**	**97,512**	**20%**	17,661	78,174	95,835	21%
	281,351	**195,331**	**476,682**	**100%**	275,575	185,983	461,558	100%
Portion attributable to:								
Non-controlling interests of HPH Trust	**–**	**1,296**	**1,296**		–	1,158	1,158	
Divesture of infrastructure investments	**–**	**901**	**901**		–	813	813	
	281,351	**197,528**	**478,879**		275,575	187,954	463,529	
HKFRS 16 impact	**–**	**–**	**–**		–	–	–	
	281,351	**197,528**	**478,879**		275,575	187,954	463,529	

5 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

The Group uses two measures of segment results, EBITDA (see note 5(b)(xiv)) and EBIT (see note 5(b)(xv)). Analysis of segment results by EBITDA and EBIT are set out in (ii), (iii), (ix), (x) and (xiii) below.

(ii) An analysis of EBITDA by segments

	EBITDA (LBITDA) (xiv)							
	Company and Subsidiaries HK$ million	Associates and JV HK$ million	2024 Total HK$ million	%	Company and Subsidiaries HK$ million	Associates and JV HK$ million	2023 Total HK$ million	%
Ports and Related Services	12,098	4,074	16,172	16%	10,104	3,524	13,628	13%
Retail	11,274	5,121	16,395	16%	11,335	4,891	16,226	15%
Infrastructure	1,765	27,849	29,614	29%	3,364	25,837	29,201	28%
Telecommunications								
CK Hutchison Group Telecom								
3 Group Europe	*22,689*	*433*	*23,122*	*22%*	*21,059*	*289*	*21,348*	*20%*
Hutchison Telecommunications Hong Kong Holdings	*1,236*	*54*	*1,290*	*1%*	*1,182*	*61*	*1,243*	*1%*
Corporate and Others	*(256)*	*(27)*	*(283)*	*–*	*(240)*	*(10)*	*(250)*	*–*
	23,669	460	24,129	23%	22,001	340	22,341	21%
Finance & Investments and Others (xvi) (xvii)	(176)	16,466	16,290	16%	5,631	17,853	23,484	23%
EBITDA	48,630	53,970	102,600	100%	52,435	52,445	104,880	100%
Portion attributable to:								
Non-controlling interests of HPH Trust	–	909	909		–	780	780	
EBITDA ^	48,630 ^	54,879 ^	103,509 ^		52,435 ^	53,225 ^	105,660 ^	
Depreciation and amortisation	(26,391)	(22,047)	(48,438)		(25,957)	(20,623)	(46,580)	
Interest expenses and other finance costs	(10,678)	(8,977)	(19,655)		(9,720)	(10,427)	(20,147)	
Current tax	(4,199)	(4,594)	(8,793)		(4,123)	(3,582)	(7,705)	
Deferred tax credit (charge)	(528)	(1,665)	(2,193)		1,083	(1,878)	(795)	
Non-controlling interests	(6,829)	(571)	(7,400)		(6,708)	(482)	(7,190)	
	5	17,025	17,030		7,010	16,233	23,243	
HKFRS 16 impact								
EBITDA ^	17,132 ^	5,376 ^	22,508 ^		16,959 ^	5,470 ^	22,429 ^	
Depreciation and amortisation	(14,069)	(4,112)	(18,181)		(14,126)	(4,101)	(18,227)	
Interest expenses and other finance costs	(2,714)	(1,681)	(4,395)		(2,507)	(1,546)	(4,053)	
Current tax	10	–	10		4	–	4	
Deferred tax	–	52	52		33	72	105	
Non-controlling interests	64	–	64		(1)	–	(1)	
	428	16,660	17,088		7,372	16,128	23,500	
^ Reconciliation to Post-HKFRS 16 basis EBITDA:								
Pre-HKFRS 16 basis EBITDA per above	48,630	54,879	103,509		52,435	53,225	105,660	
HKFRS 16 impact per above	17,132	5,376	22,508		16,959	5,470	22,429	
Post-HKFRS 16 basis EBITDA (see note 33(a)(i))	65,762	60,255	126,017		69,394	58,695	128,089	

5 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

(iii) An analysis of EBIT by segments

	EBIT (LBIT) (xv)							
	Company and Subsidiaries HK$ million	Associates and JV HK$ million	2024 Total HK$ million	%	Company and Subsidiaries HK$ million	Associates and JV HK$ million	2023 Total HK$ million	%
Ports and Related Services	9,239	2,634	11,873	22%	7,261	2,067	9,328	16%
Retail	8,766	4,252	13,018	24%	8,785	4,103	12,888	22%
Infrastructure	1,490	17,690	19,180	35%	3,079	16,483	19,562	33%
Telecommunications								
CK Hutchison Group Telecom								
3 Group Europe								
EBITDA before the following non-cash items:	22,689	433	23,122		21,059	289	21,348	
Depreciation	(11,852)	(351)	(12,203)		(11,489)	(260)	(11,749)	
Amortisation of licence fees, other rights, customer acquisition and retention costs	(7,316)	–	(7,316)		(7,199)	–	(7,199)	
EBIT – 3 Group Europe	3,521	82	3,603	6%	2,371	29	2,400	4%
Hutchison Telecommunications Hong Kong Holdings	154	14	168	–	100	16	116	–
Corporate and Others	(259)	(27)	(286)	–	(241)	(10)	(251)	–
	3,416	69	3,485	6%	2,230	35	2,265	4%
Finance & Investments and Others (xvi) (xvii)	(672)	7,547	6,875	13%	5,123	9,402	14,525	25%
EBIT	22,239	32,192	54,431	100%	26,478	32,090	58,568	100%
Portion attributable to:								
Non-controlling interests of HPH Trust	–	640	640		–	512	512	
EBIT ^	22,239 ^	32,832 ^	55,071 ^		26,478 ^	32,602 ^	59,080 ^	
Interest expenses and other finance costs	(10,678)	(8,977)	(19,655)		(9,720)	(10,427)	(20,147)	
Current tax	(4,199)	(4,594)	(8,793)		(4,123)	(3,582)	(7,705)	
Deferred tax credit (charge)	(528)	(1,665)	(2,193)		1,083	(1,878)	(795)	
Non-controlling interests	(6,829)	(571)	(7,400)		(6,708)	(482)	(7,190)	
	5	17,025	17,030		7,010	16,233	23,243	
HKFRS 16 impact								
EBIT ^	3,063 ^	1,264 ^	4,327 ^		2,833 ^	1,369 ^	4,202 ^	
Interest expenses and other finance costs	(2,714)	(1,681)	(4,395)		(2,507)	(1,546)	(4,053)	
Current tax	10	–	10		4	–	4	
Deferred tax	–	52	52		33	72	105	
Non-controlling interests	64	–	64		(1)	–	(1)	
	428	16,660	17,088		7,372	16,128	23,500	
^ Reconciliation to Post-HKFRS 16 basis EBIT:								
Pre-HKFRS 16 basis EBIT per above	22,239	32,832	55,071		26,478	32,602	59,080	
HKFRS 16 impact per above	3,063	1,264	4,327		2,833	1,369	4,202	
Post-HKFRS 16 basis EBIT	25,302	34,096	59,398		29,311	33,971	63,282	

5 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

(iv) An analysis of depreciation and amortisation expenses by segments

	Depreciation and amortisation					
	Company and Subsidiaries HK$ million	**Associates and JV HK$ million**	**2024 Total HK$ million**	Company and Subsidiaries HK$ million	Associates and JV HK$ million	2023 Total HK$ million
Ports and Related Services	**2,859**	**1,440**	**4,299**	2,843	1,457	4,300
Retail	**2,508**	**869**	**3,377**	2,550	788	3,338
Infrastructure	**275**	**10,159**	**10,434**	285	9,354	9,639
Telecommunications						
CK Hutchison Group Telecom						
3 Group Europe	***19,168***	***351***	***19,519***	*18,688*	*260*	*18,948*
Hutchison Telecommunications Hong Kong Holdings	***1,082***	***40***	***1,122***	*1,082*	*45*	*1,127*
Corporate and Others	***3***	***–***	***3***	*1*	*–*	*1*
	20,253	**391**	**20,644**	19,771	305	20,076
Finance & Investments and Others	**496**	**8,919**	**9,415**	508	8,451	8,959
	26,391	**21,778**	**48,169**	25,957	20,355	46,312
Portion attributable to:						
Non-controlling interests of HPH Trust	**–**	**269**	**269**	–	268	268
	26,391	**22,047**	**48,438**	25,957	20,623	46,580
Divesture of infrastructure investments	**–**	**212**	**212**	–	176	176
	26,391	**22,259**	**48,650**	25,957	20,799	46,756
HKFRS 16 impact	**14,069**	**4,112**	**18,181**	14,126	4,101	18,227
	40,460	**26,371**	**66,831**	40,083	24,900	64,983

(v) An analysis of capital expenditure by segments

	Capital expenditure (xxii)							
	Fixed assets HK$ million	**Telecom-munications licences HK$ million**	**Brand names and other rights HK$ million**	**2024 Total HK$ million**	Fixed assets HK$ million	Telecom-munications licences HK$ million	Brand names and other rights HK$ million	2023 Total HK$ million
Ports and Related Services	**3,804**	**–**	**16**	**3,820**	5,511	–	10	5,521
Retail	**3,240**	**–**	**–**	**3,240**	2,814	–	–	2,814
Infrastructure	**363**	**–**	**–**	**363**	320	–	2	322
Telecommunications								
CK Hutchison Group Telecom								
3 Group Europe	***12,408***	***59***	***1,897***	***14,364***	*12,450*	*1,937*	*1,663*	*16,050*
Hutchison Telecommunications Hong Kong Holdings	***434***	***–***	***–***	***434***	*481*	*–*	*–*	*481*
Corporate and Others	***1***	***–***	***–***	***1***	*2*	*–*	*–*	*2*
	12,843	**59**	**1,897**	**14,799**	12,933	1,937	1,663	16,533
Finance & Investments and Others	**345**	**13**	**–**	**358**	301	19	–	320
	20,595	**72**	**1,913**	**22,580**	21,879	1,956	1,675	25,510
HKFRS 16 impact	**(230)**	**–**	**–**	**(230)**	(209)	–	–	(209)
	20,365	**72**	**1,913**	**22,350**	21,670	1,956	1,675	25,301

5 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

(vi) An analysis of total assets by segments

	Total assets							
	Segment assets (xx) HK$ million	Deferred tax assets HK$ million	Investments in associated companies and interests in joint ventures HK$ million	2024 Total assets HK$ million	Segment assets (xx) HK$ million	Deferred tax assets HK$ million	Investments in associated companies and interests in joint ventures HK$ million	2023 Total assets HK$ million
Ports and Related Services	70,019	490	22,825	93,334	75,587	609	21,519	97,715
Retail	201,748	1,701	16,999	220,448	201,155	1,802	17,233	220,190
Infrastructure	54,777	1	168,113	222,891	59,577	2	171,277	230,856
Telecommunications								
CK Hutchison Group Telecom								
3 Group Europe	*263,429*	*14,162*	*2,664*	*280,255*	*275,196*	*16,858*	*2,628*	*294,682*
Hutchison Telecommunications Hong Kong Holdings	*15,208*	*1*	*112*	*15,321*	*15,776*	*2*	*109*	*15,887*
Corporate and Others	*25,226*	*–*	*3*	*25,229*	*26,995*	*–*	*1*	*26,996*
	303,863	14,163	2,779	320,805	317,967	16,860	2,738	337,565
Finance & Investments and Others	121,400	68	85,603	207,071	131,868	64	89,124	221,056
	751,807	16,423	296,319	1,064,549	786,154	19,337	301,891	1,107,382
HKFRS 16 impact	48,532	1,717	(2,256)	47,993	51,700	1,737	(1,916)	51,521
	800,339	18,140	294,063	1,112,542	837,854	21,074	299,975	1,158,903

(vii) An analysis of total liabilities by segments

	Total liabilities							
	Segment liabilities (xx) HK$ million	Current & non-current borrowings (xxi) and other non-current liabilities HK$ million	Current & deferred tax liabilities HK$ million	2024 Total liabilities HK$ million	Segment liabilities (xx) HK$ million	Current & non-current borrowings (xxi) and other non-current liabilities HK$ million	Current & deferred tax liabilities HK$ million	2023 Total liabilities HK$ million
Ports and Related Services	11,044	10,385	4,531	25,960	11,591	14,867	4,535	30,993
Retail	28,340	6,626	10,369	45,335	27,748	7,056	10,900	45,704
Infrastructure	6,809	19,131	535	26,475	7,236	24,551	615	32,402
Telecommunications								
CK Hutchison Group Telecom								
3 Group Europe	*28,865*	*14,883*	*3,622*	*47,370*	*32,856*	*16,319*	*3,935*	*53,110*
Hutchison Telecommunications Hong Kong Holdings	*1,657*	*2,118*	*198*	*3,973*	*1,835*	*2,249*	*123*	*4,207*
Corporate and Others	*865*	*44,914*	*46*	*45,825*	*1,105*	*44,428*	*26*	*45,559*
	31,387	61,915	3,866	97,168	35,796	62,996	4,084	102,876
Finance & Investments and Others	9,714	191,885	2,739	204,338	8,642	198,493	4,462	211,597
	87,294	289,942	22,040	399,276	91,013	307,963	24,596	423,572
HKFRS 16 impact	63,067	(1,695)	(698)	60,674	66,865	(1,225)	(858)	64,782
	150,361	288,247	21,342	459,950	157,878	306,738	23,738	488,354

5 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

(viii) An analysis of revenue by geographical locations

	Revenue (xix)							
	Company and Subsidiaries HK$ million	Associates and JV HK$ million	2024 Total HK$ million	%	Company and Subsidiaries HK$ million	Associates and JV HK$ million	2023 Total HK$ million	%
Hong Kong	28,763	5,143	33,906	7%	29,857	4,554	34,411	8%
Mainland China	16,833	7,506	24,339	5%	20,072	7,264	27,336	6%
The People's Republic of China	45,596	12,649	58,245	12%	49,929	11,818	61,747	14%
Europe	161,049	83,323	244,372	52%	154,709	76,970	231,679	50%
Canada	204	3,151	3,355	1%	229	3,633	3,862	1%
Asia, Australia and Others	57,087	16,111	73,198	15%	53,047	15,388	68,435	14%
	218,340	102,585	320,925	68%	207,985	95,991	303,976	65%
	263,936	115,234	379,170	80%	257,914	107,809	365,723	79%
Finance & Investments and Others	17,415	80,097	97,512	20%	17,661	78,174	95,835	21%
	281,351	195,331	476,682 **	100%	275,575	185,983	461,558 **	100%

** see note 5(b)(i) for reconciliation of segment revenue to revenue presented in the consolidated income statement.

(ix) An analysis of EBITDA by geographical locations

	EBITDA (LBITDA) (xiv)							
	Company and Subsidiaries HK$ million	Associates and JV HK$ million	2024 Total HK$ million	%	Company and Subsidiaries HK$ million	Associates and JV HK$ million	2023 Total HK$ million	%
Hong Kong	469	1,884	2,353	2%	1,182	1,686	2,868	3%
Mainland China	613	2,577	3,190	3%	1,484	2,222	3,706	4%
The People's Republic of China	1,082	4,461	5,543	5%	2,666	3,908	6,574	7%
Europe	34,121	22,393	56,514	55%	31,516	20,612	52,128	49%
Canada	199	1,834	2,033	2%	230	1,978	2,208	2%
Asia, Australia and Others	13,404	8,816	22,220	22%	12,392	8,094	20,486	19%
	47,724	33,043	80,767	79%	44,138	30,684	74,822	70%
	48,806	37,504	86,310	84%	46,804	34,592	81,396	77%
Finance & Investments and Others (xvi) (xvii)	(176)	16,466	16,290	16%	5,631	17,853	23,484	23%
	48,630	53,970	102,600 ##	100%	52,435	52,445	104,880 ##	100%

see note 5(b)(ii) for reconciliation of segment EBITDA to EBITDA included and presented in the consolidated income statement.

5 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

(x) An analysis of EBIT by geographical locations

	EBIT (LBIT) (xv)							
	Company and Subsidiaries HK$ million	Associates and JV HK$ million	2024 Total HK$ million	%	Company and Subsidiaries HK$ million	Associates and JV HK$ million	2023 Total HK$ million	%
Hong Kong	(1,017)	945	(72)	–	(342)	741	399	1%
Mainland China	(110)	1,822	1,712	3%	632	1,460	2,092	3%
The People's Republic of China	(1,127)	2,767	1,640	3%	290	2,201	2,491	4%
Europe	12,911	15,499	28,410	52%	10,865	14,376	25,241	43%
Canada	200	1,155	1,355	2%	229	1,308	1,537	3%
Asia, Australia and Others	10,927	5,224	16,151	30%	9,971	4,803	14,774	25%
	24,038	21,878	45,916	84%	21,065	20,487	41,552	71%
	22,911	24,645	47,556	87%	21,355	22,688	44,043	75%
Finance & Investments and Others (xvi) (xvii)	(672)	7,547	6,875	13%	5,123	9,402	14,525	25%
	22,239	32,192	54,431 @@	100%	26,478	32,090	58,568 @@	100%

@@ see note 5(b)(iii) for reconciliation of segment EBIT to EBIT included and presented in the consolidated income statement.

(xi) An analysis of capital expenditure by geographical locations

	Capital expenditure (xxii)							
	Fixed assets HK$ million	Telecom-munications licences HK$ million	Brand names and other rights HK$ million	2024 Total HK$ million	Fixed assets HK$ million	Telecom-munications licences HK$ million	Brand names and other rights HK$ million	2023 Total HK$ million
Hong Kong	1,241	–	–	1,241	1,389	–	–	1,389
Mainland China	668	–	–	668	658	–	–	658
The People's Republic of China	1,909	–	–	1,909	2,047	–	–	2,047
Europe	15,088	59	1,897	17,044	14,799	1,088	1,663	17,550
Asia, Australia and Others	3,253	–	16	3,269	4,732	849	12	5,593
	18,341	59	1,913	20,313	19,531	1,937	1,675	23,143
	20,250	59	1,913	22,222	21,578	1,937	1,675	25,190
Finance & Investments and Others	345	13	–	358	301	19	–	320
	20,595	72	1,913	22,580	21,879	1,956	1,675	25,510
HKFRS 16 impact	(230)	–	–	(230)	(209)	–	–	(209)
	20,365	72	1,913	22,350	21,670	1,956	1,675	25,301

5 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

(xii) An analysis of total assets by geographical locations

	Total assets							
	Segment assets (xx)	Deferred tax assets	Investments in associated companies and interests in joint ventures	2024 Total assets	Segment assets (xx)	Deferred tax assets	Investments in associated companies and interests in joint ventures	2023 Total assets
	HK$ million	HK$ million	HK$ million	HK$ million	HK$ million	HK$ million	HK$ million	HK$ million
Hong Kong	47,825	287	10,631	58,743	48,053	161	10,656	58,870
Mainland China	29,076	570	15,298	44,944	33,223	688	15,184	49,095
The People's Republic of China	76,901	857	25,929	103,687	81,276	849	25,840	107,965
Europe	432,453	14,787	119,130	566,370	444,041	17,614	117,538	579,193
Canada	4,969	1	10,980	15,950	4,333	2	12,329	16,664
Asia, Australia and Others	116,084	710	54,677	171,471	124,636	808	57,060	182,504
	553,506	15,498	184,787	753,791	573,010	18,424	186,927	778,361
	630,407	16,355	210,716	857,478	654,286	19,273	212,767	886,326
Finance & Investments and Others	121,400	68	85,603	207,071	131,868	64	89,124	221,056
	751,807	16,423	296,319	1,064,549	786,154	19,337	301,891	1,107,382
HKFRS 16 impact	48,532	1,717	(2,256)	47,993	51,700	1,737	(1,916)	51,521
	800,339	18,140	294,063	1,112,542	837,854	21,074	299,975	1,158,903

5 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

(xiii) An analysis of results (EBITDA and EBIT) before net losses from major transaction activities and other one-off item by segments and geographical locations

The Group's EBITDA and EBIT for the year ended 31 December 2024 included the losses attributable to shareholders from the impairment charge against the assets of the Group's telecommunications business in Vietnam of HK$1,859 million and other provisions of HK$1,881 million (see note 5(b)(xvii)).

An analysis of EBITDA by segments

	EBITDA (LBITDA) (xiv)							
	Company and Subsidiaries	Associates and JV	2024 Total		Company and Subsidiaries	Associates and JV	2023 Total	
	HK$ million	HK$ million	HK$ million	%	HK$ million	HK$ million	HK$ million	%
EBITDA before the following one-off item								
Ports and Related Services	12,098	4,074	16,172	15%	10,104	3,524	13,628	13%
Retail	11,274	5,121	16,395	15%	11,335	4,891	16,226	15%
Infrastructure	1,765	27,849	29,614	28%	3,364	25,837	29,201	28%
Telecommunications								
CK Hutchison Group Telecom								
3 Group Europe	*22,689*	*433*	*23,122*	*22%*	*21,059*	*289*	*21,348*	*20%*
Hutchison Telecommunications Hong Kong Holdings	*1,236*	*54*	*1,290*	*1%*	*1,182*	*61*	*1,243*	*1%*
Corporate and Others	*(256)*	*(27)*	*(283)*	–	*(240)*	*(10)*	*(250)*	–
	23,669	460	24,129	23%	22,001	340	22,341	21%
Finance & Investments and Others (xvi)	3,564	16,466	20,030	19%	5,631	17,853	23,484	23%
	52,370	53,970	106,340	100%	52,435	52,445	104,880	100%
One-off item								
Impairment of telecommunications business in Vietnam and other provisions (xvii)	(3,740)	–	(3,740)		–	–	–	
	48,630	53,970	102,600 ##		52,435	52,445	104,880 ##	

\## see note 5(b)(ii) for reconciliation of segment EBITDA to EBITDA included and presented in the consolidated income statement.

5 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

(xiii) An analysis of results (EBITDA and EBIT) before net losses from major transaction activities and other one-off item by segments and geographical locations (continued)

An analysis of EBITDA by geographical locations

	EBITDA (LBITDA) (xiv)							
	Company and Subsidiaries HK$ million	**Associates and JV HK$ million**	**2024 Total HK$ million**	**%**	Company and Subsidiaries HK$ million	Associates and JV HK$ million	2023 Total HK$ million	%
EBITDA before the following one-off item								
Hong Kong	**469**	**1,884**	**2,353**	**2%**	1,182	1,686	2,868	3%
Mainland China	**613**	**2,577**	**3,190**	**3%**	1,484	2,222	3,706	4%
The People's Republic of China	**1,082**	**4,461**	**5,543**	**5%**	2,666	3,908	6,574	7%
Europe	**34,121**	**22,393**	**56,514**	**53%**	31,516	20,612	52,128	49%
Canada	**199**	**1,834**	**2,033**	**2%**	230	1,978	2,208	2%
Asia, Australia and Others	**13,404**	**8,816**	**22,220**	**21%**	12,392	8,094	20,486	19%
	47,724	**33,043**	**80,767**	**76%**	44,138	30,684	74,822	70%
	48,806	**37,504**	**86,310**	**81%**	46,804	34,592	81,396	77%
Finance & Investments and Others (xvi)	**3,564**	**16,466**	**20,030**	**19%**	5,631	17,853	23,484	23%
	52,370	**53,970**	**106,340**	**100%**	52,435	52,445	104,880	100%
One-off item								
Impairment of telecommunications business in Vietnam and other provisions (xvii)	**(3,740)**	**–**	**(3,740)**		–	–	–	
	48,630	**53,970**	**102,600 ##**		52,435	52,445	104,880 ##	

\## see note 5(b)(ii) for reconciliation of segment EBITDA to EBITDA included and presented in the consolidated income statement.

5 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

(xiii) An analysis of results (EBITDA and EBIT) before net losses from major transaction activities and other one-off item by segments and geographical locations (continued)

An analysis of EBIT by segments

	EBIT (LBIT) (xv)							
	Company and Subsidiaries HK$ million	Associates and JV HK$ million	2024 Total HK$ million	%	Company and Subsidiaries HK$ million	Associates and JV HK$ million	2023 Total HK$ million	%
EBIT before the following one-off item								
Ports and Related Services	9,239	2,634	11,873	21%	7,261	2,067	9,328	16%
Retail	8,766	4,252	13,018	22%	8,785	4,103	12,888	22%
Infrastructure	1,490	17,690	19,180	33%	3,079	16,483	19,562	33%
Telecommunications								
CK Hutchison Group Telecom								
3 Group Europe	*3,521*	*82*	*3,603*	*6%*	*2,371*	*29*	*2,400*	*4%*
Hutchison Telecommunications Hong Kong Holdings	*154*	*14*	*168*	*–*	*100*	*16*	*116*	*–*
Corporate and Others	*(259)*	*(27)*	*(286)*	*–*	*(241)*	*(10)*	*(251)*	*–*
	3,416	69	3,485	6%	2,230	35	2,265	4%
Finance & Investments and Others (xvi)	3,068	7,547	10,615	18%	5,123	9,402	14,525	25%
	25,979	32,192	58,171	100%	26,478	32,090	58,568	100%
One-off item								
Impairment of telecommunications business in Vietnam and other provisions (xvii)	(3,740)	–	(3,740)		–	–	–	
	22,239	32,192	54,431 @@		26,478	32,090	58,568 @@	

@@ see note 5(b)(iii) for reconciliation of segment EBIT to EBIT included and presented in the consolidated income statement.

5 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

(xiii) An analysis of results (EBITDA and EBIT) before net losses from major transaction activities and other one-off item by segments and geographical locations (continued)

An analysis of EBIT by geographical locations

	EBIT (LBIT) (xv)							
	Company and Subsidiaries HK$ million	**Associates and JV HK$ million**	**2024 Total HK$ million**	**%**	Company and Subsidiaries HK$ million	Associates and JV HK$ million	2023 Total HK$ million	%
EBIT before the following one-off item								
Hong Kong	**(1,017)**	**945**	**(72)**	**–**	(342)	741	399	1%
Mainland China	**(110)**	**1,822**	**1,712**	**3%**	632	1,460	2,092	3%
The People's Republic of China	**(1,127)**	**2,767**	**1,640**	**3%**	290	2,201	2,491	4%
Europe	**12,911**	**15,499**	**28,410**	**49%**	10,865	14,376	25,241	43%
Canada	**200**	**1,155**	**1,355**	**2%**	229	1,308	1,537	3%
Asia, Australia and Others	**10,927**	**5,224**	**16,151**	**28%**	9,971	4,803	14,774	25%
	24,038	**21,878**	**45,916**	**79%**	21,065	20,487	41,552	71%
	22,911	**24,645**	**47,556**	**82%**	21,355	22,688	44,043	75%
Finance & Investments and Others (xvi)	**3,068**	**7,547**	**10,615**	**18%**	5,123	9,402	14,525	25%
	25,979	**32,192**	**58,171**	**100%**	26,478	32,090	58,568	100%
One-off item								
Impairment of telecommunications business in Vietnam and other provisions (xvii)	**(3,740)**	**–**	**(3,740)**		–	–	–	
	22,239	**32,192**	**54,431 @@**		26,478	32,090	58,568 @@	

@@ see note 5(b)(iii) for reconciliation of segment EBIT to EBIT included and presented in the consolidated income statement.

5 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

(xiv) EBITDA (LBITDA) represents the EBITDA (LBITDA) of the Company and subsidiary companies as well as the Group's share of the EBITDA (LBITDA) of associated companies and joint ventures except for HPH Trust which is included based on the Group's effective share of EBITDA for this operation. EBITDA (LBITDA) is defined as earnings (losses) before interest expenses and other finance costs, tax, depreciation and amortisation. Information concerning EBITDA (LBITDA) has been included in the Group's financial information and consolidated financial statements and is used by many industries and investors as one measure of gross cash flow generation. The Group considers EBITDA (LBITDA) to be an important performance measure which is used in the Group's internal financial and management reporting to monitor business performance. EBITDA (LBITDA) is therefore presented as a measure of segment results in accordance with HKFRS 8. EBITDA (LBITDA) is not a measure of cash liquidity or financial performance under HKFRS and the EBITDA (LBITDA) measures used by the Group may not be comparable to other similarly titled measures of other companies. EBITDA (LBITDA) should not necessarily be construed as an alternative to cash flows or results from operations as determined in accordance with HKFRS.

(xv) EBIT (LBIT) represents the EBIT (LBIT) of the Company and subsidiary companies as well as the Group's share of the EBIT (LBIT) of associated companies and joint ventures except for HPH Trust which is included based on the Group's effective share of EBIT for this operation. EBIT (LBIT) is defined as earnings (losses) before interest expenses and other finance costs and tax. Information concerning EBIT (LBIT) has been included in the Group's financial information and consolidated financial statements and is used by many industries and investors as one measure of results from operations. The Group considers EBIT (LBIT) to be an important performance measure which is used in the Group's internal financial and management reporting to monitor business performance. EBIT (LBIT) is therefore presented as a measure of segment results in accordance with HKFRS 8. EBIT (LBIT) is not a measure of financial performance under HKFRS and the EBIT (LBIT) measures used by the Group may not be comparable to other similarly titled measures of other companies. EBIT (LBIT) should not necessarily be construed as an alternative to results from operations as determined in accordance with HKFRS.

(xvi) The comparative year balance included a gain on disposal of financial instruments of HK$1,829 million. In June 2023, the Group entered into a warrant repurchase agreement with Cenovus Energy, under which the Group sold 26.3 million Cenovus Energy share warrants to Cenovus Energy for a total consideration of approximately C$410 million. Before their disposal, these share warrants, as hedging instrument in a cash flow hedge, were measured at fair value through other comprehensive income and reported under "Finance & Investments and Others" in the segment information note and under other non-current assets in the consolidated statement of financial position. The disposal has resulted in a gain (after reclassification adjustments of hedging gains to profit or loss) of approximately HK$1,829 million (HK$1,829 million at Post-HKFRS 16 basis) in the comparative year. This gain was reported under "Finance & Investments and Others" in the segment results and under "Other income and gains" in the consolidated income statement.

(xvii) The balance includes an impairment charge of HK$1,859 million (HK$1,859 million at Post-HKFRS 16 basis, see note 7(e)) against assets of the Group's telecommunications business in Vietnam and provisions totalling HK$1,881 million for exposures relating to the Group's interest in this business. The total amount of HK$3,740 million is at EBITDA and EBIT levels and is reported under "Finance & Investments and Others" in the segment results. In the consolidated income statement, these charges are reported in the line item "Other expenses and losses" with HK$1,859 million presented as "Impairment loss on telecommunications business in Vietnam" and HK$1,881 million included in "Office and general administrative expenses and others".

(xviii) The Group is working with the UK Competition and Markets Authority to put in place the final undertakings in order to close the **3** UK and Vodafone UK merger transaction with completion expected within the first half of 2025.

(xix) The geographical location of customers is based on the location at which the services were provided or goods delivered. Hong Kong is the location of principal place of business of the Company.

5 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

(xx) Segment assets and segment liabilities

Segment assets are assets other than deferred tax assets and investments in associated companies and interests in joint ventures.

Segment liabilities are liabilities other than bank and other debts, interest bearing loans from non-controlling shareholders, tax liabilities (including deferred tax liabilities) and other non-current liabilities.

See note 5(b)(vi) and 5(b)(vii) for reconciliation of segment assets and segment liabilities from Pre-HKFRS 16 basis to Post-HKFRS 16 basis.

Geographical analysis of the Group's non-current assets (based on Post-HKFRS 16 basis) other than financial instruments, deferred tax assets and post-employment benefit assets is as follows:

	2024 **HK$ million**	2023 HK$ million
Hong Kong	**73,423**	72,857
Mainland China	**54,341**	57,362
The People's Republic of China	**127,764**	130,219
Europe	**513,988**	523,476
Canada	**59,958**	62,643
Asia, Australia and Others	**185,897**	197,955
	759,843	784,074
	887,607	914,293

The geographical location of these specified non-current assets is based on the physical location of the asset (for fixed assets, right-of-use assets and other operating assets), the location of the operation in which they are allocated (for intangible assets and goodwill), and the location of operations (for associated companies and interests in joint ventures).

(xxi) Current and non-current borrowings comprise bank and other debts and interest bearing loans from non-controlling shareholders.

(xxii) For the purpose of segmental information analysis, expenditures incurred for leases are not regarded as capital expenditures.

5 Operating segment information (continued)

(c) Reconciliation from Pre-HKFRS 16 basis metrics to Post-HKFRS 16 basis metrics

(i) Consolidated Income Statement

	2024			2023		
	Pre-HKFRS 16 basis HK$ million	Effect on adoption of HKFRS 16 HK$ million	Post-HKFRS 16 basis HK$ million	Pre-HKFRS 16 basis HK$ million	Effect on adoption of HKFRS 16 HK$ million	Post-HKFRS 16 basis HK$ million
Revenue	281,351	–	281,351	275,575	–	275,575
Cost of inventories sold	(106,223)	29	(106,194)	(105,771)	32	(105,739)
Staff costs	(41,591)	–	(41,591)	(39,226)	–	(39,226)
Expensed customer acquisition and retention costs	(15,787)	354	(15,433)	(15,577)	389	(15,188)
Depreciation and amortisation	(26,391)	(14,069)	(40,460)	(25,957)	(14,126)	(40,083)
Other expenses and losses	(69,594)	16,699	(52,895)	(64,633)	16,538	(48,095)
Other income and gains	474	50	524	2,067	–	2,067
Share of profits less losses of:						
Associated companies	7,012	(109)	6,903	8,215	(77)	8,138
Joint ventures	10,013	(256)	9,757	8,018	(28)	7,990
	39,264	2,698	41,962	42,711	2,728	45,439
Interest expenses and other finance costs	(10,678)	(2,714)	(13,392)	(9,720)	(2,507)	(12,227)
Profit before tax	28,586	(16)	28,570	32,991	221	33,212
Current tax	(4,199)	10	(4,189)	(4,123)	4	(4,119)
Deferred tax credit (charge)	(528)	–	(528)	1,083	33	1,116
Profit after tax	23,859	(6)	23,853	29,951	258	30,209
Profit attributable to non-controlling interests and holders of perpetual capital securities	(6,829)	64	(6,765)	(6,708)	(1)	(6,709)
Profit attributable to ordinary shareholders	17,030	58	17,088	23,243	257	23,500
Earnings per share for profit attributable to ordinary shareholders	HK$ 4.45	HK$ 0.01	HK$ 4.46	HK$ 6.07	HK$ 0.07	HK$ 6.14

5 Operating segment information (continued)

(c) Reconciliation from Pre-HKFRS 16 basis metrics to Post-HKFRS 16 basis metrics (continued)

(ii) Consolidated Statement of Comprehensive Income

	2024			2023		
	Pre-HKFRS 16 basis HK$ million	**Effect on adoption of HKFRS 16 HK$ million**	**Post-HKFRS 16 basis HK$ million**	Pre-HKFRS 16 basis HK$ million	Effect on adoption of HKFRS 16 HK$ million	Post-HKFRS 16 basis HK$ million
Profit after tax	**23,859**	**(6)**	**23,853**	29,951	258	30,209
Other comprehensive income (losses)						
Items that will not be reclassified to profit or loss						
Changes in fair value of equity instruments at fair value through other comprehensive income	**(528)**	**–**	**(528)**	718	–	718
Remeasurement of defined benefit obligations	**810**	**–**	**810**	(1,470)	–	(1,470)
Share of other comprehensive income (losses) of associated companies	**(83)**	**–**	**(83)**	(560)	–	(560)
Share of other comprehensive income (losses) of joint ventures	**(945)**	**–**	**(945)**	269	–	269
Tax relating to components of other comprehensive income (losses) that will not be reclassified to profit or loss	**(90)**	**–**	**(90)**	376	–	376
	(836)	**–**	**(836)**	(667)	–	(667)
Items that may be reclassified to profit or loss						
Changes in fair value of debt instruments at fair value through other comprehensive income	**126**	**–**	**126**	120	–	120
Exchange gains (losses) on translation of foreign operations	**(10,064)**	**521**	**(9,543)**	8,100	(329)	7,771
Exchange losses reclassified to profit or loss	**–**	**–**	**–**	344	(2)	342
Losses on cash flow hedges	**(132)**	**–**	**(132)**	(1,059)	–	(1,059)
Gains (losses) on net investment hedges	**1,484**	**–**	**1,484**	(1,641)	–	(1,641)
Reclassification adjustments for hedging gains included in profit or loss	**–**	**–**	**–**	(1,735)	–	(1,735)
Share of other comprehensive income (losses) of associated companies	**(5,658)**	**(12)**	**(5,670)**	1,812	77	1,889
Share of other comprehensive income (losses) of joint ventures	**(5,348)**	**37**	**(5,311)**	3,748	(20)	3,728
Tax relating to components of other comprehensive income (losses) that may be reclassified to profit or loss	**5**	**–**	**5**	4	–	4
	(19,587)	**546**	**(19,041)**	9,693	(274)	9,419
Other comprehensive income (losses), net of tax	**(20,423)**	**546**	**(19,877)**	9,026	(274)	8,752
Total comprehensive income	**3,436**	**540**	**3,976**	38,977	(16)	38,961
Total comprehensive income attributable to non-controlling interests and holders of perpetual capital securities	**(4,061)**	**(94)**	**(4,155)**	(7,560)	84	(7,476)
Total comprehensive income (losses) attributable to ordinary shareholders	**(625)**	**446**	**(179)**	31,417	68	31,485

5 Operating segment information (continued)

(c) Reconciliation from Pre-HKFRS 16 basis metrics to Post-HKFRS 16 basis metrics (continued)

(iii) Consolidated Statement of Financial Position

	2024			2023		
	Pre-HKFRS 16 basis HK$ million	Effect on adoption of HKFRS 16 HK$ million	Post-HKFRS 16 basis HK$ million	Pre-HKFRS 16 basis HK$ million	Effect on adoption of HKFRS 16 HK$ million	Post-HKFRS 16 basis HK$ million
Non-current assets						
Fixed assets	113,994	(2,217)	111,777	121,957	(2,131)	119,826
Right-of-use assets	–	57,589	57,589	–	61,198	61,198
Leasehold land	5,443	(5,443)	–	5,958	(5,958)	–
Telecommunications licences	63,869	–	63,869	64,264	–	64,264
Brand names and other rights	79,241	–	79,241	83,396	–	83,396
Goodwill	267,325	–	267,325	271,136	–	271,136
Associated companies	140,713	(858)	139,855	144,375	(737)	143,638
Interests in joint ventures	155,606	(1,398)	154,208	157,516	(1,179)	156,337
Deferred tax assets	16,423	1,717	18,140	19,337	1,737	21,074
Liquid funds and other listed investments	8,142	–	8,142	15,786	–	15,786
Other non-current assets	19,589	614	20,203	19,356	506	19,862
	870,345	50,004	920,349	903,081	53,436	956,517
Current assets						
Cash and cash equivalents	121,303	–	121,303	127,323	–	127,323
Inventories	24,923	–	24,923	24,473	–	24,473
Trade receivables and other current assets	47,978	(2,011)	45,967	52,505	(1,915)	50,590
	194,204	(2,011)	192,193	204,301	(1,915)	202,386
Current liabilities						
Bank and other debts	31,427	(471)	30,956	58,785	(461)	58,324
Interest bearing loan from a non-controlling shareholder	1,874	–	1,874	–	–	–
Current tax liabilities	3,431	(63)	3,368	4,215	(49)	4,166
Lease liabilities	–	12,142	12,142	–	13,616	13,616
Trade payables and other current liabilities	84,097	(1,452)	82,645	87,477	(1,058)	86,419
	120,829	10,156	130,985	150,477	12,048	162,525
Net current assets	73,375	(12,167)	61,208	53,824	(13,963)	39,861
Total assets less current liabilities	943,720	37,837	981,557	956,905	39,473	996,378
Non-current liabilities						
Bank and other debts	226,021	(585)	225,436	214,362	(764)	213,598
Interest bearing loans from non-controlling shareholders	1,597	–	1,597	3,245	–	3,245
Lease liabilities	–	52,377	52,377	–	54,307	54,307
Deferred tax liabilities	18,609	(635)	17,974	20,381	(809)	19,572
Pension obligations	3,197	–	3,197	3,536	–	3,536
Other non-current liabilities	29,023	(639)	28,384	31,571	–	31,571
	278,447	50,518	328,965	273,095	52,734	325,829
Net assets	665,273	(12,681)	652,592	683,810	(13,261)	670,549
Capital and reserves						
Share capital	3,830	–	3,830	3,830	–	3,830
Share premium	242,972	–	242,972	242,972	–	242,972
Reserves	296,847	(8,934)	287,913	306,629	(9,396)	297,233
Total ordinary shareholders' funds	543,649	(8,934)	534,715	553,431	(9,396)	544,035
Perpetual capital securities	–	–	–	4,566	–	4,566
Non-controlling interests	121,624	(3,747)	117,877	125,813	(3,865)	121,948
Total equity	665,273	(12,681)	652,592	683,810	(13,261)	670,549

5 Operating segment information (continued)

(c) Reconciliation from Pre-HKFRS 16 basis metrics to Post-HKFRS 16 basis metrics (continued)

(iv) Consolidated Statement of Cash Flows

	2024			2023		
	Pre-HKFRS 16 basis HK$ million	Effect on adoption of HKFRS 16 HK$ million	Post-HKFRS 16 basis HK$ million	Pre-HKFRS 16 basis HK$ million	Effect on adoption of HKFRS 16 HK$ million	Post-HKFRS 16 basis HK$ million
	(A)		(B)	(A)		(B)
Operating activities						
Cash generated from operating activities before interest expenses and other finance costs, tax paid and changes in working capital	57,913	17,217	75,130	58,574	16,842	75,416
Interest expenses and other finance costs paid (net of capitalisation)	(10,553)	(2,714)	(13,267)	(9,576)	(2,507)	(12,083)
Tax paid	(4,652)	–	(4,652)	(3,931)	–	(3,931)
Funds from operations (Funds from operations under (B) is before principal elements of lease payments)	42,708	14,503	57,211	45,067	14,335	59,402
Changes in working capital	(2,189)	(794)	(2,983)	(7,909)	(56)	(7,965)
Net cash from operating activities	40,519	13,709	54,228	37,158	14,279	51,437
Investing activities						
Purchase of fixed assets	(20,595)	230	(20,365)	(21,879)	209	(21,670)
Additions to telecommunications licences	(72)	–	(72)	(1,956)	–	(1,956)
Additions to brand names and other rights	(1,913)	–	(1,913)	(1,675)	–	(1,675)
Purchase of subsidiary companies, net of cash acquired	(4,114)	–	(4,114)	(55)	–	(55)
Additions to unlisted investments	(44)	–	(44)	(74)	–	(74)
Repayments of loans from associated companies and joint ventures	1,242	–	1,242	2,829	–	2,829
Purchase of and advances to associated companies and joint ventures	(2,470)	–	(2,470)	(819)	–	(819)
Proceeds from disposal of fixed assets	146	–	146	168	–	168
Proceeds from disposal of subsidiary companies, net of cash disposed	333	–	333	2,563	–	2,563
Proceeds from disposal of financial instruments	–	–	–	2,451	–	2,451
Proceeds from partial disposal/disposal of associated companies and joint ventures	179	–	179	734	–	734
Proceeds from disposal of other unlisted investments	266	–	266	74	–	74
Cash flows used in investing activities before additions to / disposal of liquid funds and other listed investments	(27,042)	230	(26,812)	(17,639)	209	(17,430)
Disposal of liquid funds and other listed investments	7,172	–	7,172	2,088	–	2,088
Additions to liquid funds and other listed investments	(262)	–	(262)	(73)	–	(73)
Cash flows used in investing activities	(20,132)	230	(19,902)	(15,624)	209	(15,415)
Net cash inflow before financing activities	20,387	13,939	34,326	21,534	14,488	36,022
Financing activities						
New borrowings	54,806	(212)	54,594	58,420	(209)	58,211
Repayment of borrowings	(60,577)	376	(60,201)	(75,558)	197	(75,361)
Principal elements of lease payments	–	(14,103)	(14,103)	–	(14,476)	(14,476)
Net loans from non-controlling shareholders	466	–	466	527	–	527
Issue of equity securities by subsidiary companies to non-controlling shareholders	624	–	624	–	–	–
Proceeds from partial disposal of subsidiary companies	–	–	–	61	–	61
Redemption of perpetual capital securities	(4,180)	–	(4,180)	–	–	–
Dividends paid to ordinary shareholders	(9,433)	–	(9,433)	(10,885)	–	(10,885)
Dividends paid to non-controlling interests	(7,951)	–	(7,951)	(4,694)	–	(4,694)
Distributions paid on perpetual capital securities	(162)	–	(162)	(167)	–	(167)
Cash flows used in financing activities	(26,407)	(13,939)	(40,346)	(32,296)	(14,488)	(46,784)
Decrease in cash and cash equivalents	(6,020)	–	(6,020)	(10,762)	–	(10,762)
Cash and cash equivalents at 1 January	127,323	–	127,323	138,085	–	138,085
Cash and cash equivalents at 31 December	121,303	–	121,303	127,323	–	127,323

5 Operating segment information (continued)

(c) Reconciliation from Pre-HKFRS 16 basis metrics to Post-HKFRS 16 basis metrics (continued)

(iv) Consolidated Statement of Cash Flows (continued)

	2024			2023		
	Pre-HKFRS 16 basis HK$ million	**Effect on adoption of HKFRS 16 HK$ million**	**Post-HKFRS 16 basis HK$ million**	Pre-HKFRS 16 basis HK$ million	Effect on adoption of HKFRS 16 HK$ million	Post-HKFRS 16 basis HK$ million
Analysis of cash, liquid funds and other listed investments						
Cash and cash equivalents, as above	**121,303**	**–**	**121,303**	127,323	–	127,323
Liquid funds and other listed investments	**8,142**	**–**	**8,142**	15,786	–	15,786
Total cash, liquid funds and other listed investments	**129,445**	**–**	**129,445**	143,109	–	143,109
Total principal amount of bank and other debts and unamortised fair value adjustments arising from acquisitions	**259,059**	**(1,056)**	**258,003**	274,919	(1,225)	273,694
Interest bearing loans from non-controlling shareholders	**3,471**	**–**	**3,471**	3,245	–	3,245
Net debt	**133,085**	**(1,056)**	**132,029**	135,055	(1,225)	133,830
Interest bearing loans from non-controlling shareholders	**(3,471)**	**–**	**(3,471)**	(3,245)	–	(3,245)
Net debt (excluding interest bearing loans from non-controlling shareholders)	**129,614**	**(1,056)**	**128,558**	131,810	(1,225)	130,585

6 Directors' emoluments

	2024 **HK$ million**	2023 HK$ million
Directors' emoluments	**424**	419

Directors' emoluments comprise payments to directors by the Company and its subsidiaries in connection with the management of the affairs of the Company and its subsidiaries. The emoluments exclude amounts received from the Company's listed subsidiaries and paid to the Company. The amounts disclosed above are the amounts recognised as directors' emolument expenses and are included in "Staff costs" and "Other expenses and losses" in the consolidated income statement.

As at 31 December 2024 and 31 December 2023, the Company and its subsidiary companies do not have share option scheme. None of the directors have received any share-based payments from the Company or any of its subsidiaries during the year (2023: nil).

In 2024, the five individuals whose emoluments were the highest for the year were directors of the Company. In 2023, the five individuals whose emoluments were the highest for the year were four directors of the Company and one director of a subsidiary of the Company. The remuneration of the director of the subsidiary company consisted of basic salary, allowances and benefits-in-kind of HK$4.94 million; provident fund contribution of HK$0.39 million and discretionary bonus of HK$23.85 million.

6 Directors' emoluments (continued)

Further details of the directors' emoluments are set out in table below:

Directors' emolument expenses recognised in the Group's consolidated income statement:

	2024					
Name of directors	Director's fees HK$ million	Basic salaries, allowances and benefits-in-kind HK$ million	Discretionary bonuses HK$ million	Provident fund contributions HK$ million	Inducement or compensation fees HK$ million	Total emoluments HK$ million
Victor T K LI [1] [2]						
Paid by the Company	0.31	5.31	46.04	–	–	51.66
Paid by CKI	0.13	–	30.02	–	–	30.15
	0.44	5.31	76.06	–	–	81.81
FOK Kin Ning, Canning [3]	0.22	8.41	71.57	0.72	–	80.92
Frank John SIXT [3] [4]	0.28	12.07	74.21	–	–	86.56
LAI Kai Ming, Dominic [3]	0.22	7.53	71.52	0.62	–	79.89
IP Tak Chuen, Edmond						
Paid by the Company	0.22	0.45	1.79	–	–	2.46
Paid by CKI	0.10	1.80	2.35	–	–	4.25
	0.32	2.25	4.14	–	–	6.71
KAM Hing Lam						
Paid by the Company	0.22	2.59	8.56	–	–	11.37
Paid by CKI	0.08	4.20	10.57	–	–	14.85
	0.30	6.79	19.13	–	–	26.22
Edith SHIH [3] [4]	0.28	4.99	17.84	0.37	–	23.48
Andrew John HUNTER [5]						
Paid by the Company	0.16	–	1.06	–	–	1.22
Paid by CKI	0.08	14.37	17.67	1.44	–	33.56
	0.24	14.37	18.73	1.44	–	34.78
CHOW Kun Chee, Roland [6]	0.22	–	–	–	–	0.22
CHOW WOO Mo Fong, Susan [6]	0.22	–	–	–	–	0.22
LEE Yeh Kwong, Charles [6]	0.22	–	–	–	–	0.22
George Colin MAGNUS [6]						
Paid by the Company	0.22	–	–	–	–	0.22
Paid by CKI	0.08	–	–	–	–	0.08
	0.30	–	–	–	–	0.30
CHOW Ching Yee, Cynthia [2] [7] [8]	0.39	–	–	–	–	0.39
Graeme Allan JACK [7] [8] [9]	0.02	–	–	–	–	0.02
Philip Lawrence KADOORIE [7]	0.22	–	–	–	–	0.22
LEUNG LAU Yau Fun, Sophie [1] [7]	0.25	–	–	–	–	0.25
Paul Joseph TIGHE [1] [7] [8]						
Paid by the Company	0.37	–	–	–	–	0.37
Paid by CKI	0.20	–	–	–	–	0.20
	0.57	–	–	–	–	0.57
TSIM Sin Ling, Ruth [4] [7] [8] [10]	0.39	–	–	–	–	0.39
WONG Kwai Lam [2] [7] [8]	0.41	–	–	–	–	0.41
WONG Yick-ming, Rosanna [11]	0.15	–	–	–	–	0.15
Total	5.66	61.72	353.20	3.15	–	423.73

6 Directors' emoluments (continued)

Directors' emolument expenses recognised in the Group's consolidated income statement (continued):

Name of directors	Director's fees HK$ million	Basic salaries, allowances and benefits-in-kind HK$ million	Discretionary bonuses HK$ million	Provident fund contributions HK$ million	Inducement or compensation fees HK$ million	Total emoluments HK$ million
	2023					
Victor T K LI (1) (2)						
Paid by the Company	0.31	5.14	44.70	–	–	50.15
Paid by CKI	0.13	–	30.02	–	–	30.15
	0.44	5.14	74.72	–	–	80.30
FOK Kin Ning, Canning (3)	0.22	12.28	116.14	1.10	–	129.74
Frank John SIXT (3) (4)	0.28	9.48	59.36	0.53	–	69.65
LAI Kai Ming, Dominic (3)	0.22	6.23	57.22	0.51	–	64.18
IP Tak Chuen, Edmond						
Paid by the Company	0.22	1.72	8.94	–	–	10.88
Paid by CKI	0.10	1.80	11.79	–	–	13.69
	0.32	3.52	20.73	–	–	24.57
KAM Hing Lam						
Paid by the Company	0.22	2.52	8.31	–	–	11.05
Paid by CKI	0.08	4.20	10.82	–	–	15.10
	0.30	6.72	19.13	–	–	26.15
Edith SHIH (3) (4)	0.28	4.84	16.22	0.36	–	21.70
CHOW Kun Chee, Roland (6)	0.22	–	–	–	–	0.22
CHOW WOO Mo Fong, Susan (6)	0.22	–	–	–	–	0.22
LEE Yeh Kwong, Charles (6)	0.22	–	–	–	–	0.22
George Colin MAGNUS (6)						
Paid by the Company	0.22	–	–	–	–	0.22
Paid by CKI	0.08	–	–	–	–	0.08
	0.30	–	–	–	–	0.30
LEE Wai Mun, Rose (12)	0.33	–	–	–	–	0.33
CHOW Ching Yee, Cynthia (7) (8) (13)	0.02	–	–	–	–	0.02
Philip Lawrence KADOORIE (7)	0.22	–	–	–	–	0.22
LEUNG LAU Yau Fun, Sophie (1) (7)	0.25	–	–	–	–	0.25
Paul Joseph TIGHE (7) (8)						
Paid by the Company	0.35	–	–	–	–	0.35
Paid by CKI	0.20	–	–	–	–	0.20
	0.55	–	–	–	–	0.55
WONG Kwai Lam (2) (7) (8)	0.41	–	–	–	–	0.41
WONG Yick-ming, Rosanna (1) (2) (4) (7)	0.37	–	–	–	–	0.37
Total	5.17	48.21	363.52	2.50	–	419.40

(1) Member of the Nomination Committee.

(2) Member of the Remuneration Committee.

(3) Directors' fees to these Directors from the Company's listed subsidiaries during the period they served as directors have been paid to the Company and are not included in the amounts above.

(4) Member of the Sustainability Committee.

(5) Appointed on 1 April 2024.

(6) Non-executive Director.

(7) Independent Non-executive Director. The total emoluments of the Independent Non-executive Directors of the Company are HK$2.40 million (2023: HK$2.15 million).

(8) Member of the Audit Committee.

(9) Appointed on 13 December 2024.

(10) Appointed on 2 January 2024.

(11) Former Independent Non-executive Director and member of each of the Nomination Committee, Remuneration Committee and Sustainability Committee. Retired on 23 May 2024.

(12) Former Independent Non-executive Director and member of the Audit Committee. Resigned on 14 December 2023.

(13) Appointed on 14 December 2023.

7 Presentation of cost of goods sold, depreciation and amortisation, other expenses and losses and other income and gains

This note provides additional details in respect of cost of goods sold, depreciation and amortisation, other expenses and losses and other income and gains.

	2024 HK$ million	2023 HK$ million
Cost of goods sold: [a]		
included in “Cost of inventories sold”	**106,194**	105,739
included in “Expensed customer acquisition and retention costs”	**9,299**	9,456
	115,493	115,195

	2024 HK$ million	2023 HK$ million
Depreciation and amortisation: [b]		
Fixed assets (see note 12)	**17,862**	17,550
Right-of-use assets (see note 13(b))	**14,631**	14,651
Telecommunications licences (see note 14)	**907**	953
Brand names and other rights (see note 15)	**3,157**	3,262
Customer acquisition and retention costs (see note 21(a))	**3,903**	3,667
	40,460	40,083

	2024 HK$ million	2023 HK$ million
Other expenses and losses:		
Cost of providing services [c]	**(30,385)**	(29,435)
Office and general administrative expenses and others (see note 5(b)(xvii))	**(9,716)**	(7,740)
Expenses relating to short-term leases (see note 13(b))	**(850)**	(498)
Expenses relating to leases of low-value assets that are not short-term leases (see note 13(b))	**(491)**	(568)
Expenses relating to variable lease payments not included in lease liabilities (see note 13(b))	**(2,168)**	(2,253)
Advertising and promotion expenses	**(4,717)**	(4,783)
Legal and professional fees	**(2,147)**	(2,101)
Auditors’ remuneration [d]	**(548)**	(397)
Impairment loss on telecommunications business in Vietnam [e]	**(1,859)**	–
Loss on disposal of a subsidiary company (see note 33(d))	**–**	(250)
Loss on disposal of associated companies and joint ventures	**(14)**	(70)
	(52,895)	(48,095)

7 Presentation of cost of goods sold, depreciation and amortisation, other expenses and losses and other income and gains (continued)

	2024 HK$ million	2023 HK$ million
Other income and gains:		
Gains on disposals of subsidiary companies (see note 33(d))	**364**	–
Gains on disposals of interests in associated companies and joint ventures	**–**	228
A gain on disposal of financial instruments [f]	**–**	1,829
Others	**160**	10
	524	2,067

(a) Cost of goods sold of HK$115,493 million (2023: HK$115,195 million) is contributed by Retail segment of HK$94,091 million (2023: HK$92,765 million), Infrastructure segment of HK$1,505 million (2023: HK$1,654 million), Telecommunications segment of HK$11,889 million (2023: HK$12,212 million) and Finance & Investments and Others segment of HK$8,008 million (2023: HK$8,564 million).

(b) See note 5(b)(iv) for contribution by segments.

(c) Cost of providing services of HK$30,385 million (2023: HK$29,435 million) includes telecommunication network related costs of HK$19,653 million (2023: HK$19,093 million), repair and maintenance of HK$4,145 million (2023: HK$4,160 million) and others of HK$6,587 million (2023: HK$6,182 million). The balance is contributed by Ports and Related Services segment of HK$6,974 million (2023: HK$6,441 million), Retail segment of HK$313 million (2023: HK$277 million), Infrastructure segment of HK$830 million (2023: HK$1,164 million), Telecommunications segment of HK$21,745 million (2023: HK$21,089 million) and Finance & Investments and Others segment of HK$523 million (2023: HK$464 million).

(d) Auditors' remuneration of HK$548 million (2023: HK$397 million) are charged for audit and audit related work performed by the Company's auditor, PricewaterhouseCoopers of HK$407 million (2023: HK$262 million) and performed by other auditors of HK$76 million (2023: HK$14 million), and for non-audit work, including tax compliance and other tax related services, and other services, performed by the Company's auditor, PricewaterhouseCoopers of HK$22 million (2023: HK$71 million) and performed by other auditors of HK$43 million (2023: HK$50 million).

(e) Impairment loss

For the current year, an impairment loss of HK$1,859 million arose in the telecommunications business in Vietnam which is included as part of the "Finance & Investments and Others" segment in note 5.

The Group's telecommunications businesses in Vietnam principally engage in providing 3G and 4G mobile network services. The heightened competition and challenging operating environment in the Vietnam's telecommunications market led the Group to carry out an impairment test on this business at 31 December 2024, by comparing the carrying amount of this business with its recoverable amount. As a result, the Group recognised an impairment loss of HK$1,859 million, of which HK$1,236 million against fixed assets, HK$500 million against right-of-use assets and HK$123 million against other assets. The impairment loss was primarily resulted from the lowered expectation on growth and reported service revenues of 3G and 4G services of the Vietnam's businesses. The recoverable amount of this business was determined based on the value-in-use ("VIU") calculations. The VIU calculations used discounted cash flow projections based on the latest financial budget covering a five-year period and business plan approved by the management. Key assumptions and estimates used to prepare the discounted cash flow model include a post-tax discount rate of 10.1% and a growth rate of 0% reflecting the latest market conditions and that the business has yet to initiate a plan to invest in commercialisation of 5G.

(f) See note 5(b)(xvi).

8 Interest expenses and other finance costs

	2024 HK$ million	2023 HK$ million
Bank loans and overdrafts	**4,596**	4,384
Other loans	**4**	4
Notes and bonds	**5,672**	5,057
Interest bearing loans from non-controlling shareholders	**159**	124
Other finance costs	**100**	234
Amortisation of loan facilities fees and premiums or discounts relating to debts	**248**	237
Other non-cash interest adjustments [a]	**(123)**	(93)
	10,656	9,947
Less: interest capitalised	**(21)**	(266)
Interest on lease liabilities (see note 13(b))	**2,757**	2,546
	13,392	12,227

(a) Other non-cash interest adjustments represent amortisation of acquisition-date fair value adjustments relating to debts of HK$338 million (2023: HK$341 million) net with accretion expense associated with an increase in the present value of certain obligations over time.

9 Tax

	2024 HK$ million	2023 HK$ million
Current tax charge		
Hong Kong	**167**	216
Outside Hong Kong	**4,022**	3,903
	4,189	4,119
Deferred tax charge (credit)		
Hong Kong	**(60)**	(37)
Outside Hong Kong	**588**	(1,079)
	528	(1,116)
	4,717	3,003

The Group’s profits are taxed at different rates depending on the country or territory in which the profits arise.

9 Tax (continued)

Hong Kong profits tax has been provided for at the rate of 16.5% (2023: 16.5%) on the estimated assessable profits less estimated available tax losses. Tax outside Hong Kong has been provided for at the applicable rate on the estimated assessable profits less estimated available tax losses.

The tax charged to the consolidated income statement of HK$4,717 million (2023: HK$3,003 million) differs from the tax charge of HK$3,961 million (2023: HK$2,982 million) that would apply if the Group's pre-tax profits (before share of results of the associated companies and joint ventures) had been taxed at the statutory rates of the countries in which the profits arose. The differences are set out as follows:

	2024 HK$ million	2023 HK$ million
Tax calculated at the domestic rates applicable in the jurisdiction concerned	**3,961**	2,982
Tax effect of:		
Tax losses not recognised	**1,524**	1,824
Income or gains not subject to tax	**(1,843)**	(1,112)
Expenses not deductible for tax purposes	**3,036**	1,847
Recognition of previously unrecognised tax losses	**–**	(32)
Utilisation of previously unrecognised tax losses	**(440)**	(200)
Under (over) provision in prior years	**1,055**	(855)
Other temporary differences	**(2,576)**	(1,451)
Total tax for the year	**4,717**	3,003

The Group is within the scope of the Pillar Two Model Rules published by the Organisation for Economic Co-operation and Development. The Group applies the HKAS 12 exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes. While the Pillar Two legislation, including the tax law that implements the global minimum tax and qualified domestic minimum top-up tax, is not yet enacted or substantially enacted in Hong Kong as of the reporting date, it is expected that the new regime will come into effect for the Group's financial year beginning on 1 January 2025. For certain other jurisdictions where the Group has operations, Pillar Two legislation has come into effect as of 1 January 2024. Based on the assessment for the year ended 31 December 2024, the Group does not expect to have any Pillar Two exposure (including current tax) arising in these jurisdictions. Overall, based on the assessment for the year ended 31 December 2024 and the information currently available, the impact of these rules on the Group's income tax position is not expected to be material.

10 Earnings per share for profit attributable to ordinary shareholders

The calculation of earnings per share is based on profit attributable to ordinary shareholders of the Company of HK$17,088 million (2023: HK$23,500 million) and 3,830,044,500 shares in issue during the year of 2024 (2023: 3,830,044,500 shares).

The Company and its subsidiary companies do not have share option scheme or other dilutive potential ordinary shares as at 31 December 2024 and 31 December 2023. Certain of the Company's associated companies have employee share options outstanding as at 31 December 2024 and 31 December 2023. The employee share options of these associated companies outstanding as at 31 December 2024 and 31 December 2023 did not have a dilutive effect on earnings per share.

11 Distributions and dividends

(a) Distribution paid on perpetual capital securities

	2024 **HK$ million**	2023 HK$ million
Distribution paid on perpetual capital securities	**162**	167

(b) Dividends

	2024 **HK$ million**	2023 HK$ million
Interim dividend, paid of HK$0.688 per share (2023: HK$0.756 per share)	**2,635**	2,896
Final dividend, proposed of HK$1.514 per share (2023: HK$1.775 per share)	**5,799**	6,798
	8,434	9,694

The final dividend proposed after the end of the reporting period has not been recognised as a liability at 31 December 2024. The amount of the 2024 proposed final dividend is expected to be paid on 12 June 2025 out of retained profit.

12 Fixed assets

	Land and buildings HK$ million	Telecom-munications network assets HK$ million	Other assets [a] HK$ million	Total HK$ million
Cost				
At 1 January 2023	28,981	70,505	88,835	188,321
Additions	1,291	2,243	18,136	21,670
Relating to subsidiaries acquired (see note 33(c))	–	–	6	6
Disposals	(273)	(908)	(2,637)	(3,818)
Transfer between categories	255	7,818	(8,073)	–
Exchange translation differences	685	2,580	2,512	5,777
At 31 December 2023 and 1 January 2024	**30,939**	**82,238**	**98,779**	**211,956**
Additions	**1,404**	**2,296**	**16,665**	**20,365**
Relating to subsidiaries acquired (see note 33(c))	**–**	**451**	**177**	**628**
Disposals	**(310)**	**(5,109)**	**(6,125)**	**(11,544)**
Relating to subsidiaries disposed (see note 33(d))	**(119)**	**–**	**(5,096)**	**(5,215)**
Transfer between categories	**431**	**6,118**	**(6,549)**	**–**
Exchange translation differences	**(1,221)**	**(3,785)**	**(3,541)**	**(8,547)**
At 31 December 2024	**31,124**	**82,209**	**94,310**	**207,643**
Accumulated depreciation and impairment				
At 1 January 2023	7,210	30,943	37,518	75,671
Charge for the year	1,093	8,256	8,201	17,550
Disposals	(270)	(783)	(2,424)	(3,477)
Transfer between categories	–	(42)	42	–
Exchange translation differences	333	1,327	726	2,386
At 31 December 2023 and 1 January 2024	**8,366**	**39,701**	**44,063**	**92,130**
Charge for the year	**1,104**	**8,991**	**7,767**	**17,862**
Impairment recognised (see note 7(e))	**–**	**1,221**	**15**	**1,236**
Disposals	**(308)**	**(5,047)**	**(5,946)**	**(11,301)**
Relating to subsidiaries disposed (see note 33(d))	**(119)**	**–**	**(383)**	**(502)**
Transfer between categories	**–**	**4**	**(4)**	**–**
Exchange translation differences	**(116)**	**(1,842)**	**(1,601)**	**(3,559)**
At 31 December 2024	**8,927**	**43,028**	**43,911**	**95,866**
Net book value				
At 31 December 2024	**22,197**	**39,181**	**50,399**	**111,777**
At 31 December 2023	22,573	42,537	54,716	119,826
At 1 January 2023	21,771	39,562	51,317	112,650

(a) Net book value of other assets of HK$50,399 million (2023: HK$54,716 million) primarily relate to fixed assets used in business of Ports and related services of HK$17,094 million (2023: HK$21,837 million), Telecommunications of HK$23,715 million (2023: HK$23,411 million), and Infrastructure of HK$1,259 million (2023: HK$1,476 million).

As at 31 December 2024, other assets with a net book value of HK$15,433 million (2023: HK$22,227 million) are assets under construction.

12 Fixed assets (continued)

(b) The analysis of the Group's aggregate future minimum lease receivable under non-cancellable operating leases of fixed assets is as follows:

	2024 HK$ million	2023 HK$ million
Within 1 year	81	80
Between 1 and 2 years	18	13
Between 2 and 3 years	4	2
Between 3 and 4 years	2	2
Between 4 and 5 years	2	6
After 5 years	4	1
	111	104

13 Leases

(a) Group as a lessee – amounts recognised in the consolidated statement of financial position

	2024 HK$ million	2023 HK$ million
Right-of-use assets		
Container terminals	14,818	15,312
Retail stores	19,924	20,653
Telecommunications network infrastructure sites	12,956	14,688
Leasehold land	5,443	5,958
Other assets	4,448	4,587
	57,589	61,198
Lease liabilities		
Current	12,142	13,616
Non-current	52,377	54,307
	64,519	67,923

Additions to the right-of-use assets and lease liabilities during the year ended 31 December 2024 were HK$7,567 million (2023: HK$8,871 million) and HK$7,534 million (2023: HK$8,871 million), respectively.

13 Leases (continued)

(b) Group as a lessee – additional disclosures

	2024 HK$ million	2023 HK$ million
Depreciation charge of right-of-use assets (included in "Depreciation and amortisation")		
Container terminals	**949**	1,080
Retail stores	**6,521**	6,721
Telecommunications network infrastructure sites	**5,585**	5,203
Leasehold land	**348**	348
Other assets	**1,228**	1,299
	14,631	14,651
Interest on lease liabilities (included in "Interest expenses and other finance costs")	**2,757**	2,546
Expenses relating to short-term leases (included in "Other expenses and losses")	**850**	498
Expenses relating to leases of low-value assets that are not short-term leases (included in "Other expenses and losses")	**491**	568
Expenses relating to variable lease payments not included in lease liabilities (included in "Other expenses and losses")	**2,168**	2,253

The total cash outflow for leases in 2024 was HK$20,235 million (2023: HK$20,025 million), of which HK$6,132 million (2023: HK$5,549 million) is included in operating cash flows and HK$14,103 million (2023: HK$14,476 million) is included in financing cash flows (see note 33(e)).

Variable lease payments

Some retail store leases contain variable payment terms that are linked to sales generated from a store. There is a wide range of sales percentages applied to such leases. Variable payment terms are used for a variety of reasons, including minimising the fixed costs base for newly established stores. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

A 1% increase in sales across all stores / operations in the companies with leases containing variable lease payment terms that are linked to sales would increase total lease payments by approximately 0.1% or HK$17 million (2023: approximately 0.1% or HK$20 million).

13 Leases (continued)

(b) Group as a lessee – additional disclosures (continued)

Extension and termination options

Extension and termination options are included in a number of leases across the Group. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

As at 31 December 2024, in accordance with the applicable provision in HKFRS 16, potential future cash outflows of HK$7,021 million (2023: HK$8,635 million) (undiscounted) have not been included in calculating the lease liabilities because it is not reasonably certain that the leases will be extended (or not terminated).

Residual value guarantees

As at 31 December 2024, no residual value guarantee (2023: HK$15 million) is expected to be payable and include in calculating the lease liabilities.

Leases not yet commenced to which the lessee is committed

At 31 December 2024, the Group is committed to leases that are not yet commenced, and the lease payments payable under which amounted to HK$94 million (2023: HK$19 million). This amount has not been included in calculating the lease liabilities as at 31 December 2024.

Restriction or covenants imposed by leases

The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

(c) Group as a lessor

	2024 HK$ million	2023 HK$ million
Income from subleasing right-of-use assets (included in "Other expenses and losses")	**116**	182

The analysis of the Group's aggregate future minimum lease receivable under non-cancellable operating leases from subleasing right-of-use assets is as follows:

	2024 HK$ million	2023 HK$ million
Within 1 year	**87**	153
Between 1 and 2 years	**31**	70
Between 2 and 3 years	**21**	49
Between 3 and 4 years	**16**	37
Between 4 and 5 years	**10**	33
After 5 years	**9**	27
	174	369

In addition, the Group has recognised income of HK$244 million (2023: HK$217 million) from leasing of fixed assets for the year ended 31 December 2024.

14 Telecommunications licences

	2024 HK$ million	2023 HK$ million
Net book value		
At 1 January	**64,264**	60,689
Additions	**72**	1,956
Relating to subsidiaries acquired (see note 33(c))	**3,368**	–
Amortisation for the year	**(907)**	(953)
Exchange translation differences	**(2,928)**	2,572
At 31 December	**63,869**	64,264
Cost	**71,600**	71,396
Accumulated amortisation and impairment	**(7,731)**	(7,132)
	63,869	64,264

The Group's telecommunications licences in the UK and Italy are considered to have an indefinite useful life. At 31 December 2024, telecommunications licences with indefinite useful life in the UK and Italy with a carrying value of HK$19,737 million and HK$31,704 million respectively (2023: HK$19,914 million and HK$33,781 million respectively) have been allocated to the Telecommunications segment.

15 Brand names and other rights

	Brand names HK$ million	Other rights HK$ million	Total HK$ million
Net book value			
At 1 January 2023	66,899	16,795	83,694
Additions	–	1,675	1,675
Amortisation for the year	(11)	(3,251)	(3,262)
Relating to subsidiaries acquired (see note 33(c))	3	6	9
Exchange translation differences	1,163	117	1,280
At 31 December 2023 and 1 January 2024	**68,054**	**15,342**	**83,396**
Additions	**–**	**1,913**	**1,913**
Amortisation for the year	**(11)**	**(3,146)**	**(3,157)**
Relating to subsidiaries acquired (see note 33(c))	**–**	**18**	**18**
Exchange translation differences	**(1,484)**	**(1,445)**	**(2,929)**
At 31 December 2024	**66,559**	**12,682**	**79,241**
Cost	**66,661**	**32,660**	**99,321**
Accumulated amortisation and impairment	**(102)**	**(19,978)**	**(20,080)**
	66,559	**12,682**	**79,241**

Brand names considered to have an indefinite useful life are not subject to amortisation. The carrying value of brand names with indefinite useful life at 31 December 2024 of HK$49,181 million (2023: HK$49,730 million) and HK$17,235 million (2023: HK$18,156 million) has been attributed to Retail segment and the Telecommunications segment respectively.

Other rights, primarily include operating and service content rights, and resource consents and customer lists. These rights are amortised over their finite useful lives. At 31 December 2024, the carrying value of these rights amounted to HK$8,423 million (2023: HK$9,773 million) and HK$4,259 million (2023: HK$5,569 million) respectively.

16 Goodwill

	2024 HK$ million	2023 HK$ million
Net book value		
At 1 January	**271,136**	268,008
Relating to subsidiaries acquired (see note 33(c))	**1,451**	75
Exchange translation differences	**(5,262)**	3,053
At 31 December	**267,325**	271,136
Cost	**291,757**	297,159
Accumulated impairment	**(24,432)**	(26,023)
	267,325	271,136

Goodwill is monitored by the management at the level of the operating segments identified (see note 5). As at 31 December 2024, the carrying amount of goodwill are mainly allocated to Telecommunications segment of HK$81,085 million (2023: HK$84,897 million), Retail segment of HK$114,095 million (2023: HK$114,099 million), and Infrastructure segment of HK$39,129 million (2023: HK$39,123 million).

Management tests whether goodwill and intangible assets that have an indefinite useful life (including certain telecommunications licences and brand names as set out in notes 14 and 15) have suffered any impairment on an annual basis and when there is an indication these assets may be impaired. The annual tests of goodwill and intangible assets with indefinite useful life for impairment were conducted at 31 December 2024. The results of the impairment tests undertaken as of 31 December 2024 indicated no impairment charge was necessary for the Group. Set out below are additional information about the estimates used to measure recoverable amounts in the 31 December 2024 annual impairment tests for the Telecommunications and Retail operations.

16 Goodwill (continued)

The recoverable amounts of the Group's Telecommunications operations at 31 December 2024 were determined based on VIU calculations. VIU is measured using discounted cash flow projections for the next five years and a calculated terminal value at the end of the five-year period. The cash flows are based on the latest approved financial budgets of the relevant telecommunications business for the next five years. Management prepared the financial budgets reflecting current and prior year performances and experience, market development expectations, including the expected market share and growth momentum, and where available and appropriate, observable market data. There are a number of assumptions and estimates involved for the preparation of the budget, the cash flow projections for the period covered by the approved budget and the estimated terminal value at the end of the budget period. Key assumptions, include revenues, service margin, operating costs, growth rates used for the budget periods, and selection of discount rates and the terminal growth rate used to extrapolate cash flow projections to estimate the terminal value at the end of the five-year period. The VIU amount derived from the cash flow projections is sensitive to the discount rate used for the cash flow projections and the growth rate used for extrapolation purposes as well as the 5G revenue expectations. A discount rate (pre-tax) ranging from 4.8% to 9.6% (2023: 5.4% to 11.0%) has been applied. A growth rate, for the purpose of impairment testing calculation, ranging from 1% to 2% p.a. (2023: 1% to 2% p.a.), which is not expected to exceed the anticipated economic growth for the underlying business units, is used to extrapolate cash flow projections to estimate the terminal value of the underlying business units at the end of the five-year period.

The recoverable amounts of the Group's Retail operations at 31 December 2024 were determined based on fair value less costs of disposal ("FVLCD") calculation. Fair value is measured using discounted cash flow projections for the next five years and a calculated terminal value at the end of the five-year period (a Level 3 fair value hierarchy). The cash flows are based on the latest approved financial budgets for the next five years. Management prepared the financial budgets reflecting current and prior year performances and experience, market development expectations, including the expected market share and growth momentum, and where available and appropriate, observable market data. There are a number of assumptions and estimates involved for the preparation of the budget, the cash flow projections for the period covered by the approved budget and the estimated terminal value at the end of the budget period. Key assumptions, include the expected growth in revenues and gross margin, inventory level, volume and operating costs, timing of future capital expenditures, growth rates used for the budget periods, and selection of discount rates and the terminal growth rate used to extrapolate cash flow projections to estimate the terminal value at the end of the five-year period. The FVLCD amount derived from the cash flow projections is sensitive to the discount rate used for the discounted cash flow projections and the growth rate used for extrapolation purposes. A discount rate (post-tax) of 7.0% (2023: 8.4%) has been applied. In estimating the terminal value at the end of the five-year period, a growth rate, for the purpose of impairment testing calculation, of 2.6% p.a. (2023: 3.9% p.a.), which is not expected to exceed the anticipated economic growth for the business, has been used to extrapolate cash flow projections.

The results of the impairment tests undertaken as at 31 December 2024 and 2023 indicated no impairment charge was necessary for goodwill and intangible assets of the Group. In performing the impairment tests for these assets, the management has considered and assessed reasonably possible changes for key assumptions and has not identified any instance that could cause the recoverable amount to fall below the carrying value.

Please refer to note 45(b)(i) for the significant accounting judgement applied, estimates and assumptions made in assessing whether goodwill has suffered any impairment.

17 Associated companies

	2024 HK$ million	2023 HK$ million
Unlisted shares	**11,193**	9,071
Listed shares, Hong Kong	**62,919**	62,919
Listed shares, outside Hong Kong	**80,612**	80,837
Share of undistributed post acquisition reserves	**(16,005)**	(12,081)
	138,719	140,746
Amounts due from (net with amounts due to) associated companies [a]	**1,136**	2,892
	139,855	143,638

The market value of the above listed investments at 31 December 2024 was HK$111,361 million (2023: HK$112,390 million), inclusive of HK$37,292 million (2023: HK$41,370 million) and HK$41,598 million (2023: HK$34,614 million) for Cenovus Energy and Power Assets Holdings Limited ("Power Assets") respectively.

There are no material contingent liabilities relating to the Group's interests in associated companies, save for those disclosed in note 36.

(a) Amounts due from (net with amounts due to) associated companies

	2024 HK$ million	2023 HK$ million
Amounts due from associated companies [i]		
Interest free	**428**	410
Interest bearing at fixed rates [ii]	**839**	2,618
Interest bearing at floating rates [iii]	**404**	407
	1,671	3,435
Amounts due to associated companies [iv]		
Interest free	**535**	543
Amounts due from (net with amounts due to) associated companies	**1,136**	2,892

17 Associated companies (continued)

(a) Amounts due from (net with amounts due to) associated companies (continued)

(i) At 31 December 2024 and 2023, the amounts due from associated companies are unsecured and have no fixed terms of repayment.

Amounts due from associated companies are considered to be of low credit risk. As a result, insignificant amount of provision for credit loss was made at the reporting date in respect of the amounts due from associated companies. The expected credit loss was minimal as the amounts were due from companies which the Group has significant influence, and where applicable, including participation in their financial and operating policies, and which are subject to the Group's financial and investment requirements. These amounts had no recent history of default. The Group is not aware of any unfavourable current conditions and forecast future economic conditions existed at the reporting date that would require the Group to make a provision for expected credit loss in respect of these assets.

(ii) At 31 December 2024, HK$839 million (2023: HK$2,618 million) bear interests at fixed rates ranging from approximately 4.7% to 11.2% (2023: 4.7% to 11.2%) per annum.

(iii) At 31 December 2024, HK$404 million (2023: HK$407 million) bear interests at floating rates ranging from approximately 5.0% to 5.8% (2023: 6.0% to 6.4%) per annum with reference to Euro Interbank Offered Rate ("EURIBOR") and Hong Kong Interbank Offered Rate ("HIBOR"), where applicable.

(iv) At 31 December 2024 and 2023, the amounts due to associated companies are unsecured and have no fixed terms of repayment.

(b) Material associated companies

Set out below are additional information in respect of the Group's material associated companies:

	2024		2023	
	Cenovus Energy HK$ million	**Power Assets HK$ million**	Cenovus Energy HK$ million	Power Assets HK$ million
Dividends received from associated companies	**1,465**	**2,164**	964	2,164
Gross amount of the following items of the associated companies [i]:				
Total revenue	**309,396**	**919**	304,130	1,292
EBITDA	**54,433**	**18,747**	60,278	18,733
EBIT	**26,321**	**12,577**	33,224	13,077
Other comprehensive income (losses)	**(17,735)**	**(1,785)**	3,706	1,901
Total comprehensive income (losses)	**(2,315)**	**4,334**	25,882	7,904
Current assets	**56,344**	**3,488**	57,898	4,359
Non-current assets	**347,556**	**128,219**	367,380	128,973
Current liabilities	**39,755**	**4,077**	36,763	3,249
Non-current liabilities	**104,803**	**2,924**	112,439	3,701
Net assets (net of preferred shares and non-controlling interests)	**257,274**	**124,706**	272,773	126,382
Reconciliation to the carrying amount of the Group's interests in associated companies:				
Group's interest	**17.4%**	**36.0%**	16.9%	36.0%
Group's share of net assets	**44,677**	**44,912**	46,180	45,515
Carrying amount	**44,677**	**44,912**	46,180	45,515

17 Associated companies (continued)

(b) Material associated companies (continued)

The carrying amount of the Group's interests in all individually immaterial associated companies that are accounted for using the equity method of accounting is HK$50,266 million (2023: HK$51,943 million).

	2024				2023			
	Cenovus Energy HK$ million	**Power Assets HK$ million**	**Other associated companies HK$ million**	**Total HK$ million**	Cenovus Energy HK$ million	Power Assets HK$ million	Other associated companies HK$ million	Total HK$ million
Group's share of the following items of the associated companies [i]:								
Profits less losses after tax	**3,041**	**2,204**	**1,658**	**6,903**	3,963	2,161	2,014	8,138
Other comprehensive income (losses)	**(3,080)**	**(643)**	**(2,030)**	**(5,753)**	627	685	17	1,329
Total comprehensive income (losses)	**(39)**	**1,561**	**(372)**	**1,150**	4,590	2,846	2,031	9,467

(i) After translation into Hong Kong dollar and consolidation adjustments.

Particulars regarding the principal associated companies are set forth on pages 255 to 258.

18 Interests in joint ventures

	2024 HK$ million	2023 HK$ million
Unlisted shares	**133,389**	127,116
Share of undistributed post acquisition reserves	**4,136**	7,154
	137,525	134,270
Amounts due from (net with amounts due to) joint ventures [a]	**16,683**	22,067
	154,208	156,337

There are no material contingent liabilities relating to the Group's interests in the joint ventures, save for those disclosed in note 36.

18 Interests in joint ventures (continued)

(a) Amounts due from (net with amounts due to) joint ventures

	2024 HK$ million	2023 HK$ million
Amounts due from joint ventures (i)		
Interest free	**2,525**	2,239
Interest bearing at fixed rates (ii)	**5,972**	7,972
Interest bearing at floating rates (iii)	**8,456**	12,166
	16,953	22,377
Amounts due to joint ventures (iv)		
Interest free	**270**	310
Amounts due from (net with amounts due to) joint ventures	**16,683**	22,067

(i) At 31 December 2024 and 2023, the amounts due from joint ventures are unsecured and have no fixed terms of repayment except for HK$322 million which are repayable within one year (2023: HK$32 million which are repayable within one to two years).

Amounts due from joint ventures are considered to be of low credit risk. As a result, insignificant amount of provision for credit loss was made at the reporting date in respect of the amounts due from joint ventures. The expected credit loss was minimal as the amounts were due from companies which the Group has joint control, and where applicable, including participation in their financial and operating policies, and which are subject to the Group's financial and investment requirements. These amounts had no recent history of default. The Group is not aware of any unfavourable current conditions and forecast future economic conditions existed at the reporting date that would require the Group to make a provision for expected credit loss in respect of these assets.

(ii) At 31 December 2024, HK$5,972 million (2023: HK$7,972 million) bear interests at fixed rates ranging from approximately 4.2% to 10.0% (2023: 4.4% to 11.0%) per annum.

(iii) At 31 December 2024, HK$8,456 million (2023: HK$12,166 million) bear interests at floating rates ranging from approximately 3.7% to 7.7% (2023: 4.1% to 8.3%) per annum with reference to Australian Bank Bill Swap Reference Rate, EURIBOR and HIBOR, where applicable.

(iv) At 31 December 2024 and 2023, the amounts due to joint ventures are unsecured and have no fixed terms of repayment.

(b) Set out below are the aggregate amount of the Group's share of the following items of joint ventures:

	2024 HK$ million	2023 HK$ million
Profits less losses after tax	**9,757**	7,990
Other comprehensive income (losses)	**(6,256)**	3,997
Total comprehensive income	**3,501**	11,987
Capital commitments	**3,929**	13,880

As at 31 December 2024 and 2023, no interests in joint ventures are individually material to the Group. Particulars regarding the principal joint ventures are set forth on pages 255 to 258.

19 Deferred tax

	2024 HK$ million	2023 HK$ million
Deferred tax assets	**18,140**	21,074
Deferred tax liabilities	**17,974**	19,572
Net deferred tax assets	**166**	1,502

Movements in net deferred tax assets are summarised as follows:

	2024 HK$ million	2023 HK$ million
At 1 January	**1,502**	(781)
Relating to subsidiaries acquired	**(354)**	3
Relating to subsidiaries disposed	**35**	–
Transfer to current tax	**(15)**	6
Net credit (charge) to other comprehensive income	**(85)**	380
Net credit (charge) to the consolidated income statement		
Tax losses	**(1,184)**	1,617
Accelerated depreciation allowances	**(1,005)**	(62)
Fair value adjustments arising from acquisitions	**(154)**	(551)
Withholding tax on undistributed profits	**49**	(48)
Other temporary differences	**1,766**	160
Exchange translation differences	**(389)**	778
At 31 December	**166**	1,502

Analysis of net deferred tax assets:

	2024 HK$ million	2023 HK$ million
Tax losses	**15,289**	16,865
Accelerated depreciation allowances	**(3,365)**	(2,425)
Fair value adjustments arising from acquisitions	**(12,492)**	(12,268)
Revaluation of investment properties and other investments	**24**	20
Withholding tax on undistributed profits	**(842)**	(912)
Other temporary differences	**1,552**	222
	166	1,502

19 Deferred tax (continued)

The Group is subject to income taxes in numerous jurisdictions and significant judgement is required in determining the provision for income taxes. To the extent that dividends distributed from investments in subsidiaries, branches and associated companies, and interests in joint ventures are expected to result in additional taxes, appropriate amounts have been provided for. No deferred tax has been provided for the temporary differences arising from undistributed profits of these companies to the extent that the undistributed profits are considered permanently employed in their businesses and it is probable that such temporary differences will not reverse in the foreseeable future.

The deferred tax assets and liabilities are offset when there is a legally enforceable right to set off and when the deferred income taxes relate to the same fiscal authority.

At 31 December 2024, the Group has recognised accumulated deferred tax assets amounting to HK$18,140 million (2023: HK$21,074 million) of which HK$14,269 million (2023: HK$16,973 million) relates to **3** Group Europe.

Note 45(b)(v) contains information about the estimates, assumptions and judgements relating to the recognition of deferred tax assets for unutilised tax losses carried forward.

The amounts of unutilised tax losses and deductible temporary differences for which no deferred tax assets is recognised in the consolidated statement of financial position at 31 December 2024 were HK$502,204 million (2023: HK$531,915 million) and HK$25,794 million (2023: HK$27,472 million), respectively, totalling HK$527,998 million (2023: HK$559,387 million). The current year's amounts included balances that are subject to agreement by relevant tax authorities.

These unutilised tax losses and deductible temporary differences can be carried forward against future taxable income. Of the total amounts unrecognised, HK$166,087 million (2023: HK$174,454 million) has no expiry date, HK$8,008 million (2023: HK$8,269 million) is expected to expire within 10 years and the remaining balances is expected to expire after 10 years.

20 Liquid funds and other listed investments

	2024 HK$ million	2023 HK$ million
Financial assets at amortised cost		
Managed funds – cash and cash equivalents, outside Hong Kong [c]	34	50
Financial assets at fair value through other comprehensive income ("FVOCI") [d]		
Listed equity securities, Hong Kong [e]	536	608
Listed equity securities, outside Hong Kong [e]	747	8,589
Managed funds – listed debt securities, outside Hong Kong [b] [f]	6,825	6,539
	8,142	15,786

(a) At 31 December, liquid funds and other listed investments totalling HK$8,142 million (2023: HK$15,786 million) are denominated in the following currencies:

	2024		2023	
	Financial assets at amortised cost Percentage	Financial assets at FVOCI Percentage	Financial assets at amortised cost Percentage	Financial assets at FVOCI Percentage
HK dollar	–	7%	–	4%
US dollar	100%	84%	100%	42%
Other currencies	–	9%	–	54%
	100%	100%	100%	100%

See note 40(a) for further analysis.

20 Liquid funds and other listed investments (continued)

(b) At 31 December, listed debt securities totalling HK$6,825 million (2023: HK$6,539 million) presented above are analysed as follows:

	2024	2023
	Financial assets at FVOCI	Financial assets at FVOCI
	Percentage	Percentage
Credit ratings		
Aaa/AAA	**15%**	14%
Aa1/AA+	**85%**	86%
	100%	100%
Sectorial		
US Treasury notes	**74%**	72%
Government and government guaranteed notes	**22%**	25%
Others	**4%**	3%
	100%	100%
Weighted average maturity	**1.1 years**	1.8 years
Weighted average effective yield	**2.73%**	1.61%

(c) “Managed funds – cash and cash equivalents” are considered to be of low credit risk. As a result, insignificant amount of provision for credit loss was made at the reporting date in respect of the “Managed funds – cash and cash equivalents”. These amounts were held with reputable financial institutions. The Group controls the credit risk to non-performance by the counterparties, where applicable, through monitoring their equity share price movements and credit ratings as well as setting approved counterparty credit limits that are regularly reviewed. Accordingly, these assets are considered to be of low credit risk.

(d) The fair values are based on quoted market prices.

(e) These equity securities are not investments held for trading purpose. The Group made an irrevocable election at initial recognition to recognise and measure these investments at FVOCI. As at 31 December 2024, the Group has collar agreements with banks to hedge fair values of certain of these listed equity securities. Fair value surplus of HK$14 million at 31 December 2024 of these collar arrangements are included in current assets (see note 24). For the comparative balance as at 31 December 2023, fair value deficits of HK$297 million and HK$59 million are included in current and non-current liabilities (see notes 26 and 30, respectively).

(f) “Managed funds – listed debt securities” comprised predominately US Treasury notes and government and government guaranteed notes. All (2023: All) of the carrying amount of these assets at 31 December 2024 were rated at Aaa / AAA or Aa1 / AA+. These assets are considered to be of low credit risk. As a result, insignificant amount of provision for credit loss was required at the reporting date in respect of these assets.

21 Other non-current assets

	2024 HK$ million	2023 HK$ million
Investment properties (see note 22)	**389**	408
Customer acquisition and retention costs [(a)]	**4,231**	4,290
Contract assets (see note 24(b))	**3,202**	3,826
Unlisted investments		
Financial assets at FVOCI – equity securities [(b)]	**1,933**	2,189
Financial assets at fair value through profit or loss – equity securities	**366**	369
Financial assets at fair value through profit or loss – debt securities	**414**	604
Pension assets (see note 29)	**2,239**	1,428
Derivative financial instruments		
Cash flow hedges		
Interest rate swaps	**–**	52
Cross currency interest rate swaps	**227**	150
Net investment hedges		
Cross currency swaps	**1,281**	572
Other non-current assets [(c)]	**5,921**	5,974
	20,203	19,862

(a) Customer acquisition and retention costs primarily relate to incremental commission costs incurred to obtain telecommunications contracts with customers. The amount of customer acquisition and retention costs shown above is after deducting the amortisation charged to the current year's consolidated income statement of HK$3,903 million (2023: HK$3,667 million). Further, there was no impairment loss in relation to the cost capitalised. The Group applies the practical expedient in paragraph 94 of HKFRS 15, and recognises the incremental costs of obtaining contracts as an expense when incurred if the amortisation period of the costs that the Group otherwise would have recognised is one year or less.

(b) These equity securities are not investments held for trading purpose. The Group made an irrevocable election at initial recognition to recognise and measure these investments at fair value through other comprehensive income. The Group considered this FVOCI category to be an appropriate classification. Fair value for these investments are determined by using valuation techniques, including discounted cashflow analysis.

(c) Amount included lease receivables of HK$875 million (2023: HK$507 million), which are considered to be of low credit risk. As a result, insignificant amount of provision for credit loss was made at the reporting date in respect of lease receivables. The expected credit loss was minimal as lease receivables are from entities which are subject to the Group's lease acceptance requirements. There was no unfavourable current conditions and forecast future economic conditions at the reporting date that would require the Group to make a provision for expected credit loss in respect of these assets. The remaining balances are mainly prepayments of telecommunications annual licences fee.

22 Investment properties

Investment properties are included in "Other non-current assets" (see note 21) in the consolidated statement of financial position.

	2024 **HK$ million**	2023 HK$ million
Valuation		
At 1 January	**408**	408
Decrease in fair value of investment properties	**(19)**	–
At 31 December	**389**	408

At 31 December 2024, investment properties amounting to HK$389 million (2023: HK$408 million) were measured at fair value based on value inputs, other than quoted prices, that were observable either directly or indirectly. The fair values of the investment properties at 31 December 2024 and 2023 were determined based on a valuation carried out by Cushman & Wakefield Limited, professional valuers. The valuation which reflected the highest and best use was arrived at by reference to comparable market transactions and also took reference of capitalising the rental income derived from the existing tenancies with due provision for the reversionary income potential of the properties. There were no transfers among Level 1, Level 2 and Level 3 during the year. The Group's policy is to recognise transfers into/out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

At 31 December 2024 and 2023, the Group's aggregate future minimum lease receivable under non-cancellable operating leases is not material.

23 Cash and cash equivalents

	2024 **HK$ million**	2023 HK$ million
Cash at bank and in hand	**26,734**	34,000
Short term bank deposits	**94,569**	93,323
	121,303	127,323

The carrying amounts of cash and cash equivalents approximate their fair values.

Cash and cash equivalents were held with reputable financial institutions. The Group controls the credit risk to non-performance by the counterparties, where applicable, through monitoring their equity share price movements and credit ratings as well as setting approved counterparty credit limits that are regularly reviewed. Accordingly, cash and cash equivalents are considered to be of low credit risk. As a result, insignificant amount of provision for credit loss was made at the reporting date in respect of these assets.

See note 40(a) for further analysis.

24 Trade receivables and other current assets

	2024 HK$ million	2023 HK$ million
Trade receivables [(a)]	18,825	20,264
Less: loss allowance provision	(3,498)	(3,967)
	15,327	16,297
Other current assets		
Derivative financial instruments		
Fair value hedges – collar agreements	14	–
Cash flow hedges		
Interest rate swaps	7	–
Forward foreign exchange contracts	5	–
Other contracts	1	26
Net investment hedges		
Forward foreign exchange contracts	436	201
Cross currency swaps	79	336
Contract assets [(b)]	3,919	3,754
Prepayments	13,908	16,361
Other receivables [(c)]	12,169	13,491
Current tax receivables	102	124
	45,967	50,590

(a) Trade receivables are stated at the expected recoverable amount, net of any provision for estimated impairment losses where it is deemed that a receivable may not be fully recoverable. The carrying amounts of these assets approximate their fair values.

Trade receivables exposures are managed locally in the operating units where they arise and credit limits are set as deemed appropriate for the customer. The Group's operating units have established credit policies for customers. The average credit period granted for trade receivables ranges from 30 to 60 days. Trade receivables which are past due at the end of the reporting period are stated at the expected recoverable amount, after netting of provision for estimated impairment losses. Given the profile of the Group's customers and the Group's different types of businesses, the Group generally does not hold collateral over these balances.

The Group's five largest customers contributed less than 5% of the Group's revenue for the year ended 31 December 2024 (2023: less than 5%).

At 31 December, the ageing analysis of the trade receivables presented based on the invoice date, is as follows:

	2024 HK$ million	2023 HK$ million
Less than 31 days	11,532	11,996
Within 31 to 60 days	1,655	1,874
Within 61 to 180 days	1,504	1,523
Over 180 days	4,134	4,871
	18,825	20,264

24 Trade receivables and other current assets (continued)

Movements on the loss allowance provision for trade receivables are as follows:

	2024 HK$ million	2023 HK$ million
At 1 January	3,967	3,705
Additions	717	653
Utilisations	(936)	(492)
Write back	(32)	(41)
Exchange translation differences	(218)	142
At 31 December	3,498	3,967

The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected credit loss provision for trade receivables. The expected credit loss provision rates for trade receivables are based on historical payment profiles and historical credit loss experience, adjusted to reflect, where relevant and appropriate, current and information specific to the debtors, future economic and market conditions and forward-looking information on macroeconomic factors affecting the ability of the debtors to settle the receivables that the Group considers are reasonable and appropriate. To measure the expected credit losses, trade receivables have been grouped based on the days past due. The gross carrying amount of the trade receivables and the loss allowance provision analysed by ageing bands are set out below.

	2024			2023		
	Gross carrying amount HK$ million	Loss allowance provision HK$ million	Expected loss rate Percentage	Gross carrying amount HK$ million	Loss allowance provision HK$ million	Expected loss rate Percentage
Not past due	9,674	106	1%	9,965	89	1%
Past due less than 31 days	3,114	81	3%	3,501	67	2%
Past due within 31 to 60 days	817	29	4%	787	70	9%
Past due within 61 to 180 days	1,215	229	19%	1,291	380	29%
Past due over 180 days	4,005	3,053	76%	4,720	3,361	71%
	18,825	3,498		20,264	3,967	

24 Trade receivables and other current assets (continued)

(b) As at 31 December 2024, contract assets of HK$3,919 million (2023: HK$3,754 million) and HK$3,202 million (2023: HK$3,826 million) are included in "Trade receivables and other current assets" (see above) and "Other non-current assets" (see note 21) respectively. These assets are stated at the expected recoverable amount, after netting of provision for estimated impairment losses of HK$1,926 million (2023: HK$1,637 million). The Group measures the loss allowance for its contract assets at an amount equal to the lifetime expected credit losses. Movement on the provision for estimated impairment losses are as follows:

	2024 HK$ million	2023 HK$ million
At 1 January	**1,637**	1,525
Additions	**1,018**	927
Utilisations	**(595)**	(823)
Write back	**(54)**	(55)
Exchange translation differences	**(80)**	63
At 31 December	**1,926**	1,637

Contract assets primarily relate to the Group's rights to consideration for delivered services and devices but not billed at the reporting date. Contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the customer. The Group's historical credit loss experience does not indicate a substantial different loss pattern for contract assets as compared to trade receivables for similar customer bases. The Group makes reference to the expected credit loss provision rates for trade receivables to measure the contract assets' expected credit losses. The rates are adjusted to reflect information specific to the contract assets that may affect the recovery of the carrying amount of the contract assets.

(c) Other receivables are considered to be of low credit risk. As a result, insignificant amount of provision for credit loss was made at the reporting date in respect of other receivables.

25 Bank and other debts

	2024			2023		
	Current portion HK$ million	Non-current portion HK$ million	Total HK$ million	Current portion HK$ million	Non-current portion HK$ million	Total HK$ million
Principal amounts						
Bank loans	24,896	62,944	87,840	24,484	65,036	89,520
Other loans	4	64	68	154	72	226
Notes and bonds	6,068	162,072	168,140	33,755	147,900	181,655
	30,968	225,080	256,048	58,393	213,008	271,401
Unamortised fair value adjustments arising from acquisitions	–	1,955	1,955	18	2,275	2,293
Subtotal before the following items	30,968	227,035	258,003	58,411	215,283	273,694
Unamortised loan facilities fees and premiums or discounts related to debts	(12)	(1,599)	(1,611)	(87)	(1,685)	(1,772)
	30,956	225,436	256,392	58,324	213,598	271,922

25 Bank and other debts (continued)

Details of the bank and other debts by principal amounts are as follows:

	2024			2023		
	Current portion HK$ million	Non-current portion HK$ million	Total HK$ million	Current portion HK$ million	Non-current portion HK$ million	Total HK$ million
Bank loans	24,896	62,944	87,840	24,484	65,036	89,520
Other loans	4	64	68	154	72	226
Notes and bonds						
HK$2,413 million notes, 3-mth HIBOR^ + 0.32% due 2024	–	–	–	2,413	–	2,413
HK$260 million notes, 4% due 2027	–	260	260	–	260	260
US$750 million notes, 3.25% due 2024	–	–	–	5,850	–	5,850
US$1,500 million notes, 3.625% due 2024	–	–	–	11,700	–	11,700
US$500 million notes, 1.5% due 2026	–	3,900	3,900	–	3,900	3,900
US$500 million notes, 2.75% due 2026	–	3,900	3,900	–	3,900	3,900
US$309 million notes – Series C, 7.5% due 2027	–	2,410	2,410	–	2,410	2,410
US$500 million notes, 3.25% due 2027	–	3,900	3,900	–	3,900	3,900
US$800 million notes, 3.5% due 2027	–	6,240	6,240	–	6,240	6,240
US$1,250 million notes, 4.75% due 2028	–	9,750	9,750	–	9,750	9,750
US$500 million notes, 2.75% due 2029	–	3,900	3,900	–	3,900	3,900
US$750 million notes, 3.625% due 2029	–	5,850	5,850	–	5,850	5,850
US$1,000 million notes, 5.375% due 2029	–	7,800	7,800	–	–	–
US$500 million notes, 4.375% due 2030	–	3,900	3,900	–	–	–
US$750 million notes, 2.5% due 2030	–	5,850	5,850	–	5,850	5,850
US$850 million notes, 2.5% due 2031	–	6,630	6,630	–	6,630	6,630
US$1,039 million notes, 7.45% due 2033	–	8,107	8,107	–	8,107	8,107
US$1,250 million notes, 4.875% due 2033	–	9,750	9,750	–	9,750	9,750
US$500 million notes, 4.75% due 2034	–	3,900	3,900	–	–	–
US$1,000 million notes, 5.5% due 2034	–	7,800	7,800	–	–	–
US$25 million notes – Series D, 6.988% due 2037	–	196	196	–	196	196
US$650 million notes, 3.125% due 2041	–	5,070	5,070	–	5,070	5,070
US$750 million notes, 3.375% due 2049	–	5,850	5,850	–	5,850	5,850
US$750 million notes, 3.375% due 2050	–	5,850	5,850	–	5,850	5,850
EUR600 million bonds, 1% due 2024	–	–	–	5,172	–	5,172
EUR1,000 million notes, 0.875% due 2024	–	–	–	8,620	–	8,620
EUR750 million notes, 1.25% due 2025	6,068	–	6,068	–	6,465	6,465
EUR1,000 million notes, 0.75% due 2026	–	8,090	8,090	–	8,620	8,620
EUR650 million notes, 2% due 2028	–	5,258	5,258	–	5,603	5,603
EUR1,000 million notes, 1.125% due 2028	–	8,090	8,090	–	8,620	8,620
EUR500 million notes, 0.75% due 2029	–	4,045	4,045	–	4,310	4,310
EUR500 million notes, 2% due 2030	–	4,045	4,045	–	4,310	4,310
EUR750 million notes, 1.5% due 2031	–	6,068	6,068	–	6,465	6,465
EUR500 million notes, 1% due 2033	–	4,045	4,045	–	4,310	4,310
GBP303 million notes, 5.625% due 2026	–	2,981	2,981	–	3,010	3,010
GBP500 million notes, 2% due 2027	–	4,920	4,920	–	4,970	4,970
GBP300 million notes, 2.625% due 2034	–	2,952	2,952	–	2,982	2,982
JPY15,000 million notes, 2.6% due 2027	–	765	765	–	822	822
	6,068	162,072	168,140	33,755	147,900	181,655
	30,968	225,080	256,048	58,393	213,008	271,401

^ HIBOR represents the Hong Kong Interbank Offered Rate

25 Bank and other debts (continued)

Further analysis of the principal amount of bank and other debts are set out below:

(a) By year of repayment

	2024			2023		
	Current portion HK$ million	**Non-current portion HK$ million**	**Total HK$ million**	Current portion HK$ million	Non-current portion HK$ million	Total HK$ million
Bank loans						
Within a year	**24,896**	**–**	**24,896**	24,484	–	24,484
After 1 year, but within 2 years	**–**	**22,683**	**22,683**	–	25,326	25,326
After 2 years, but within 5 years	**–**	**40,261**	**40,261**	–	39,710	39,710
	24,896	**62,944**	**87,840**	24,484	65,036	89,520
Other loans						
Within a year	**4**	**–**	**4**	154	–	154
After 1 year, but within 2 years	**–**	**4**	**4**	–	4	4
After 2 years, but within 5 years	**–**	**10**	**10**	–	10	10
After 5 years	**–**	**50**	**50**	–	58	58
	4	**64**	**68**	154	72	226
Notes and bonds						
Within a year	**6,068**	**–**	**6,068**	33,755	–	33,755
After 1 year, but within 2 years	**–**	**18,871**	**18,871**	–	6,465	6,465
After 2 years, but within 5 years	**–**	**63,188**	**63,188**	–	62,005	62,005
After 5 years	**–**	**80,013**	**80,013**	–	79,430	79,430
	6,068	**162,072**	**168,140**	33,755	147,900	181,655
	30,968	**225,080**	**256,048**	58,393	213,008	271,401

Under the terms of the major bank and other debts, the Group is required to comply with certain financial and non-financial covenants at the end of the reporting period. If the Group were to breach the covenants, the non-current portion of bank and other debts with carrying amount of HK$224,756 million that subject to the fulfilment of the covenants would become repayable within twelve months after the reporting period. The Group has complied with these covenants throughout the reporting period. There are no indications that the Group would have difficulties complying with the covenants when they will be next tested within twelve months of the reporting date.

(b) By secured and unsecured borrowings

	2024			2023		
	Current portion HK$ million	**Non-current portion HK$ million**	**Total HK$ million**	Current portion HK$ million	Non-current portion HK$ million	Total HK$ million
Secured borrowings	**1,389**	**1**	**1,390**	1	1,558	1,559
Unsecured borrowings	**29,579**	**225,079**	**254,658**	58,392	211,450	269,842
	30,968	**225,080**	**256,048**	58,393	213,008	271,401

25 Bank and other debts (continued)

Further analysis of the principal amount of bank and other debts are set out below (continued):

(c) By borrowings at fixed and floating interest rate

	2024			2023		
	Current portion HK$ million	**Non-current portion HK$ million**	**Total HK$ million**	Current portion HK$ million	Non-current portion HK$ million	Total HK$ million
Borrowings at fixed rate	**6,071**	**162,136**	**168,207**	31,496	147,972	179,468
Borrowings at floating rate	**24,897**	**62,944**	**87,841**	26,897	65,036	91,933
	30,968	**225,080**	**256,048**	58,393	213,008	271,401

(d) By borrowings at fixed and floating interest rate (adjusted for the effect of hedging transactions)

	2024			2023		
	Current portion HK$ million	**Non-current portion HK$ million**	**Total HK$ million**	Current portion HK$ million	Non-current portion HK$ million	Total HK$ million
Borrowings at fixed rate	**9,200**	**162,136**	**171,336**	31,496	151,433	182,929
Borrowings at floating rate	**21,768**	**62,944**	**84,712**	26,897	61,575	88,472
	30,968	**225,080**	**256,048**	58,393	213,008	271,401

Derivative financial instruments are principally utilised by the Group in the management of its foreign currency and interest rate exposures.

The Group has entered into interest rate swap agreements to swap floating interest rate borrowings to fixed interest rate borrowings to mainly mitigate interest rate exposures to certain infrastructure project related borrowings. At 31 December 2024, the notional amount of the outstanding interest rate swap agreements amounted to HK$3,129 million (2023: interest rate swap agreements of HK$3,461 million) (See note 40(i)(ii)).

25 Bank and other debts (continued)

Further analysis of the principal amount of bank and other debts are set out below (continued):

(e) By currency

	2024			2023		
	Current portion Percentage	**Non-current portion Percentage**	**Total Percentage**	Current portion Percentage	Non-current portion Percentage	Total Percentage
US dollar	**7%**	**44%**	**51%**	8%	41%	49%
Euro	**2%**	**28%**	**30%**	11%	22%	33%
HK dollar	**–**	**6%**	**6%**	1%	4%	5%
British Pound	**–**	**5%**	**5%**	1%	4%	5%
Other currencies	**3%**	**5%**	**8%**	1%	7%	8%
	12%	**88%**	**100%**	22%	78%	100%

(f) By currency (adjusted for the effect of hedging transactions)

	2024			2023		
	Current portion Percentage	**Non-current portion Percentage**	**Total Percentage**	Current portion Percentage	Non-current portion Percentage	Total Percentage
US dollar	**7%**	**44%**	**51%**	8%	41%	49%
Euro	**2%**	**30%**	**32%**	11%	23%	34%
HK dollar	**–**	**6%**	**6%**	1%	4%	5%
British Pound	**–**	**3%**	**3%**	1%	3%	4%
Other currencies	**3%**	**5%**	**8%**	1%	7%	8%
	12%	**88%**	**100%**	22%	78%	100%

As at 31 December 2024, the Group had currency swap agreements with banks to swap British Pound principal amount of borrowings equivalent to HK$4,920 million (2023: British Pound principal amount of borrowings equivalent to HK$4,970 million) (see note 40(i)(ii)) to Euro principal amount of borrowings to reflect currency exposures of its underlying businesses.

26 Trade payables and other current liabilities

	2024 HK$ million	2023 HK$ million
Trade payables [(a)]	**21,861**	23,017
Other current liabilities		
Derivative financial instruments		
Fair value hedges – collar agreements	**–**	297
Cash flow hedges		
Forward foreign exchange contracts	**–**	2
Other contracts	**5**	113
Net investment hedges		
Forward foreign exchange contracts	**155**	1,072
Cross currency swaps	**238**	–
Interest free loans from non-controlling shareholders	**349**	438
Contract liabilities	**5,500**	5,948
Obligations for telecommunications licences and other rights	**861**	621
Provisions (see note 27)	**1,161**	1,552
Expenses and other accruals	**33,411**	36,471
Other payables	**19,104**	16,888
	82,645	86,419

(a) At 31 December, the ageing analysis of the trade payables is as follows:

	2024 HK$ million	2023 HK$ million
Less than 31 days	**14,782**	15,763
Within 31 to 60 days	**3,825**	3,361
Within 61 to 90 days	**1,308**	1,333
Over 90 days	**1,946**	2,560
	21,861	23,017

(b) The Group's five largest suppliers accounted for less than 19% of the Group's cost of purchases for the year ended 31 December 2024 (2023: less than 17%).

27 Provisions

	Provision for commitments, onerous contracts and other guarantees HK$ million	Closure obligations HK$ million	Assets retirement obligations HK$ million	Others HK$ million	Total HK$ million
At 1 January 2023	18,477	80	1,272	1,289	21,118
Additions	–	69	5	444	518
Interest accretion	–	–	54	–	54
Utilisations	(897)	(18)	(63)	(129)	(1,107)
Write back	(41)	(22)	(38)	(115)	(216)
Exchange translation differences	(384)	2	17	49	(316)
At 31 December 2023 and 1 January 2024	**17,155**	**111**	**1,247**	**1,538**	**20,051**
Additions	**–**	**45**	**187**	**227**	**459**
Interest accretion	**–**	**–**	**33**	**–**	**33**
Utilisations	**(390)**	**(11)**	**(65)**	**(392)**	**(858)**
Write back	**–**	**(49)**	**–**	**(28)**	**(77)**
Exchange translation differences	**(1,451)**	**(2)**	**(33)**	**(90)**	**(1,576)**
At 31 December 2024	**15,314**	**94**	**1,369**	**1,255**	**18,032**

Provisions are analysed as:

	2024 HK$ million	2023 HK$ million
Current portion (see note 26)	**1,161**	1,552
Non-current portion (see note 30)	**16,871**	18,499
	18,032	20,051

The provision for commitments, onerous contracts and other guarantees represents the unavoidable costs of meeting these commitments and obligations after deducting the associated, expected future benefits and / or estimated recoverable value. The provision for closure obligations represents the estimated costs to execute integration plans and store closures. The provision for assets retirement obligations represents the present value of the estimated future costs of dismantling and removing fixed assets when they are no longer used and restoring the sites on which they are located.

28 Interest bearing loans from non-controlling shareholders

	2024 HK$ million	2023 HK$ million
Interest bearing loans from non-controlling shareholders are analysed as:		
Current portion	**1,874**	–
Non-current portion	**1,597**	3,245
	3,471	3,245

At 31 December 2024 and 2023, these loans mainly bear interest at rates at EURIBOR +2.0%, Stockholm Interbank Offered Rate +2.0% and Stockholm Interbank Offered Rate +0.7% per annum. The carrying amounts of the borrowings approximate their fair values.

29 Pension plans

	2024 HK$ million	2023 HK$ million
Defined benefit assets (see note 21)	**2,239**	1,428
Defined benefit liabilities	**3,197**	3,536
Net defined benefit liabilities	**958**	2,108

The Group operates a number of defined benefit and defined contribution plans, the assets of which are held independently of the Group's assets in trustee administered funds.

(a) Defined benefit plans

The Group's major defined benefit plans are in Hong Kong, the United Kingdom and the Netherlands. The plans are either contributory final salary pension plans, contributory career average pay plans or non-contributory guaranteed return defined contribution plans. No other post-retirement benefits are provided.

The principal actuarial assumptions used for the purpose of the actuarial valuation were as follows:

	2024	2023
Discount rates	**2.8% – 5.5%**	3.2% – 4.7%
Future salary increases	**2.2% – 3.5%**	2.2% – 3.5%
Interest credited on two principal plans in Hong Kong	**5.0% – 6.0%**	5.0% – 6.0%

The amount recognised in the consolidated statement of financial position is determined as follows:

	2024 HK$ million	2023 HK$ million
Present value of defined benefit obligations	**16,585**	17,965
Fair value of plan assets	**15,630**	15,860
	955	2,105
Restrictions on assets recognised	**3**	3
Net defined benefit liabilities	**958**	2,108

29 Pension plans (continued)

(a) Defined benefit plans (continued)

Movements in net defined benefit liabilities and its components are as follows:

	Present value of defined benefit obligations HK$ million	Fair value of plan assets HK$ million	Asset ceiling HK$ million	Net defined benefit liabilities HK$ million
At 1 January 2024	17,965	(15,860)	3	2,108
Net charge (credit) to the consolidated income statement				
Current service cost	514	19	–	533
Past service cost and gains and losses on settlements	2	–	–	2
Interest cost (income)	625	(586)	–	39
	1,141	(567)	–	574
Net charge (credit) to other comprehensive income				
Remeasurements loss (gain):				
Actuarial gain arising from change in demographic assumptions	(77)	–	–	(77)
Actuarial gain arising from change in financial assumptions	(1,143)	–	–	(1,143)
Actuarial loss arising from experience adjustment	118	–	–	118
Return on plan assets excluding interest income	–	419	–	419
Exchange translation differences	(658)	401	–	(257)
	(1,760)	820	–	(940)
Contributions paid by the employer	–	(766)	–	(766)
Contributions paid by the employee	118	(118)	–	–
Benefits paid	(849)	849	–	–
Relating to subsidiaries acquired (see note 33(c))	32	–	–	32
Relating to subsidiaries disposed (see note 33(d))	(45)	–	–	(45)
Transfer from (to) other liabilities	(17)	12	–	(5)
At 31 December 2024	16,585	(15,630)	3	958

29 Pension plans (continued)

(a) Defined benefit plans (continued)

Movements in net defined benefit liabilities and its components are as follows (continued):

	Present value of defined benefit obligations HK$ million	Fair value of plan assets HK$ million	Asset ceiling HK$ million	Net defined benefit liabilities HK$ million
At 1 January 2023	15,163	(13,750)	6	1,419
Net charge (credit) to the consolidated income statement				
Current service cost	360	18	–	378
Past service cost and gains and losses on settlements	70	–	–	70
Interest cost (income)	596	(589)	–	7
	1,026	(571)	–	455
Net charge (credit) to other comprehensive income				
Remeasurements loss (gain):				
Actuarial gain arising from change in demographic assumptions	(157)	–	–	(157)
Actuarial loss arising from change in financial assumptions	1,232	–	–	1,232
Actuarial loss arising from experience adjustment	339	–	–	339
Return on plan assets excluding interest income	–	19	–	19
Change in asset ceiling	–	–	(3)	(3)
Exchange translation differences	655	(599)	–	56
	2,069	(580)	(3)	1,486
Contributions paid by the employer	–	(1,253)	–	(1,253)
Contributions paid by the employee	113	(113)	–	–
Benefits paid	(805)	805	–	–
Transfer from (to) other liabilities	399	(398)	–	1
At 31 December 2023	17,965	(15,860)	3	2,108

The net defined benefit liabilities presented above represent the deficit calculated in accordance with Hong Kong Accounting Standard 19 “Employee Benefits” (“HKAS 19”) and is the difference between the present value of the defined benefit obligation and the fair value of plan assets. Management appointed actuaries to carry out a valuation of these pension plans to determine the pension obligation and the fair value of the plan assets that are required to be disclosed and accounted for in the financial statements in accordance with HKAS 19 (the “accounting actuarial valuations”). The realisation of the deficit disclosed above is contingent upon the realisation of the actuarial assumptions made which is dependent upon a number of factors including the market performance of plan assets. The accounting actuarial valuations are not used for the purposes of determining the funding contributions to the defined benefit pension plans. Contributions to fund the obligations are based upon the recommendations of independent qualified actuaries for each of the Group’s pension plans to fully fund the relevant schemes on an ongoing basis. Funding requirements of the Group’s major defined benefit pension plans are detailed below.

29 Pension plans (continued)

(a) Defined benefit plans (continued)

The Group operates two principal pension plans in Hong Kong. One plan, which has been closed to new entrants since 1994, provides pension benefits based on the greater of the aggregate of the employee and employer vested contributions plus a minimum interest thereon of 6% per annum, and pension benefits derived by a formula based on the final salary and years of service. An independent actuarial valuation, undertaken for funding purposes under the provision of Hong Kong's Occupational Retirement Schemes Ordinance ("ORSO"), at 30 June 2024 reported a funding level of 169% of the accrued actuarial liabilities on an ongoing basis. The valuation used the attained age valuation method and the main assumptions in the valuation are an investment return of 5% per annum, salary increases of 3.5% per annum and interest credited to balances of 6% per annum. The valuation was prepared by Tian Keat Aun – Director, Retirement Hong Kong (a Fellow of The Institute and Faculty of Actuaries), and Michael Lee – Consultant, Retirement Hong Kong of Towers Watson Hong Kong Limited. The second plan provides benefits equal to the employer vested contributions plus a minimum interest thereon of 5% per annum. As at 31 December 2024, vested benefits under this plan are fully funded in accordance with the ORSO funding requirements. During the year, forfeited contributions totalling HK$14 million (2023: HK$16 million) were used to reduce the current year's level of contributions and HK$1 million forfeited contribution was available at 31 December 2024 (2023: HK$1 million) to reduce future years' contributions.

The Group operates three contributory defined benefit pension plans for its ports operation in the United Kingdom. The plans are all final salary in nature and they are not open to new entrants. Of the three plans, the Port of Felixstowe Pension Plan ("Felixstowe Scheme") is the principal plan. An independent actuarial valuation, undertaken for funding purposes under the provision of the Pensions Act 2004, at 31 December 2021 reported a funding level of 93% of the accrued actuarial liabilities on an ongoing basis. The sponsoring employer has since made additional contributions of GBP9.5 million in both 2022 and 2023 and a further contributions of GBP5.7 million in 2024 to eliminate the shortfall. The valuation used the projected unit credit method and the main assumptions in the valuation are a pre-retirement discount rate of 4.7% per annum; post-retirement discount rate of 1.7% per annum; pensionable earnings increases of 3.15% per annum; Retail Price Index ("RPI") inflation of 3.5% per annum; Consumer Price Index ("CPI") inflation of 2.9% per annum; and pension increases of 2.1% to 3.4% per annum. The valuation was prepared by Rhidian Williams FIA, a Fellow of the Institute and Faculty of Actuaries, of Quantum Advisory.

The Group's defined benefit pension plans for its ports and retail operations in the Netherlands are guaranteed contracts undertaken by insurance companies to provide defined benefit payable under the plans in return for actuarially determined contributions based on tariffs and conditions agreed for the term of the contracts. As the risk of providing past pension benefits is underwritten by the insurance companies, the Group does not carry funding risk relating to past service. The annual contribution to provide current year benefits varies in accordance with annual actuarial calculations.

The Group operates a defined benefit pension plan for certain of its retail operation in the United Kingdom. It is not open to new entrants. With effect from 28 February 2010, accrual of future defined benefits for all active members was ceased and the final salary linkage was also severed. The last triennial valuation was undertaken on 31 March 2024. This was an independent actuarial valuation, undertaken for funding purposes under the provision of the Pensions Act 2004, at 31 March 2024 which reported a funding level of 107% of the accrued actuarial liabilities on an ongoing basis. The plan was in a surplus position as at 31 March 2024 and as a result there is no requirement for the trustee to agree a recover plan. The company will continue to pay quarterly contributions to fund the scheme expenses of GBP175,000 per quarter. The valuation used the projected unit credit method and the main assumptions in the valuation are investment returns of 3.69% to 5.63% per annum and pension increases of 2.66% to 4.39% per annum for pension tranches increasing at Retail Price Inflation capped at 5% per annum. However, not all pension tranches are subject to the same level of pension increase and following an exercise completed in 2024, there are other pension tranches that increase at either fixed 4% per annum or fixed 0% per annum. The valuation was prepared by Tracey McManus, a Fellow of the Institute and Faculty of Actuaries, of Barnett Waddingham LLP.

29 Pension plans (continued)

(a) Defined benefit plans (continued)

(i) Plan assets

Fair value of the plan assets are analysed as follows:

	2024 Percentage	2023 Percentage
Equity instruments		
Consumer markets and manufacturing	**5%**	4%
Energy and utilities	**1%**	1%
Financial institutions and insurance	**4%**	3%
Telecommunications and information technology	**5%**	5%
Units trust and equity instrument funds	**3%**	4%
Others	**7%**	6%
	25%	23%
Debt instruments		
Government and government guaranteed notes	**22%**	22%
Financial institutions notes	**6%**	5%
Others	**5%**	7%
	33%	34%
Qualifying insurance policies	**30%**	31%
Other assets	**12%**	12%
	100%	100%

The debt instruments are analysed by issuers' credit rating as follows:

	2024 Percentage	2023 Percentage
Aaa / AAA	**7%**	6%
Aa1 / AA+	**16%**	12%
Aa2 / AA	**48%**	52%
Aa3 / AA-	**2%**	1%
A1 / A+	**3%**	2%
A2 / A	**5%**	4%
Other investment grades	**16%**	18%
No investment grades	**3%**	5%
	100%	100%

The fair value of the above equity instruments and debt instruments are determined based on quoted market prices.

29 Pension plans (continued)

(a) Defined benefit plans (continued)

(i) Plan assets (continued)

Fair value of plan assets of HK$15,630 million (2023: HK$15,860 million) includes investments in the Company's shares with a fair value of HK$7 million (2023: HK$10 million).

The long term strategic asset allocations of the plans are set and reviewed from time to time by the plans' trustees taking into account the membership and liability profile, and the liquidity requirements of the plans.

(ii) Defined benefit obligation

The average duration of the defined benefit obligation as at 31 December 2024 is 17 years (2023: 18 years).

The Group expects to make contributions of HK$819 million (2023: HK$958 million) to the defined benefit plans next year.

HKAS 19 "Employee Benefits" requires the disclosure of a sensitivity analysis for the significant actuarial assumptions, used to determine the present value of the defined benefit obligations, that shows the effects of a hypothetical change in the relevant actuarial assumption at the end of the reporting period on defined benefit obligations.

The effect that is disclosed in the following assumes that (a) a hypothetical change of the relevant actuarial assumption had occurred at the end of the reporting period and had applied to the relevant actuarial assumption in existence on that date; and (b) the sensitivity analysis for each type of actuarial assumption does not reflect inter-dependencies between different assumptions.

The preparation and presentation of the sensitivity analysis for significant actuarial assumptions is solely for compliance with HKAS 19 disclosure requirements in respect of defined benefit obligations. The sensitivity analysis measures changes in the defined benefit obligations from hypothetical instantaneous changes in one actuarial assumption (e.g. discount rate or future salary increase), the amount so generated from the sensitivity analysis are "what-if" forward-looking estimates. The sensitivity analysis are for illustration purposes only and it should be noted that in practice actuarial assumptions rarely change in isolation. Actual results in the future may differ materially from the sensitivity analysis due to developments in the markets which may cause fluctuations in actuarial assumptions (e.g. discount rate or future salary increase) to vary and therefore it is important to note that the hypothetical amounts so generated do not present a projection of likely future events and profits or losses.

If the discount rate is 0.25% higher or lower, the defined benefit obligation would decrease by 3.5% or increase by 3.8% respectively (2023: decrease by 2.9% or increase by 3.1% respectively).

If the future salary increase is 0.25% higher or lower, the defined benefit obligation would increase by 0.5% or decrease by 0.5% respectively (2023: increase by 0.6% or decrease by 0.5% respectively).

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the consolidated statement of financial position.

(b) Defined contribution plans

The Group's cost in respect of defined contribution plans for the year amounted to HK$1,354 million (2023: HK$1,505 million) which has been charged to the profit or loss for the year. Forfeited contributions of HK$15 million (2023: HK$15 million) were used to reduce the current year's level of contributions and no forfeited contribution was available at 31 December 2024 (2023: nil) to reduce future years' contributions.

30 Other non-current liabilities

	2024 HK$ million	2023 HK$ million
Derivative financial instruments		
Fair value hedges – collar agreements	–	59
Cash flow hedges		
Other contracts	–	1
Net investment hedges		
Cross currency swaps	2	465
Other derivative financial instruments	91	–
Obligations for telecommunications licences and other rights	3,122	3,994
Other non-current liabilities	6,132	6,387
Liabilities relating to the economic benefits agreements	2,166	2,166
Provisions (see note 27)	16,871	18,499
	28,384	31,571

31 Share capital, share premium, perpetual capital securities and capital management

(a) Share capital and share premium

	Number of shares	Share capital HK$ million	Share premium HK$ million	Total HK$ million
Authorised:				
Ordinary shares of HK$1 each	8,000,000,000	8,000	–	8,000
Issued and fully paid:				
Ordinary shares				
At 1 January 2023, 31 December 2023, 1 January 2024 and 31 December 2024	3,830,044,500	3,830	242,972	246,802

(b) Perpetual capital securities

	2024 HK$ million	2023 HK$ million
EUR500 million issued in 2018	–	4,566

In December 2018, a wholly owned subsidiary company of the Group issued perpetual capital securities with nominal amount of EUR500 million for cash. The Group has fully redeemed these perpetual capital securities in June 2024.

31 Share capital, share premium, perpetual capital securities and capital management (continued)

(c) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue to provide returns for shareholders and to support the Group's stability and growth. The Group regularly reviews and manages its capital structure to ensure optimal capital structure to maintain a balance between higher shareholders' returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

At 31 December 2024, total equity amounted to HK$652,592 million (2023: HK$670,549 million), and consolidated net debt of the Group, excluding loans from non-controlling shareholders which are viewed as quasi equity, was HK$128,558 million (2023: HK$130,585 million). The Group's net debt to net total capital ratio increased to 16.4% from 16.2% at the end of last year.

As additional information, the following table shows the net debt to net total capital ratios calculated on the basis of including loans from non-controlling shareholders and also with the Group's investments in its listed subsidiaries and associated companies marked to market value at the end of the reporting period.

Net debt / Net total capital ratios(i) at 31 December:

	2024	2023
A1 – excluding interest-bearing loans from non-controlling shareholders from debt	**16.4%**	16.2%
A2 – as in A1 above and investments in listed subsidiaries and associated companies marked to market value	**17.5%**	18.0%
B1 – including interest-bearing loans from non-controlling shareholders as debt	**16.8%**	16.6%
B2 – as in B1 above and investments in listed subsidiaries and associated companies marked to market value	**18.0%**	18.4%

(i) Net debt is defined in the consolidated statement of cash flows. Total bank and other debts are defined, for the purpose of "Net debt" calculation, as the total principal amount of bank and other debts and unamortised fair value adjustments arising from acquisitions. Net total capital is defined as total bank and other debts plus total equity and loans from non-controlling shareholders net of total cash, liquid funds and other listed investments.

32 Reserves

	2024				
	Attributable to ordinary shareholders				
	Retained profit HK$ million	Exchange reserve HK$ million	Hedging reserve HK$ million	Others [a] HK$ million	Total HK$ million
At 1 January 2024	669,173	(29,260)	2,618	(345,298)	297,233
Profit for the year	17,088	–	–	–	17,088
Other comprehensive income (losses) [b]					
Changes in fair value of equity instruments at fair value through other comprehensive income	–	–	–	(528)	(528)
Changes in fair value of debt instruments at fair value through other comprehensive income	–	–	–	126	126
Remeasurement of defined benefit obligations	646	–	–	–	646
Exchange losses on translation of foreign operations	–	(8,156)	–	–	(8,156)
Losses on cash flow hedges	–	–	(122)	–	(122)
Gains on net investment hedges	–	1,123	–	–	1,123
Losses in other reserves related to subsidiaries disposed during the year transferred directly to retained profits	(24)	–	–	24	–
Share of other comprehensive income (losses) of associated companies	(68)	(5,101)	(130)	(21)	(5,320)
Share of other comprehensive income (losses) of joint ventures	(721)	(4,489)	241	–	(4,969)
Tax relating to components of other comprehensive income (losses)	(71)	–	4	–	(67)
Other comprehensive income (losses), net of tax	(238)	(16,623)	(7)	(399)	(17,267)
Transfer of losses on disposal of equity securities at FVOCI to retained profit	(682)	–	–	682	–
Transactions with owners in their capacity as owners:					
Dividends paid relating to 2023	(6,798)	–	–	–	(6,798)
Dividends paid relating to 2024	(2,635)	–	–	–	(2,635)
Unclaimed dividends write back	9	–	–	–	9
Relating to purchase of non-controlling interests	–	–	–	(37)	(37)
Relating to partial disposal of subsidiary companies	–	–	–	320	320
At 31 December 2024	675,917	(45,883)	2,611	(344,732)	287,913

32 Reserves (continued)

	2023				
	Attributable to ordinary shareholders				
	Retained profit HK$ million	Exchange reserve HK$ million	Hedging reserve HK$ million	Others [(a)] HK$ million	Total HK$ million
At 1 January 2023	657,443	(40,203)	5,332	(345,861)	276,711
Profit for the year	23,500	–	–	–	23,500
Other comprehensive income (losses) [(b)]					
Changes in fair value of equity instruments at fair value through other comprehensive income	–	–	–	718	718
Changes in fair value of debt instruments at fair value through other comprehensive income	–	–	–	120	120
Remeasurement of defined benefit obligations	(1,108)	–	–	–	(1,108)
Exchange gains on translation of foreign operations	–	7,457	–	–	7,457
Exchange losses reclassified to profit or loss	–	339	–	–	339
Losses on cash flow hedges	–	–	(1,033)	–	(1,033)
Losses on net investment hedges	–	(1,308)	–	–	(1,308)
Reclassification adjustments for hedging gains included in profit or loss	–	–	(1,735)	–	(1,735)
Share of other comprehensive income (losses) of associated companies	(578)	1,785	(132)	108	1,183
Share of other comprehensive income of joint ventures	194	2,670	183	18	3,065
Tax relating to components of other comprehensive income (losses)	284	–	3	–	287
Other comprehensive income (losses), net of tax	(1,208)	10,943	(2,714)	964	7,985
Impact of hyperinflation	82	–	–	–	82
Transfer of gains on disposal of equity securities at FVOCI to retained profit	226	–	–	(226)	–
Transactions with owners in their capacity as owners:					
Dividends paid relating to 2022	(7,989)	–	–	–	(7,989)
Dividends paid relating to 2023	(2,896)	–	–	–	(2,896)
Recognition of put option liabilities arising from business combinations	–	–	–	(148)	(148)
Unclaimed dividends write back	15	–	–	–	15
Relating to purchase of non-controlling interests	–	–	–	(34)	(34)
Relating to partial disposal of subsidiary companies	–	–	–	7	7
At 31 December 2023	669,173	(29,260)	2,618	(345,298)	297,233

32 Reserves (continued)

(a) Other reserves comprise revaluation reserve and other capital reserves. As at 31 December 2024, revaluation reserve deficit amounted to HK$2,526 million (1 January 2024: HK$2,835 million and 1 January 2023: HK$3,472 million), and other capital reserves deficit amounted to HK$342,206 million (1 January 2024: HK$342,463 million and 1 January 2023: HK$342,389 million). Revaluation surplus (deficit) arising from revaluation to market value of listed debt securities and listed equity securities are included in the revaluation reserve. Included in the other capital reserves account is a deficit of HK$341,336 million, relating to the fair value of shares of Cheung Kong (Holdings) Limited, the former holding company of the Group, cancelled as part of the reorganisation completed in 2015.

(b) Set out below are before and after related tax effects of other comprehensive income (losses) for the years:

	2024		
	Before-tax amount HK$ million	**Tax effect HK$ million**	**Net-of- tax amount HK$ million**
Changes in fair value of equity instruments at fair value through other comprehensive income	**(528)**	**–**	**(528)**
Changes in fair value of debt instruments at fair value through other comprehensive income	**126**	**–**	**126**
Remeasurement of defined benefit obligations	**810**	**(90)**	**720**
Exchange losses on translation of foreign operations	**(9,543)**	**–**	**(9,543)**
Losses on cash flow hedges	**(132)**	**5**	**(127)**
Gains on net investment hedges	**1,484**	**–**	**1,484**
Share of other comprehensive income (losses) of associated companies	**(5,753)**	**–**	**(5,753)**
Share of other comprehensive income (losses) of joint ventures	**(6,256)**	**–**	**(6,256)**
	(19,792)	**(85)**	**(19,877)**

	2023		
	Before-tax amount HK$ million	Tax effect HK$ million	Net-of-tax amount HK$ million
Changes in fair value of equity instruments at fair value through other comprehensive income	718	–	718
Changes in fair value of debt instruments at fair value through other comprehensive income	120	–	120
Remeasurement of defined benefit obligations	(1,470)	376	(1,094)
Exchange gains on translation of foreign operations	7,771	–	7,771
Exchange losses reclassified to profit or loss	342	–	342
Losses on cash flow hedges	(1,059)	4	(1,055)
Losses on net investment hedges	(1,641)	–	(1,641)
Reclassification adjustments for hedging gains included in profit or loss	(1,735)	–	(1,735)
Share of other comprehensive income of associated companies	1,329	–	1,329
Share of other comprehensive income of joint ventures	3,997	–	3,997
	8,372	380	8,752

33 Notes to the consolidated statement of cash flows

(a) Reconciliation of profit after tax to cash generated from operating activities before interest expenses and other finance costs, tax paid and changes in working capital

	2024 HK$ million	2023 HK$ million
Profit after tax	**23,853**	30,209
Less: share of profits less losses of		
Associated companies	**(6,903)**	(8,138)
Joint ventures	**(9,757)**	(7,990)
	7,193	14,081
Adjustments for:		
Current tax charge	**4,189**	4,119
Deferred tax charge (credit)	**528**	(1,116)
Interest expenses and other finance costs	**13,392**	12,227
Depreciation and amortisation	**40,460**	40,083
EBITDA of Company and subsidiaries [(i)]	**65,762**	69,394
Dividends received from associated companies and joint ventures	**11,509**	11,388
Impairment loss on telecommunications business in Vietnam (see note 7(e))	**1,859**	–
Loss on disposal of fixed assets	**97**	169
Gains on disposals of unlisted investments	**(78)**	–
Gains on disposals of interests in associated companies and joint ventures (see note 7)	**–**	(228)
Loss on disposal of associated companies and joint ventures (see note 7)	**14**	70
A gain on disposal of financial instruments (see note 7)	**–**	(1,829)
Losses (gains) on disposal of subsidiaries (see note 7)		
Italian network business	**–**	250
Ports businesses	**(364)**	–
Customer acquisition and retention costs capitalised in the year	**(4,057)**	(4,143)
Other non-cash items	**388**	345
	75,130	75,416

33 Notes to the consolidated statement of cash flows (continued)

(a) Reconciliation of profit after tax to cash generated from operating activities before interest expenses and other finance costs, tax paid and changes in working capital (continued)

(i) Reconciliation of EBITDA:

	2024 HK$ million	2023 HK$ million
EBITDA of Company and subsidiaries	65,762	69,394
Share of EBITDA of associated companies and joint ventures		
Share of profits less losses of		
Associated companies	6,903	8,138
Joint ventures	9,757	7,990
Adjustments for:		
Depreciation and amortisation	26,159	24,724
Interest expenses and other finance costs	10,658	11,973
Current tax charge	4,594	3,582
Deferred tax charge	1,613	1,806
Non-controlling interests	571	482
	60,255	58,695
EBITDA (see note 5(b)(ii))	126,017	128,089

(b) Changes in working capital

	2024 HK$ million	2023 HK$ million
Increase in inventories	(1,536)	(1,005)
Decrease (increase) in trade receivables and other current assets	1,128	(5,022)
Decrease in trade payables and other current liabilities	(1,535)	(3,767)
Other non-cash items	(1,040)	1,829
	(2,983)	(7,965)

33 Notes to the consolidated statement of cash flows (continued)

(c) Purchase of subsidiary companies

The following table summarises the consideration paid and the amounts of the assets acquired and liabilities assumed recognised for acquisitions completed during the years:

	2024 HK$ million	2023 HK$ million
Purchase consideration transferred:		
Cash and cash equivalents paid	**4,167**	127
Fair value		
Fixed assets	**628**	6
Right-of-use assets	**559**	3
Telecommunications licences	**3,368**	–
Brand names and other rights	**18**	9
Deferred tax assets	**4**	3
Cash and cash equivalents	**53**	72
Trade receivables and other current assets	**341**	52
Inventories	**67**	13
Trade payables and other current liabilities and current tax liabilities	**(683)**	(57)
Bank and other debts	**–**	(2)
Lease liabilities	**(1,249)**	(3)
Deferred tax liabilities	**(358)**	–
Pension obligations	**(32)**	(1)
Net identifiable assets acquired	**2,716**	95
Non-controlling interests	**–**	(43)
	2,716	52
Goodwill	**1,451**	75
Total consideration	**4,167**	127
Net cash outflow (inflow) arising from acquisition:		
Cash and cash equivalents paid	**4,167**	127
Cash and cash equivalents acquired	**(53)**	(72)
Total net cash outflow	**4,114**	55

For current year ended 31 December 2024, the completion of the acquisition is within the one year measurement period by the year end date of 31 December 2024. The amounts disclosed above are determined on a provisional basis and are subject to finalisation.

For the year ended 31 December 2024 and 31 December 2023, the acquisition related costs and the contributions to the Group's revenue and profit before tax from the subsidiaries acquired during the year since the respective date of acquisition were not material.

33 Notes to the consolidated statement of cash flows (continued)

(d) Disposal of subsidiary companies

	2024 HK$ million	2023 HK$ million
Equity securities received	**736**	2,563
Net cash consideration	**464**	2,563
Carrying amount of net assets disposed	**(836)**	(5,052)
Gains before reclassification of exchange losses	**364**	74
Cumulative exchange losses reclassified to profit or loss	**–**	(324)
Gains (loss) on disposals	**364**	(250)
Analysis of assets and liabilities over which control was lost:		
Fixed assets	**4,713**	–
Right-of-use assets	**730**	–
Trade receivables and other current assets	**91**	–
Inventories	**43**	–
Assets classified as held for sale	**–**	6,202
Trade payables and other current liabilities and current tax liabilities	**(513)**	–
Bank and other debts	**(2,824)**	–
Interest free loans from non-controlling shareholders	**(92)**	–
Lease liabilities	**(820)**	–
Deferred tax liabilities	**(35)**	–
Pension obligations	**(45)**	–
Liabilities directly associated with assets classified as held for sale	**–**	(1,150)
Non-controlling interests	**(543)**	–
Net assets (excluding cash and cash equivalents) disposed	**705**	5,052
Cash and cash equivalents disposed	**131**	–
Net assets disposed	**836**	5,052
Net cash inflow arising from disposal:		
Cash and cash equivalents received	**464**	2,563
Cash and cash equivalents disposed	**(131)**	–
Total net cash inflow	**333**	2,563

Disposal of subsidiary companies for the current year ended 31 December 2024 mainly related to the disposal of the Group's former non-wholly owned subsidiary Abu Qir Container Terminal Company S.A.E., which became a 41% owned associated company in the current year. For the comparative year ended 31 December 2023, the disposals of subsidiary companies mainly related to the disposal of Zefiro Net S.r.l., which became a 50% owned joint venture in the comparative year. The gains (loss) on these disposals are recognised in the consolidated income statement, with the current year's gains on disposals included in the line item titled "Other income and gains" and the comparative year's loss on disposal included in the line item titled "Other expenses and losses" in the consolidated income statement (see note 7).

Saved as disclosed for the effect arising from the gains (loss) on disposals, the effect on the Group's results from the subsidiaries disposed during the year are not material for the years ended 31 December 2024 and 2023.

33 Notes to the consolidated statement of cash flows (continued)

(e) Changes in liabilities arising from financing activities

The following table sets out an analysis of the cash flows and non-cash flows changes in liabilities arising from financing activities:

	Bank and other debts HK$ million	Lease liabilities HK$ million	Interest bearing loans from non-controlling shareholders HK$ million	Interest free loans from non-controlling shareholders HK$ million	Liabilities relating to the economic benefits agreements HK$ million	Total HK$ million
At 1 January 2023	284,326	66,059	2,567	472	2,166	355,590
Financing cash flows						
New borrowings	58,211	–	–	–	–	58,211
Repayment of borrowings	(75,361)	–	–	–	–	(75,361)
Principal elements of lease payments (see note 13(b))	–	(14,476)	–	–	–	(14,476)
Net loans from (to) non-controlling shareholders	–	–	561	(34)	–	527
Other changes						
Amortisation of loan facilities fees and premiums or discounts relating to debts (see note 8)	237	–	–	–	–	237
Amortisation of bank and other debts' fair value adjustments arising from acquisitions (see note 8(a))	(341)	–	–	–	–	(341)
Increase in lease liabilities from entering into new leases (see note 13(a))	–	8,871	–	–	–	8,871
Interest on lease liabilities (see note 8)	–	2,546	–	–	–	2,546
Interest element of lease liabilities paid (included in "Net cash from operating activities")	–	(2,412)	–	–	–	(2,412)
Remeasurement/write off of lease liabilities	–	5,739	–	–	–	5,739
Relating to subsidiaries acquired (see note 33(c))	2	3	–	–	–	5
Exchange translation differences	4,848	1,593	117	–	–	6,558
At 31 December 2023 and 1 January 2024	**271,922**	**67,923**	**3,245**	**438**	**2,166**	**345,694**
Financing cash flows						
New borrowings	**54,594**	**–**	**–**	**–**	**–**	**54,594**
Repayment of borrowings	**(60,201)**	**–**	**–**	**–**	**–**	**(60,201)**
Principal elements of lease payments (see note 13(b))	**–**	**(14,103)**	**–**	**–**	**–**	**(14,103)**
Net loans from (to) non-controlling shareholders	**–**	**–**	**485**	**(19)**	**–**	**466**
Other changes						
Amortisation of loan facilities fees and premiums or discounts relating to debts (see note 8)	**248**	**–**	**–**	**–**	**–**	**248**
Amortisation of bank and other debts' fair value adjustments arising from acquisitions (see note 8(a))	**(338)**	**–**	**–**	**–**	**–**	**(338)**
Increase in lease liabilities from entering into new leases (see note 13(a))	**–**	**7,534**	**–**	**–**	**–**	**7,534**
Interest on lease liabilities (see note 8)	**–**	**2,757**	**–**	**–**	**–**	**2,757**
Interest element of lease liabilities paid (included in "Net cash from operating activities")	**–**	**(2,739)**	**–**	**–**	**–**	**(2,739)**
Remeasurement/write off of lease liabilities	**–**	**6,087**	**–**	**–**	**–**	**6,087**
Relating to purchase of non-controlling interests	**–**	**–**	**–**	**22**	**–**	**22**
Relating to subsidiaries acquired (see note 33(c))	**–**	**1,249**	**–**	**–**	**–**	**1,249**
Relating to subsidiaries disposed (see note 33(d))	**(2,824)**	**(820)**	**–**	**(92)**	**–**	**(3,736)**
Exchange translation differences	**(7,009)**	**(3,369)**	**(259)**	**–**	**–**	**(10,637)**
At 31 December 2024	**256,392**	**64,519**	**3,471**	**349**	**2,166**	**326,897**

34 Share-based payments

The Company and its subsidiary companies do not have share option scheme as at 31 December 2024 and 31 December 2023. Certain of the Company's associated companies have issued equity-settled and cash-settled share-based payments to certain employees. The aggregate amount of the share-based payments recognised by these companies during the current and comparative years are not material to the Group's results.

35 Pledge of assets

At 31 December 2024, assets of the Group totalling HK$1,449 million (2023: HK$1,533 million) were pledged as security for bank and other debts.

36 Contingent liabilities and guarantees

At 31 December 2024, the Company and its subsidiaries provide guarantees in respect of bank and other borrowing facilities to its associated companies and joint ventures of HK$10,753 million (2023: HK$4,560 million).

The amount utilised by its associated companies and joint ventures are as follows:

	2024 **HK$ million**	2023 HK$ million
To associated companies	**8,444**	3,661
To joint ventures	**–**	–

At 31 December 2024, the Group had provided performance and other guarantees of HK$4,860 million (2023: HK$4,115 million).

37 Commitments

The Group's outstanding commitments contracted for at 31 December 2024, where material, not provided for in the consolidated financial statements at 31 December 2024 are as follows:

Capital commitments

(a) Ports and Related Services: HK$235 million (2023: HK$462 million)
(b) **3** Group Europe: HK$155 million (2023: HK$181 million)
(c) Telecommunications, Hong Kong and Asia: HK$769 million (2023: HK$149 million)

38 Related parties transactions

Saved as disclosed elsewhere in these financial statements, transactions between the Group and other related parties during the year are not significant to the Group. The outstanding balances with associated companies and joint ventures are disclosed in notes 17 and 18. Transactions between the Company and its subsidiaries have been eliminated on consolidation.

No transactions have been entered with the directors of the Company (being the key management personnel) during the year other than the emoluments paid to them (being the key management personnel compensation).

39 Legal proceedings

As at 31 December 2024 and 2023, the Group is not engaged in any material litigation or arbitration proceedings, and no material litigation or claim is known by the Group to be pending or threatened against it.

40 Financial risk management

The Group's major financial assets and financial liabilities include cash and cash equivalents, liquid funds and other listed investments and borrowings. Details of these financial assets and financial liabilities are disclosed in the respective notes. The Group's treasury function sets financial risk management policies in accordance with policies and procedures that are approved by the Executive Directors, and which are also subject to periodic review by the Group's internal audit function. The Group's treasury policies are designed to mitigate the impact of fluctuations in interest rates and exchange rates on the Group's overall financial position and to minimise the Group's financial risks. The Group's treasury function operates as a centralised service for managing financial risks, including interest rate and foreign exchange risks, and for providing cost-efficient funding to the Group and its companies. It manages the majority of the Group's funding needs, interest rate, foreign currency and credit risk exposures. It is the Group's policy not to have credit rating triggers that would accelerate the maturity dates of the Group's borrowings. The Group uses interest rate and foreign currency swaps and forward contracts as appropriate for risk management purposes only, for hedging transactions and for managing the Group's exposure to interest rate and foreign exchange rate fluctuations. The Group generally does not enter into foreign currency hedges in respect of its foreign currency earnings and no derivatives instruments to hedge the Group's earnings were entered during the year or remain outstanding at the end of the year. It is the Group's policy not to enter into derivative transactions for speculative purposes. It is also the Group's policy not to invest liquidity in financial products, including hedge funds or similar vehicles, that have significant underlying leverage or derivative exposure.

(a) Cash management and funding

The Group operates a central cash management system for all of its unlisted subsidiaries. Except for listed and certain overseas entities conducting businesses in non-HK or non-US dollar currencies, the Group generally obtains long-term financing at the Group level to on-lend or contribute as equity to its subsidiaries and associated companies to meet their funding requirements and provide more cost-efficient financing. These borrowings include a range of capital market issues and bank borrowings, for which the proportions will change depending upon financial market conditions and projected interest rates. The Group regularly and closely monitors its overall debt position and reviews its funding costs and maturity profile to facilitate refinancing.

The Group continues to maintain a robust financial position. Cash, liquid funds and other listed investments ("Liquid assets") amounted to HK$129,445 million at 31 December 2024 (2023: HK$143,109 million). The decrease was mainly reflecting dividend payments to ordinary and non-controlling shareholders, redemption of perpetual capital securities, repayment and early repayment of certain borrowings, capital expenditure and investment spending, as well as distributions to perpetual capital securities holders, partly offset by cash arising from positive funds from operations from the Group's businesses and cash from new borrowings. Liquid assets were denominated as to 16% in HK dollar, 45% in US dollar, 3% in Renminbi, 23% in Euro, 5% in British Pound and 8% in other currencies (2023: 17% were denominated in HK dollar, 45% in US dollar, 3% in Renminbi, 23% in Euro, 5% in British Pound and 7% in other currencies).

Cash and cash equivalents represented 94% (2023: 89%) of the liquid assets, US Treasury notes and other listed debt securities 5% (2023: 5%) and listed equity securities 1% (2023: 6%). The US Treasury notes and other listed debt securities, including those held under managed funds, consisted of US Treasury notes of 74% (2023: 72%), government and government guaranteed notes of 22% (2023: 25%) and others of 4% (2023: 3%). All of these US Treasury notes and other listed debt securities (2023: All) are rated at Aaa / AAA or Aa1 / AA+ with an average maturity of 1.1 years (2023: 1.8 years) on the overall portfolio. The Group has no exposure in mortgage-backed securities, collateralised debt obligations or similar asset classes.

40 Financial risk management (continued)

(b) Interest rate exposure

The Group manages its interest rate exposure with a focus on reducing the Group's overall cost of debt and exposure to changes in interest rates. When considered appropriate, the Group uses derivatives such as interest rate swaps and forward rate agreements to manage its interest rate exposure. The Group's main interest rate exposure relates to US dollar, British Pound, Euro and HK dollar borrowings.

At 31 December 2024, approximately 34% (2023: approximately 34%) of the Group's total principal amount of bank and other debts were at floating rates and the remaining 66% (2023: approximately 66%) were at fixed rates. The Group has entered into various interest rate agreements with major financial institution counterparties to swap approximately HK$3,129 million (2023: HK$3,461 million) principal amount of floating interest rate borrowings that were used to finance long term investments to fixed interest rate borrowings. After taking into consideration of these interest rate swaps, approximately 33% (2023: approximately 32%) of the Group's total principal amount of bank and other debts were at floating rates and the remaining 67% (2023: approximately 68%) were at fixed rates at 31 December 2024. All of the aforementioned interest rate derivatives are designated as hedges and these hedges are considered highly effective.

(c) Foreign currency exposure

For subsidiaries, associated companies, joint arrangements, branches and other investments (the activities of which are based or conducted in non-HK dollar or non-US dollar), the Group generally endeavours to establish a natural hedge for debt financing with an appropriate level of borrowings in those same currencies. For businesses (the activities of which are based or conducted in non-HK dollar or non-US dollar) that are in the development phase, or where borrowings in local currency are not or are no longer attractive, the Group may not borrow in the local currency or may repay existing borrowings and monitor the development of the businesses' cash flows and the relevant debt markets with a view to refinance these businesses with local currency borrowings in the future when conditions are more appropriate. Exposure to movements in exchange rates for individual transactions (such as major procurement contracts) directly related to its underlying businesses is minimised by using forward foreign exchange contracts and currency swaps where active markets for the relevant currencies exist. The Group generally does not enter into foreign currency hedges in respect of its long-term equity investments in foreign operations, except in relation to certain infrastructure investments. At 31 December 2024, the Group had foreign exchange forward contracts and cross currency swaps with banks to hedge these investments. The total notional amount of the net investment hedges amounted to HK$48,426 million (2023: HK$50,730 million).

The Group has operations in over 50 countries and conducts businesses in around 50 currencies. The Group's functional currency for reporting purposes is Hong Kong dollar and the Group's reported results in Hong Kong dollar are exposed to exchange translation on its foreign currency earnings.

As at 31 December 2024, the Group's total principal amount of bank and other debts are denominated as follows: 51% in US dollar, 30% in Euro, 6% in HK dollar, 5% in British Pound and 8% in other currencies (2023: 49% in US dollar, 33% in Euro, 5% in HK dollar, 5% in British Pound and 8% in other currencies). The Group had currency swap arrangements with banks to swap British Pound principal amount of borrowings equivalent to HK$4,920 million (2023: HK$4,970 million) to Euro principal amount of borrowings to reflect currency exposures of its underlying businesses. The Group's total principal amount of bank and other debts, after the above swaps, were denominated as follows: 51% in US dollar, 32% in Euro, 6% in HK dollar, 3% in British Pound and 8% in other currencies (2023: 49% in US dollar, 34% in Euro, 5% in HK dollar, 4% in British Pound and 8% in other currencies).

40 Financial risk management (continued)

(d) Credit exposure

The Group's holdings of cash, managed funds and other liquid investments, interest rate and foreign currency swaps and forward currency contracts with financial institutions expose the Group to credit risk of counterparties. The Group controls its credit risk to non-performance by its counterparties through monitoring their equity share price movements and credit ratings as well as setting approved counterparty credit limits that are regularly reviewed.

The Group is also exposed to counterparties credit risk from its operating activities, particularly in its ports businesses. Such risks are continuously monitored by the local operational management.

(e) Market price risk

The Group's main market price risk exposures relate to listed debt and equity securities as described in "liquid assets" above and the interest rate swaps described in "interest rate exposure" above. The Group's holding of listed debt and equity securities represented approximately 6% (2023: approximately 11%) of the liquid assets. The Group controls this risk through active monitoring of price movements and changes in market conditions that may have an impact on the value of these financial assets and instruments.

(f) Market risks sensitivity analysis

For the presentation of financial assets and financial liabilities market risks (including interest rate risk, currency risk and other price risk) information, HKFRS 7 "Financial Instruments: Disclosures" requires the disclosure of a sensitivity analysis for each type of financial market risk that shows the effects of a hypothetical change in the relevant market risk variable to which the Group is exposed at the end of the reporting period on profit for the year and on total equity.

The effect that is disclosed in the following sections is before the related tax effect and the related amount attributable to non- controlling interests, and assumes that (a) a hypothetical change of the relevant risk variable had occurred at the end of the reporting period and had been applied to the relevant risk variable in existence on that date; and (b) the sensitivity analysis for each type of financial market risk does not reflect inter-dependencies between risk variables, e.g. the interest rate sensitivity analysis does not take into account of the impact of changes in interest rates that would have on the relative strengthening and weakening of the currency with other currencies.

The preparation and presentation of the sensitivity analysis on financial market risk is solely for compliance with HKFRS 7 disclosure requirements in respect of financial assets and financial liabilities. The sensitivity analysis measures changes in the fair value and / or cash flows of the Group's financial assets and financial liabilities from hypothetical instantaneous changes in one risk variable (e.g. functional currency rate or interest rate), the amount so generated from the sensitivity analysis are "what-if" forward-looking estimates. The sensitivity analysis are for illustration purposes only and it should be noted that, in practice, market rates rarely change in isolation. Actual results in the future may differ materially from the sensitivity analysis due to developments in the global markets which may cause fluctuations in market rates (e.g. exchange or interest rate) to vary and therefore it is important to note that the hypothetical amounts so generated do not represent a projection of likely future events and profits or losses.

40 Financial risk management (continued)

(f) Market risks sensitivity analysis (continued)

(i) Interest rate sensitivity analysis

Interest rate risk as defined by HKFRS 7 arises on interest-bearing financial assets and financial liabilities.

The interest rate sensitivity analysis is based on the following assumptions:

In the cases of non-derivative financial assets and financial liabilities with fixed interest rates, changes in market interest rates only affect profit for the year or total equity if these financial assets and financial liabilities are measured at fair value. Accordingly, all non-derivative financial assets and financial liabilities with fixed interest rates that are carried at amortised cost are excluded from the interest rate sensitivity analysis as they are not subject to interest rate risk as defined in HKFRS 7.

In the cases of derivative financial assets and financial liabilities designated as hedging instruments for hedging interest rate risks, changes in market interest rates affect their fair values. All interest rate hedges are expected to be highly effective. Changes in the fair value of fair value interest rate hedges and changes in the fair value of the hedged items that are attributable to interest rate movements effectively balance out with each other in the consolidated income statement in the same period. Accordingly, these hedging instruments and hedged items are excluded from the interest rate sensitivity analysis as they are not exposed to interest rate risk as defined in HKFRS 7. Changes in the fair value of cash flow interest rate hedges resulting from market interest rate movements affect total equity and are therefore taken into consideration in the sensitivity analysis.

In the cases of derivative financial assets and financial liabilities that are not part of an interest rate risk hedging relationship, changes in their fair values (arising from gain or loss from remeasurement of these interest rate derivatives to fair value) resulting from market interest rate movements affect profit for the year and total equity, and are therefore taken into consideration in the sensitivity analysis.

Major financial assets and financial liabilities for the purpose of the interest rate sensitivity analysis include:

- cash and cash equivalents (see note 23)
- some of the listed debt securities and managed funds (see note 20) carried at fair value that bear interest at fixed rate
- some of the listed debt securities and managed funds (see note 20) that bear interest at floating rate
- some of the bank and other debts (see note 25) that bear interest at floating rate
- interest bearing loans from non-controlling shareholders (see note 28)

Under these assumptions, the impact of a hypothetical 100 basis points (2023: 100 basis points) increase in market interest rate at 31 December 2024, with all other variables held constant:

– profit for the year would increase by HK$327 million (2023: HK$334 million) due to increased interest income offset with increased interest expense;
– total equity would increase by HK$327 million (2023: HK$334 million) due to increased interest income offset with increased interest expense; and
– total equity would increase by HK$4 million (2023: HK$45 million) due to the change in fair value of derivative financial instruments.

40 Financial risk management (continued)

(f) Market risks sensitivity analysis (continued)

(ii) Foreign currency exchange rate sensitivity analysis

Currency risk as defined by HKFRS 7 arises on financial assets and financial liabilities being denominated in a currency that is not the functional currency and being of a monetary nature. Therefore, non-monetary financial assets and financial liabilities, monetary financial assets and financial liabilities denominated in the entity's functional currency and differences resulting from the translation of financial statements of overseas subsidiaries into the Group's presentation currency are not taken into consideration for the purpose of the sensitivity analysis for currency risk.

The foreign currency exchange rate sensitivity analysis is based on the following assumptions:

Major non-derivative monetary financial assets and financial liabilities are either directly denominated in the functional currency or are transferred to the functional currency through the use of foreign currency swaps and forward foreign exchange contracts. Exchange fluctuations of these monetary financial assets and financial liabilities therefore have no material effects on profit for the year and total equity.

In the cases of derivative financial assets and financial liabilities designated as hedging instruments for hedging currency risks, changes in foreign exchange rates affect their fair values. All currency hedges are expected to be highly effective. Changes in the fair value of foreign currency fair value hedges and changes in the fair value of the hedged items effectively balance out with each other in the consolidated income statement in the same period. As a consequence, these hedging instruments and hedged items are excluded from the foreign currency exchange rate sensitivity analysis as they are not exposed to currency risk as defined in HKFRS 7. Changes in the fair value of foreign currency cash flow hedges resulting from market exchange rate movements affect total equity and are therefore taken into consideration in the sensitivity analysis.

Major financial assets and financial liabilities for the purpose of the foreign currency exchange rate sensitivity analysis include:

- some of the cash and cash equivalents (see note 23)
- some of the liquid funds and other listed investments (see note 20)
- some of the bank and other debts (see note 25)

Under these assumptions, the impact of a hypothetical 5% weakening of HK dollar against all exchange rates at the end of the reporting period, with all other variables held constant, on the Group's profit for the year and total equity is set out in the table below:

40 Financial risk management (continued)

(f) Market risks sensitivity analysis (continued)

(ii) Foreign currency exchange rate sensitivity analysis (continued)

	2024		2023	
	Hypothetical increase (decrease) in profit for the year	**Hypothetical increase (decrease) in total equity**	Hypothetical increase (decrease) in profit for the year	Hypothetical increase (decrease) in total equity
	HK$ million	**HK$ million**	HK$ million	HK$ million
Euro	**159**	**(264)**	172	(264)
British Pound	**83**	**(1,118)**	144	(1,078)
Australian dollar	**40**	**(335)**	43	(368)
Renminbi	**45**	**45**	68	68
US dollar	**2,133**	**2,133**	2,182	2,182
Japanese Yen	**(39)**	**(39)**	(83)	(83)

(iii) Other price sensitivity analysis

Other price risk as defined by HKFRS 7 arises from changes in market prices (other than those arising from interest rate risk and currency risk as detailed in "interest rate exposure" and "foreign currency exposure" paragraphs above) on financial assets and financial liabilities.

The other price sensitivity analysis is based on the assumption that changes in market prices (other than those arising from interest rate risk and currency risk) of financial assets and financial liabilities only affect profit for the year or total equity if these financial assets and financial liabilities are measured at fair values. Accordingly, all non-derivative financial assets and financial liabilities carried at amortised cost are excluded from the other price sensitivity analysis as they are not subject to other price risk as defined in HKFRS 7.

Major financial assets and financial liabilities for the purpose of the other price sensitivity analysis include:

- financial assets at FVOCI (see note 20)

Under these assumptions, the impact of a hypothetical 5% increase in the market price of the Group's financial assets at FVOCI at the end of the reporting period, with all other variables held constant:

– no impact to profit for the year (2023: nil), and consequently no impact to total equity for the year (2023: nil); and
– other comprehensive income would increase by HK$405 million (2023: HK$787 million) due to the increase in gains on financial assets at FVOCI, and consequently, total equity would increase by the same amount for both years.

40 Financial risk management (continued)

(g) Contractual maturities of financial liabilities

The following tables detail the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities and derivative financial liabilities, which are based on contractual undiscounted principal cash flows and the earliest date the Group can be required to pay:

Non-derivative financial liabilities:

	Contractual maturities					
	Within 1 year HK$ million	After 1 year, but within 5 years HK$ million	After 5 years HK$ million	Total undiscounted cash flows HK$ million	Difference from carrying amounts HK$ million	Carrying amounts HK$ million
At 31 December 2024						
Trade payables	21,861	–	–	21,861	–	21,861
Expenses and other accruals	33,411	–	–	33,411	–	33,411
Other payables	19,104	–	–	19,104	–	19,104
Interest free loans from non-controlling shareholders	349	–	–	349	–	349
Lease liabilities	13,649	32,658	34,922	81,229	(16,710)	64,519
Bank loans	24,896	62,944	–	87,840	(150)	87,690
Other loans	4	14	50	68	–	68
Notes and bonds	6,068	82,059	80,013	168,140	494	168,634
Interest bearing loans from non-controlling shareholders	1,874	1,591	6	3,471	–	3,471
Obligations for telecommunications licences and other rights	864	1,527	1,890	4,281	(298)	3,983
Liabilities relating to the economic benefits agreements	–	2,166	–	2,166	–	2,166
Amounts due to associated companies	535	–	–	535	–	535
Amounts due to joint ventures	270	–	–	270	–	270
	122,885	182,959	116,881	422,725	(16,664)	406,061

The table above excludes interest accruing and payable on certain of these liabilities which are estimated to be HK$8,484 million in "within 1 year" maturity band, HK$22,549 million in "after 1 year, but within 5 years" maturity band, and HK$17,587 million in "after 5 years" maturity band. These estimates are calculated assuming the effect of hedging transactions and interest rates with respect to variable rate financial liabilities remain constant and there is no change in the aggregate principal amount of financial liabilities other than repayment at scheduled maturity as reflected in the table.

40 Financial risk management (continued)

(g) Contractual maturities of financial liabilities (continued)

Derivative financial liabilities:

	Contractual maturities			
	Within 1 year HK$ million	After 1 year, but within 5 years HK$ million	After 5 years HK$ million	Total undiscounted cash flows HK$ million
At 31 December 2024				
Cash flow hedges				
Other contracts				
Outflow	(14)	–	–	(14)
Net investment hedges				
Forward foreign exchange contracts				
Inflow	1,914	–	–	1,914
Outflow	(1,969)	–	–	(1,969)
Cross currency swaps				
Inflow	45	3,427	564	4,036
Outflow	–	(3,641)	(540)	(4,181)

Non-derivative financial liabilities:

	Contractual maturities					
	Within 1 year HK$ million	After 1 year, but within 5 years HK$ million	After 5 years HK$ million	Total undiscounted cash flows HK$ million	Difference from carrying amounts HK$ million	Carrying amounts HK$ million
At 31 December 2023						
Trade payables	23,017	–	–	23,017	–	23,017
Expenses and other accruals	36,471	–	–	36,471	–	36,471
Other payables	16,888	–	–	16,888	–	16,888
Interest free loans from non-controlling shareholders	438	–	–	438	–	438
Lease liabilities	14,951	32,804	38,837	86,592	(18,669)	67,923
Bank loans	24,484	65,036	–	89,520	(240)	89,280
Other loans	154	14	58	226	–	226
Notes and bonds	33,755	68,470	79,430	181,655	761	182,416
Interest bearing loans from non-controlling shareholders	726	2,128	391	3,245	–	3,245
Obligations for telecommunications licences and other rights	624	2,059	2,283	4,966	(351)	4,615
Liabilities relating to the economic benefits agreements	–	2,166	–	2,166	–	2,166
Amounts due to associated companies	543	–	–	543	–	543
Amounts due to joint ventures	310	–	–	310	–	310
	152,361	172,677	120,999	446,037	(18,499)	427,538

40 Financial risk management (continued)

(g) Contractual maturities of financial liabilities (continued)

The table above excludes interest accruing and payable on certain of these liabilities which are estimated to be HK$9,366 million in "within 1 year" maturity band, HK$21,465 million in "after 1 year, but within 5 years" maturity band, and HK$17,862 million in "after 5 years" maturity band. These estimates are calculated assuming the effect of hedging transactions and interest rates with respect to variable rate financial liabilities remain constant and there is no change in the aggregate principal amount of financial liabilities other than repayment at scheduled maturity as reflected in the table.

Derivative financial liabilities:

	Contractual maturities			
	Within 1 year HK$ million	After 1 year, but within 5 years HK$ million	After 5 years HK$ million	Total undiscounted cash flows HK$ million
At 31 December 2023				
Fair value hedges				
Collar agreements				
Outflow	(297)	(59)	–	(356)
Cash flow hedges				
Forward foreign exchange contracts				
Net outflow	(2)	–	–	(2)
Other contracts				
Outflow	(113)	(1)	–	(114)
Net investment hedges				
Forward foreign exchange contracts				
Inflow	25,680	–	–	25,680
Outflow	(26,750)	–	–	(26,750)
Cross currency swaps				
Inflow	45	3,442	–	3,487
Outflow	–	(3,879)	–	(3,879)

(h) In accordance with the disclosure requirement of HKFRS 7, the Group's financial instruments resulted in the following income, expenses and gains and losses recognised in the consolidated income statement:

	2024 HK$ million	2023 HK$ million
Dividends from equity securities at FVOCI – related to investments held at the end of the reporting period	**114**	142
Interest from debt securities at FVOCI	**111**	104
Interest from cash and cash equivalents held at amortised cost	**5,834**	5,616
Fair value losses on equity securities at fair value through profit or loss ("FVPL")	**–**	(103)
Fair value gains (losses) on debt securities at FVPL	**(15)**	13
Net impairment expense recognised on trade receivables	**(685)**	(612)

40 Financial risk management (continued)

(i) Hedge accounting

(i) Fair value hedges

Hedging instruments	2024 Number of hedged shares in million	2024 Carrying amount of the hedging instrument HK$ million	2024 Change in value used for calculating hedge ineffectiveness HK$ million	2024 Line item in the statement of financial position in which the hedging instrument is included
Collar agreements	3.0	14	69	Trade receivables and other current assets

Hedged items	2024 Carrying amount of the hedged item HK$ million	2024 Change in value used for calculating hedge ineffectiveness HK$ million	2024 Line item in the statement of financial position in which the hedged item is included
Listed equity securities, outside Hong Kong	741	(120)	Liquid funds and other listed investments

Hedging instruments	2023 Number of hedged shares in million	2023 Carrying amount of the hedging instrument HK$ million	2023 Change in value used for calculating hedge ineffectiveness HK$ million	2023 Line item in the statement of financial position in which the hedging instrument is included
Collar agreements	27.3	(356)	(543)	Trade payables and other current liabilities / Other non-current liabilities

Hedged items	2023 Carrying amount of the hedged item HK$ million	2023 Change in value used for calculating hedge ineffectiveness HK$ million	2023 Line item in the statement of financial position in which the hedged item is included
Listed equity securities, outside Hong Kong	8,391	1,140	Liquid funds and other listed investments

40 Financial risk management (continued)

(i) Hedge accounting (continued)

(ii) Cash flow hedges

Hedging instruments	2024							
					Carrying amount of derivatives included in			
	Receive average contracted interest rate	Pay average contracted interest rate	Notional amount in local currency	Notional Amount	Other current assets	Other non-current assets	Other current liabilities	Other non-current liabilities
	Percentage	Percentage	million	HK$ million	HK$ million	HK$ million	HK$ million	HK$ million
Interest rate swaps								
– receive floating and pay fixed maturing in								
2025	5.15%	3.58%	AUD 509	2,469	7	–	–	–
2025	5.68%	5.30%	NZD 150	660	–	–	–	–
				3,129	7	–	–	–
Cross currency interest rate swaps								
– receive fixed and pay fixed maturing in								
2027	2.00%	0.05%	GBP 500	4,920	–	227	–	–
				4,920	–	227	–	–

Hedging instruments	2024						
				Carrying amount of derivatives included in			
	Average exchange rate	Notional amount in local currency	Notional Amount	Other current assets	Other non-current assets	Other current liabilities	Other non-current liabilities
		million	HK$ million	HK$ million	HK$ million	HK$ million	HK$ million
Forward foreign exchange contracts maturing in							
2025	1.08	US$ 18	144	5	–	–	–
			144	5	–	–	–

Hedged items	2024		
	Change in value used for calculating hedge ineffectiveness	Surplus (deficit) in reserve for continuing hedges	Surplus (deficit) in hedging reserve arising from hedging relationships for which hedge accounting is no longer applied
	HK$ million	HK$ million	HK$ million
Interest rate risk	46	5	–
Foreign exchange risk	(84)	(87)	–

40 Financial risk management (continued)

(i) Hedge accounting (continued)

(ii) Cash flow hedges (continued)

	2023							
					Carrying amount of derivatives included in			
Hedging instruments	Receive average contracted interest rate Percentage	Pay average contracted interest rate Percentage	Notional amount in local currency million	Notional Amount HK$ million	Other current assets HK$ million	Other non-current assets HK$ million	Other current liabilities HK$ million	Other non-current liabilities HK$ million
Interest rate swaps								
– receive floating and pay fixed maturing in								
2025	5.14%	3.58%	AUD 509	2,718	–	40	–	–
2025	6.45%	5.69%	NZD 150	743	–	12	–	–
				3,461	–	52	–	–
Cross currency interest rate swaps								
– receive fixed and pay fixed maturing in								
2027	2.00%	0.05%	GBP 500	4,970	–	150	–	–
				4,970	–	150	–	–

	2023						
				Carrying amount of derivatives included in			
Hedging instruments	Average exchange rate	Notional amount in local currency million	Notional Amount HK$ million	Other current assets HK$ million	Other non-current assets HK$ million	Other current liabilities HK$ million	Other non-current liabilities HK$ million
Forward foreign exchange contracts maturing in							
2024	1.08	US$ 13	98	–	–	(2)	–
			98	–	–	(2)	–

	2023		
Hedged items	Change in value used for calculating hedge ineffectiveness HK$ million	Surplus (deficit) in reserve for continuing hedges HK$ million	Surplus (deficit) in hedging reserve arising from hedging relationships for which hedge accounting is no longer applied HK$ million
Interest rate risk	185	(41)	–
Foreign exchange risk	558	(328)	–

40 Financial risk management (continued)

(i) Hedge accounting (continued)

(iii) Net investment hedges

	2024						
				Carrying amount of derivatives included in			
Hedging instruments	Average exchange rate	Notional amount in local currency million	Notional Amount HK$ million	Other current assets HK$ million	Other non-current assets HK$ million	Other current liabilities HK$ million	Other non-current liabilities HK$ million
Forward foreign exchange contracts maturing in							
2025	5.69	CAD 992	5,355	209	–	(25)	–
2025	5.05	AUD 159	773	31	–	–	–
2025	4.66	NZD 280	1,232	–	–	(73)	–
2025	9.87	GBP 2,487	24,476	195	–	(49)	–
2025	8.29	EUR 82	666	1	–	(8)	–
			32,502	436	–	(155)	–
Cross currency swaps maturing in							
2025 – 2031	5.83	CAD 233	1,255	79	–	–	(2)
2025 – 2031	8.15	EUR 965	7,807	–	82	(238)	–
2027	5.86	AUD 1,415	6,862	–	1,199	–	–
			15,924	79	1,281	(238)	(2)

	2024		
Hedged items	Change in value used for calculating hedge ineffectiveness HK$ million	Surplus (deficit) in hedging reserve / exchange reserve for continuing hedges HK$ million	Surplus (deficit) in hedging reserve / exchange reserve arising from hedging relationships for which hedge accounting is no longer applied HK$ million
Foreign investments	(1,458)	(8,428)	(716)

40 Financial risk management (continued)

(i) Hedge accounting (continued)

(iii) Net investment hedges (continued)

	2023						
				Carrying amount of derivatives included in			
Hedging instruments	Average exchange rate	Notional amount in local currency million	Notional Amount HK$ million	Other current assets HK$ million	Other non-current assets HK$ million	Other current liabilities HK$ million	Other non-current liabilities HK$ million
Forward foreign exchange contracts maturing in							
2024	5.76	CAD 792	4,686	10	–	(101)	–
2024	4.99	AUD 159	851	–	–	(58)	–
2024	4.63	NZD 280	1,386	92	–	–	–
2024	9.54	GBP 2,487	24,725	99	–	(906)	–
2024	8.55	EUR 65	560	–	–	(7)	–
			32,208	201	–	(1,072)	–
Cross currency swaps maturing in							
2024 – 2025	4.57	CAD 447	2,649	60	20	–	–
2024 – 2027	8.45	EUR 965	8,318	276	24	–	(465)
2027	5.86	AUD 1,415	7,555	–	528	–	–
			18,522	336	572	–	(465)

	2023		
Hedged items	Change in value used for calculating hedge ineffectiveness HK$ million	Surplus (deficit) in hedging reserve / exchange reserve for continuing hedges HK$ million	Surplus (deficit) in hedging reserve / exchange reserve arising from hedging relationships for which hedge accounting is no longer applied HK$ million
Foreign investments	1,733	(6,970)	(716)

40 Financial risk management (continued)

(j) Carrying amounts and fair values of financial assets and financial liabilities

The fair values of financial assets and financial liabilities, together with the carrying amounts in the consolidated statement of financial position, are as follows:

	Note	Classification under HKFRS 9	2024 Carrying amounts HK$ million	2024 Fair values HK$ million	2023 Carrying amounts HK$ million	2023 Fair values HK$ million
Financial assets						
Liquid funds and other listed investments						
Cash and cash equivalents (included in Managed funds)	20	Amortised cost	**34**	**34**	50	50
Listed equity securities, Hong Kong	20	FVOCI	**536**	**536**	608	608
Listed equity securities, outside Hong Kong	20	FVOCI	**747**	**747**	8,589	8,589
Listed debt securities (included in Managed funds)	20	FVOCI	**6,825**	**6,825**	6,539	6,539
Unlisted investments						
Unlisted equity securities	21	FVOCI	**1,933**	**1,933**	2,189	2,189
Unlisted equity securities	21	FVPL	**366**	**366**	369	369
Unlisted debt securities	21	FVPL	**414**	**414**	604	604
Derivative financial instruments						
Fair value hedges – collar agreements	24	Fair value – hedges	**14**	**14**	–	–
Cash flow hedges						
Interest rate swaps	21 & 24	Fair value – hedges	**7**	**7**	52	52
Cross currency interest rate swaps	21	Fair value – hedges	**227**	**227**	150	150
Forward foreign exchange contracts	24	Fair value – hedges	**5**	**5**	–	–
Other contracts	24	Fair value – hedges	**1**	**1**	26	26
Net investment hedges						
Forward foreign exchange contracts	24	Fair value – hedges	**436**	**436**	201	201
Cross currency swaps	21 & 24	Fair value – hedges	**1,360**	**1,360**	908	908
Lease receivables	21	Amortised cost	**875**	**875**	507	507
Cash and cash equivalents	23	Amortised cost	**121,303**	**121,303**	127,323	127,323
Trade receivables	24	Amortised cost	**15,327**	**15,327**	16,297	16,297
Other receivables	24	Amortised cost	**12,169**	**12,169**	13,491	13,491
Amounts due from associated companies	17	Amortised cost	**1,671**	**1,671**	3,435	3,435
Amounts due from joint ventures	18	Amortised cost	**16,953**	**16,953**	22,377	22,377
			181,203	**181,203**	203,715	203,715

40 Financial risk management (continued)

(j) Carrying amounts and fair values of financial assets and financial liabilities (continued)

	Note	Classification under HKFRS 9	2024 Carrying amounts HK$ million	2024 Fair values HK$ million	2023 Carrying amounts HK$ million	2023 Fair values HK$ million
Financial liabilities						
Bank and other debts [i]	25	Amortised cost	**256,392**	**239,786**	271,922	258,853
Trade payables	26	Amortised cost	**21,861**	**21,861**	23,017	23,017
Derivative financial instruments						
Fair value hedges – collar agreements	26 & 30	Fair value – hedges	**–**	**–**	356	356
Cash flow hedges						
Forward foreign exchange contracts	26	Fair value – hedges	**–**	**–**	2	2
Other contracts	26 & 30	Fair value – hedges	**5**	**5**	114	114
Net investment hedges						
Forward foreign exchange contracts	26	Fair value – hedges	**155**	**155**	1,072	1,072
Cross currency swaps	26 & 30	Fair value – hedges	**240**	**240**	465	465
Other derivative financial instruments	30	FVPL	**91**	**91**	–	–
Interest free loans from non-controlling shareholders	26	Amortised cost	**349**	**349**	438	438
Expenses and other accruals	26	Amortised cost	**33,411**	**33,411**	36,471	36,471
Other payables	26	Amortised cost	**19,104**	**19,104**	16,888	16,888
Lease liabilities	13	Amortised cost	**64,519**	**64,519**	67,923	67,923
Interest bearing loans from non-controlling shareholders	28	Amortised cost	**3,471**	**3,471**	3,245	3,245
Obligations for telecommunications licences and other rights	26 & 30	Amortised cost	**3,983**	**3,983**	4,615	4,615
Liabilities relating to the economic benefits agreements	30	Amortised cost	**2,166**	**2,166**	2,166	2,166
Amounts due to associated companies	17	Amortised cost	**535**	**535**	543	543
Amounts due to joint ventures	18	Amortised cost	**270**	**270**	310	310
			406,552	**389,946**	429,547	416,478

(i) The fair values of the bank and other debts are based on market quotes or estimated using discounted cash flow calculations based upon the Group's current incremental borrowing rates for similar types of borrowings with maturities consistent with those remaining for the debt being valued.

(j) Carrying amounts and fair values of financial assets and financial liabilities (continued)

	2024		2023	
	Carrying amounts HK$ million	**Fair values HK$ million**	Carrying amounts HK$ million	Fair values HK$ million
Representing:				
Financial assets measured at				
Amortised cost	**168,332**	**168,332**	183,480	183,480
FVOCI	**10,041**	**10,041**	17,925	17,925
FVPL	**780**	**780**	973	973
Fair value – hedges	**2,050**	**2,050**	1,337	1,337
	181,203	**181,203**	203,715	203,715
Financial liabilities measured at				
Amortised cost	**406,061**	**389,455**	427,538	414,469
FVPL	**91**	**91**	–	–
Fair value – hedges	**400**	**400**	2,009	2,009
	406,552	**389,946**	429,547	416,478

(k) Fair value measurements

(i) Financial assets and financial liabilities measured at fair value

Fair value hierarchy

The table below analyses recurring fair value measurements for financial assets and financial liabilities. These fair value measurements are categorised into different levels in the fair value hierarchy based on the inputs to valuation techniques used. The different levels are defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: Inputs for the assets or liabilities that are not based on observable market data (i.e. unobservable inputs).

40 Financial risk management (continued)

(k) Fair value measurements (continued)

(i) Financial assets and financial liabilities measured at fair value (continued)

Fair value hierarchy (continued)

		2024				2023			
	Note	Level 1 HK$ million	Level 2 HK$ million	Level 3 HK$ million	Total HK$ million	Level 1 HK$ million	Level 2 HK$ million	Level 3 HK$ million	Total HK$ million
Financial assets									
Liquid funds and other listed investments									
Listed equity securities, Hong Kong	20	536	–	–	536	608	–	–	608
Listed equity securities, outside Hong Kong	20	747	–	–	747	8,589	–	–	8,589
Listed debt securities (included in Managed funds)	20	6,825	–	–	6,825	6,539	–	–	6,539
Unlisted investments									
Unlisted equity securities – FVOCI	21	–	–	1,933	1,933	–	–	2,189	2,189
Unlisted equity securities – FVPL	21	–	46	320	366	–	46	323	369
Unlisted debt securities	21	–	–	414	414	–	–	604	604
Derivative financial instruments									
Fair value hedges – collar agreements	24	–	–	14	14	–	–	–	–
Cash flow hedges									
Interest rate swaps	21 & 24	–	7	–	7	–	52	–	52
Cross currency interest rate swaps	21	–	227	–	227	–	150	–	150
Forward foreign exchange contracts	24	–	5	–	5	–	–	–	–
Other contracts	24	–	1	–	1	–	26	–	26
Net investment hedges									
Forward foreign exchange contracts	24	–	436	–	436	–	201	–	201
Cross currency swaps	21 & 24	–	1,360	–	1,360	–	908	–	908
		8,108	2,082	2,681	12,871	15,736	1,383	3,116	20,235
Financial liabilities									
Derivative financial instruments									
Fair value hedges – collar agreements	26 & 30	–	–	–	–	–	–	356	356
Cash flow hedges									
Forward foreign exchange contracts	26	–	–	–	–	–	2	–	2
Other contracts	26 & 30	–	5	–	5	–	114	–	114
Net investment hedges									
Forward foreign exchange contracts	26	–	155	–	155	–	1,072	–	1,072
Cross currency swaps	26 & 30	–	240	–	240	–	465	–	465
Other derivative financial instruments	30	–	91	–	91	–	–	–	–
		–	491	–	491	–	1,653	356	2,009

40 Financial risk management (continued)

(k) Fair value measurements (continued)

(i) Financial assets and financial liabilities measured at fair value (continued)

Fair value hierarchy (continued)

The fair value of financial assets and financial liabilities that are not traded in active market is determined by using valuation techniques. Specific valuation techniques used to value financial assets and financial liabilities include discounted cash flow analysis, are used to determine fair value for the financial assets and financial liabilities.

During the year ended 31 December 2024 and 2023, there were no transfer between the Level 1 and Level 2 fair value measurements, and no transfer into or out of Level 3 from or to Level 1 or Level 2 fair value measurements.

Level 3 fair values

The movements of the balance of financial assets and financial liabilities measured at fair value based on Level 3 are as follows:

	2024 **HK$ million**	2023 HK$ million
At 1 January	**2,760**	3,593
Total gains (losses) recognised in		
Income statement	**(15)**	(90)
Other comprehensive income	**79**	(796)
Additions	**43**	75
Disposals	**(187)**	(74)
Exchange translation differences	**1**	52
At 31 December	**2,681**	2,760
Total losses recognised in income statement relating to those financial assets and financial liabilities held at the end of the reporting period	**(15)**	(90)

The fair value of financial assets and financial liabilities that are grouped under Level 3 is determined by using valuation techniques including discounted cash flow analysis. In determining fair value, specific valuation techniques are used with reference to inputs such as dividend stream and other specific input relevant to those particular financial assets and financial liabilities.

Changing unobservable inputs used in Level 3 valuation to reasonable alternative assumptions would not have significant impact on the Group's profit or loss.

40 Financial risk management (continued)

(k) Fair value measurements (continued)

(ii) Financial assets and financial liabilities that are not measured at fair value but fair value disclosures are required

Except for bank and other debts as detailed in the table 40(j) above, the carrying amounts of the financial assets and financial liabilities recognised in the consolidated statement of financial position approximate their fair values.

Fair value hierarchy

The table below analyses the fair value measurements disclosures for bank and other debts. These fair value measurements are categorised into different levels in the fair value hierarchy based on the inputs to valuation techniques used.

	Level 1 HK$ million	Level 2 HK$ million	Level 3 HK$ million	Total HK$ million
At 31 December 2024				
Bank and other debts	**155,857**	**83,929**	**–**	**239,786**
At 31 December 2023				
Bank and other debts	165,755	93,098	–	258,853

The fair value of the bank and other debts included in Level 2 category above are estimated using discounted cash flow calculations based upon the Group's current incremental borrowing rates for similar types of borrowings with maturities consistent with those remaining for the debt being valued.

40 Financial risk management (continued)

(l) Financial assets and financial liabilities subject to offsetting, enforceable master netting arrangements or similar agreements

The following tables set out the carrying amounts of recognised financial assets and recognised financial liabilities that:

(1) are offset in the Group's consolidated statement of financial position; or

(2) are subject to an enforceable master netting arrangements or similar agreements that covers similar financial instruments, irrespective of whether they are offset in the Group's consolidated statement of financial position.

	Gross amounts of recognised financial assets (liabilities)	Gross amounts offset in the consolidated statement of financial position	Net amounts presented in the consolidated statement of financial position	Related amounts not offset in the consolidated statement of financial position		Net amounts
				Financial assets (liabilities)	Cash collateral pledged (received)	
	HK$ million	HK$ million	HK$ million	HK$ million	HK$ million	HK$ million
At 31 December 2024						
Financial assets						
Trade receivables	47	(47)	–	–	–	–
Derivative financial instruments						
Net investment hedges						
Cross currency swaps	130	–	130	(130)	–	–
Other receivables and prepayments	269	(160)	109	–	–	109
	446	(207)	239	(130)	–	109
Financial liabilities						
Trade payables	(3,062)	47	(3,015)	–	–	(3,015)
Derivative financial instruments						
Net investment hedges						
Cross currency swaps	(240)	–	(240)	130	–	(110)
Other payables and accruals	(160)	160	–	–	–	–
	(3,462)	207	(3,255)	130	–	(3,125)
At 31 December 2023						
Financial assets						
Trade receivables	43	(43)	–	–	–	–
Derivative financial instruments						
Net investment hedges						
Cross currency swaps	24	–	24	(24)	–	–
Other receivables and prepayments	231	(104)	127	–	–	127
	298	(147)	151	(24)	–	127
Financial liabilities						
Trade payables	(937)	43	(894)	–	–	(894)
Derivative financial instruments						
Net investment hedges						
Cross currency swaps	(465)	–	(465)	24	–	(441)
Other payables and accruals	(104)	104	–	–	–	–
	(1,506)	147	(1,359)	24	–	(1,335)

41 Statement of financial position of the Company, as at 31 December 2024

	2024 **HK$ million**	2023 HK$ million
Non-current assets		
Subsidiary companies – Unlisted shares [(a)]	**368,139**	355,164
Current assets		
Amounts due from subsidiary companies [(b)]	**21,216**	17,660
Other receivables	**1**	1
Cash	**7**	12
Current liabilities		
Other payables and accruals	**99**	97
Net current assets	**21,125**	17,576
Net assets	**389,264**	372,740
Capital and reserves		
Share capital (see note 31(a))	**3,830**	3,830
Share premium (see note 31(a))	**242,972**	242,972
Reserves – Retained profit [(c)]	**142,462**	125,938
Shareholders' funds	**389,264**	372,740

Frank John Sixt
Director

Lai Kai Ming, Dominic
Director

41 Statement of financial position of the Company, as at 31 December 2024 (continued)

(a) Particulars regarding the principal subsidiary companies are set forth on pages 255 to 258.

(b) Amounts due from subsidiary companies are interest-free, unsecured and repayable on demand.

(c) Reserves – Retained profit

	HK$ million
At 1 January 2023	123,845
Profit for the year	12,963
Unclaimed dividends write back	15
Dividends paid relating to 2022	(7,989)
Dividends paid relating to 2023	(2,896)
At 31 December 2023	**125,938**
Profit for the year	**25,948**
Unclaimed dividends write back	**9**
Dividends paid relating to 2023	**(6,798)**
Dividends paid relating to 2024	**(2,635)**
At 31 December 2024	**142,462**

(d) The Company does not have an option scheme for the purchase of ordinary shares in the Company.

(e) The net profit of the Company is HK$25,948 million (2023: HK$12,963 million) and is included in determining the profit attributable to ordinary shareholders of the Company in the consolidated income statement.

(f) At 31 December 2024, the Company's share premium and retained profit amounted to HK$242,972 million (2023: HK$242,972 million) and HK$142,462 million (2023: HK$125,938 million) respectively, and subject to a solvency test, they are available for distribution to shareholders.

42 Subsequent events

Saved as disclosed, no event occurring up to the date of approval of the Annual Financial Statements has been identified that may require material adjustment of, or disclosure in, these financial statements.

43 US dollar equivalents

Amounts in these financial statements are stated in Hong Kong dollar (HK$), the functional currency of the Company. The translation into US dollar (US$) of these financial statements as of, and for the year ended, 31 December 2024, is for convenience only and has been made at the rate of HK$7.8 to US$1. This translation should not be construed as a representation that the Hong Kong dollar amounts actually represented have been, or could be, converted into US dollar at this or any other rate.

44 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest million currency units unless otherwise stated.

45 Significant judgements, estimates and assumptions

In applying the Group's accounting policies, the directors are required to make judgements that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated judgements and assumptions are based on historical experience and other factors that are considered to be relevant and reasonable under the circumstance. Although our current estimates contemplate current and, as applicable, expected future conditions, it is reasonably possible that actual achievements, results, performance or other future events or conditions could differ from those on which the estimates are based. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(a) Significant judgements in applying the Group's accounting policies

The following are the significant judgements, apart from those involving estimations (which are presented separately below), that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

(i) Basis of consolidation and classification of investee entities

The determination if the Group has control, joint control or significant influence over another entity will require exercise of judgement under certain circumstances. The Company controls an entity when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The Group also considers, in particular, whether it obtains benefits, including non-financial benefits, from its power to control the entity. As such, the classification of the entity as a subsidiary, a joint venture, a joint operation, an associated company or a cost investment might require the application of judgement through the analysis of various indicators, such as the practical ability to direct the relevant activities of the investee, the participation in policy-making processes of the investee, the representation on the board of directors or equivalent governing body of the investee, the percentage of ownership interest held in the investee, and various other factors including, if relevant, the existence of agreement with other shareholders, applicable statutes and regulations and their requirements.

(ii) Allocation of revenue for bundled telecommunications transactions with customers

The Group has bundled transactions under contract with customers including sales of both services and hardware (for example handsets). Revenue is allocated to the respective element in an amount that reflects the consideration to which the Group expects to be entitled in exchange for the services and device. Device revenue is recognised at the inception of the contract upon delivery to the customer and services revenue is recognised throughout the contract period as the services are provided. Significant judgement is required in assessing fair values of both of these elements by considering inter alia, standalone selling price, the consideration to which the Group expects to be entitled in exchange for transferring the services and hardware to the customer, and other relevant observable market data. Changes in the allocation may cause the revenue recognised for sales of services and hardware to change individually but not the total bundled revenue from a specific customer throughout its contract term. The Group periodically re-assesses the allocation of the elements as a result of changes in market conditions.

45 Significant judgements, estimates and assumptions (continued)

(a) Significant judgements in applying the Group's accounting policies (continued)

(iii) Determination of lease term

Lease term is the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. In determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The following factors are normally the most relevant:

- If there are significant penalties to terminate (or not to extend), the Group is typically reasonably certain to extend (or not to terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend (or not to terminate).
- Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

As at 31 December 2024, potential future cash outflows of HK$7,021 million (2023: HK$8,635 million) (undiscounted) have not been included in calculating the lease liabilities because it is not reasonably certain that the leases will be extended (or not terminated).

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

(iv) Business combinations

As disclosed in note 46(c)(iv), the Group applies the provisions of HKFRS 3 to transactions and other events that meet the definition of a business combination within the scope of HKFRS 3. When the Group completes a business combination, the identifiable assets acquired and the liabilities assumed, including intangible assets, contingent liabilities and commitments, are recognised at their fair value. Judgement is required to determine the fair values of the assets acquired, the liabilities assumed, the date of acquisition, and the purchase consideration, and on the allocation of the purchase consideration to the identifiable assets and liabilities. If the purchase consideration exceeds the fair value of the net assets acquired then the incremental amount paid is recognised as goodwill. If the purchase price consideration is lower than the fair value of the net assets acquired then the difference is recorded as a gain in the consolidated income statement. Allocation of the purchase consideration between finite lived assets and indefinite lived assets such as goodwill affects the subsequent results of the Group as finite lived intangible assets are amortised, whereas indefinite lived intangible assets, including goodwill, are not amortised.

(b) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its estimates and assumptions on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Revisions to accounting estimates and assumptions are recognised prospectively and could impact fair value and carrying amounts of assets and liabilities, amount and timing of results of operations and cash flows in future periods.

45 Significant judgements, estimates and assumptions (continued)

(b) Key sources of estimation uncertainty (continued)

(i) Impairment of goodwill and long-lived assets

Goodwill and intangible assets that have an indefinite useful life (including telecommunication licences and brand names) are not subject to amortisation and are tested for impairment annually and when there is an indication that the asset may be impaired. Other assets are reviewed for impairment to determine whether there is any indication that the carrying value of these assets may not be recoverable and have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent, if any, of the impairment loss. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

In assessing whether these assets have suffered any impairment, the carrying value of the asset or its respective business unit, including the goodwill, is compared with its recoverable amount, which is the higher of the fair value less costs of disposal and value-in-use. Fair value is derived, when available and appropriate, by making reference to performance metrics (such as revenue, EBITDA, earnings) and valuation multiples (such as Enterprise value / EBITDA, Enterprise value / Sales, Price/Earnings) of completed transactions of comparable businesses or comparable public companies, or by making reference to traded prices and with consideration for possible premiums, or is measured using discounted cash flow projections (Level 3 of the HKFRS 13 fair value hierarchy). The selection of comparable companies requires management judgement and is based on a number of factors, including comparable companies' location, sizes, growth rates, industries, and development stages.

In determining the value-in-use of the investment, discounted cash flow models will be used to estimate the present value of the estimated future cash flows expected to be generated from the operations and from the ultimate disposal of the investment. The cash flows used in the financial projections (discounted cash flow models) are based on the latest approved financial budgets for the next five years. The Group prepared the financial budgets reflecting current and prior year performances and experience, market development expectations, including the expected market share and growth momentum, and where available and appropriate, observable market data. There are a number of estimates and assumptions involved for the preparation of the budget, the cash flow projections for the period covered by the approved budget and the estimated terminal value at the end of the budget period. Significant estimates and assumptions inherent in the discounted cash flow models include the amount and timing of future cash flows attributable to the respective business unit. Other key estimates and assumptions, where applicable, include the respective business unit's projected revenue, costs, gross margin, inventory level, working capital and capital investments, as well as the discount rate and long term growth rate applied, and the estimated terminal value assumptions.

It is reasonably possible that the judgements, estimates and assumptions described above could change in future periods. Further, unanticipated market or macroeconomic events and circumstances may occur, which could affect the accuracy or validity of the estimates and assumptions. Changes to the judgements, estimates and assumptions can significantly affect the carrying amount of the asset in future periods.

45 Significant judgements, estimates and assumptions (continued)

(b) Key sources of estimation uncertainty (continued)

(ii) Impairment assessment on investment accounted for using equity method

Investments accounted for using equity method are subject to impairment testing requirements. The requirements to test for impairment are applied to the net investment in the equity accounted investee. Fair value adjustments and goodwill recognised on acquisitions of equity-accounted investees are not recognised separately. Goodwill recognised on acquisitions of an equity-accounted investee is not subject to annual impairment test. Instead, after applying equity accounting method, the net investment is tested for impairment when there is an indication of possible impairment. The guidance in HKAS 28 "Investments in Associates and Joint Ventures" is used to determine whether it is necessary to perform an impairment test for investments in equity-accounted investees. If there is an indication of impairment, then the impairment test applied follows the principles in HKAS 36 "Impairment of Assets".

In assessing whether these assets have suffered any impairment, the net investment is compared with its recoverable amount, which is the higher of the fair value less costs of disposal and value-in-use. Fair value is derived, when available and appropriate, by making reference to performance metrics (such as revenue, EBITDA, earnings) and valuation multiples (such as Enterprise value / EBITDA, Enterprise value / Sales, Price / Earnings) of completed transactions of comparable businesses or comparable public companies, or by making reference to traded prices and with consideration for possible premiums, or, where financial projections are available, is measured using discounted cash flow projections (Level 3 of the HKFRS 13 fair value hierarchy). The selection of comparable companies requires management judgement and is based on a number of factors, including comparable companies' location, sizes, growth rates, industries, and development stages.

In determining the value-in-use of the investment in an equity-accounted investee, discounted cash flow models will be used to estimate (i) the Group's share of the present value of the estimated future cash flows expected to be generated by the associated company or joint venture, including the cash flows from the operations of the associated company or joint venture and from the ultimate disposal of the investment; or (ii) the present value of the estimated future cash flows to the Group expected to arise from dividends to be received from the investment and from its ultimate disposal.

Significant estimates and assumptions inherent in the discounted cash flow models include the amount and timing of future cash flows attributable to the estimated future cash flows expected to be generated by the associated company or joint venture, including the cash flows from the operations of the associated company or joint venture, the present value of the estimated future cash flows to the Group expected to arise from dividends to be received from the investment and the ultimate disposal of the investment. Other key estimates and assumptions, where applicable, include estimates of the investee's projected revenue, costs, gross margin, inventory level, working capital and capital investments, as well as the discount rate and long term growth rate applied, and, where applicable, dividend yield, and the estimated terminal value assumptions.

It is reasonably possible that the judgements, estimates and assumptions described above could change in future periods. Further, unanticipated market or macroeconomic events and circumstances may occur, which could affect the accuracy or validity of the estimates and assumptions. Changes to the judgements, estimates and assumptions can significantly affect the carrying amount of the investment in future periods.

45 Significant judgements, estimates and assumptions (continued)

(b) Key sources of estimation uncertainty (continued)

(iii) Pension costs and estimation of defined benefit pension obligation

The Group operates several defined benefit plans. Pension costs for defined benefit plans are assessed using the projected unit credit method in accordance with HKAS 19, "Employee Benefits". Under this method, the cost of providing pensions is charged to the consolidated income statement so as to spread the regular cost over the future service lives of employees in accordance with the advice of the actuaries who carry out a full valuation of the plans. The liability or asset recognised in the consolidated statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of the plan assets. The present value of the defined benefit obligation is measured by discounting the estimated future cash outflows using interest rates determined by reference to market yields at the end of the reporting period based on government agency or high quality corporate bonds with currency and term similar to the estimated term of benefit obligations. Remeasurements arising from defined benefit plans are recognised in other comprehensive income in the period in which they occur and reflected immediately in retained profit. Remeasurements comprise actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability (asset)) and any change in the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability (asset)).

Management appoints actuaries to carry out full valuations of these pension plans to determine the pension obligations that are required to be disclosed and accounted for in the financial statements in accordance with the HKFRS requirements.

The actuaries use assumptions and estimates in determining the fair value of the defined benefit plans and evaluate and update these assumptions on an annual basis. Judgement is required to determine the principal actuarial assumptions to determine the present value of defined benefit obligations and service costs. Changes to the principal actuarial assumptions can significantly affect the present value of plan obligations and service costs in future periods.

(iv) Provisions for commitments, onerous contracts and other guarantees

The Group has entered into a number of procurement, supply and other contracts related to specific assets in the ordinary course of its business and provided guarantees in respect of bank and other borrowing facilities to associated companies and joint ventures. Where the unavoidable costs of meeting the obligations under these procurement and supply contracts exceed the associated, expected future net benefits, an onerous contract provision is recognised, or where the borrowing of associated companies and joint ventures are assessed to be unable to repay the indebtedness that the Group has guaranteed, a provision is recognised. The calculation of these provisions will involve the use of estimates and assumptions. These onerous provisions are calculated by taking the unavoidable costs that will be incurred under the contract and deducting any estimate revenues or predicted income to be derived from the assets, or by taking the unavoidable costs that will be incurred under the guarantee and deducting any estimated recoverable value from the investment in such associated companies and joint ventures.

45 Significant judgements, estimates and assumptions (continued)

(b) Key sources of estimation uncertainty (continued)

(v) Provision for income tax and recognition of deferred tax asset

The Group is subject to income taxes in numerous jurisdictions. Significant judgement and estimate are required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were previously recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements. Deferred tax assets are recognised to the extent it is probable that future taxable profits will be available against which the deductible temporary differences and the carry forward of unused tax losses and tax credits can be utilised, based on all available evidence. Recognition primarily involves judgement regarding the future financial performance of the particular legal entity or tax group. A variety of other factors are also evaluated in considering whether there is convincing evidence that it is probable that some portion or all of the deferred tax assets will ultimately be realised, such as the existence of taxable temporary differences, group relief, tax planning strategies and the periods in which estimated tax losses can be utilised.

The ultimate realisation of deferred tax assets recognised for certain of the Group's businesses depends principally on these businesses maintaining profitability and generating sufficient taxable profits to utilise the underlying unused tax losses. It may be necessary for some or all of the deferred tax assets recognised to be reduced and charged to the consolidated income statement if there is a significant adverse change in the projected performance and resulting projected taxable profits of these businesses. Judgement is required to determine key assumptions adopted in the taxable profit and loss projections and changes to key assumptions used and estimates made can significantly affect these taxable profit and loss projections.

(vi) Estimation of useful life: Fixed assets

Depreciation of operating assets constitutes a substantial operating cost for the Group. The cost of fixed assets is charged as depreciation expense over the estimated useful lives of the respective assets using the straight-line method. The Group periodically reviews changes in technology and industry conditions, asset retirement activity and residual values to determine adjustments to estimated remaining useful lives and depreciation rates. Actual economic lives may differ from estimated useful lives. Periodic reviews could result in a change in depreciable lives and therefore depreciation expense in future periods.

(vii) Estimation of useful life: Telecommunications licences, other licences, brand names, trademarks and other rights

Telecommunications licences, other licences, brand names, trademarks and other rights with a finite useful life are carried at cost less accumulated amortisation and are reviewed for impairment annually. Telecommunications licences, other licences, brand names, trademarks and other rights that are considered to have an indefinite useful life are not amortised and are tested for impairment annually and when there is an indication that they may be impaired. Certain brand names related to Retail and Telecommunications are considered to have an indefinite useful life as there is no foreseeable limit to the period over which they are expected to generate net cash inflows.

Judgement is required to estimate the useful lives of the telecommunications licences, other licences, brand names, trademarks and other rights. The actual economic lives of these assets may differ from the current contracted or expected usage periods, which could impact the amount of amortisation expense charged to the income statement. In addition, governments from time to time revise the terms of licences to change, amongst other terms, the contracted or expected licence period, which could also impact the amount of amortisation expense charged to the consolidated income statement.

45 Significant judgements, estimates and assumptions (continued)

(b) Key sources of estimation uncertainty (continued)

(viii) Estimation of the amortisation period: Customer acquisition and retention costs

In accordance with HKFRS 15, customer acquisition and retention costs, which comprise the net costs to acquire and retain customers, are expensed and recognised in the consolidated income statement in the period in which they are incurred, where (i) the costs are incurred; (ii) the costs are incremental of obtaining a contract and they are expected to be recovered; and (iii) the costs relate directly to the contract, generate resources used in satisfying the contract and are expected to be recovered, then they are capitalised and amortised over the customer contract period. Appropriate allowances are recognised if the carrying amounts of the capitalised costs exceed the remaining amount that the Group expects to receive less any directly related costs that have not been recognised as expenses.

Judgement is required to determine the amount of the provision and the amortisation period. The actual amount to be received from the customer and customer period may differ from the expected amount and the contract periods, which could impact the amount of expense charged to the consolidated income statement.

(c) Climate-related matters

The Group considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Group due to both physical and transition risks. Even though the Group believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Group is closely monitoring relevant changes and developments, such as new climate-related legislation.

46 Summary of material accounting policies

(a) Standards adopted during the year ended 31 December 2024

The Group applied for the first-time certain standards and amendments to HKFRS issued by HKICPA, which are effective for annual periods beginning on or after 1 January 2024. The adoption of these amendments do not have a material impact on the Group's consolidated financial statements.

(i) Classification of Liabilities as Current or Non-current – Amendments to HKAS 1; and
Non-current Liabilities with Covenants – Amendments to HKAS 1

Amendments made to HKAS 1 Presentation of Financial Statements in 2020 and 2022 clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity's expectations or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). The amendments also clarify:

- What is meant by a right to defer settlement;
- That a right to defer must exist at the end of the reporting period;
- That classification is unaffected by the likelihood that an entity will exercise its deferral right; and
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

In addition, a requirement has been introduced whereby an entity must disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

46 Summary of material accounting policies (continued)

(a) Standards adopted during the year ended 31 December 2024 (continued)

(ii) Lease Liability in a Sale and Leaseback – Amendments to HKFRS 16

These are narrow-scope amendments to the requirements for sale and leaseback transactions in HKFRS 16 Leases which explain how an entity accounts for a sale and leaseback after the date of the transaction.

The amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right of use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate.

(iii) Supplier Finance Arrangements – Amendments to HKAS 7 and HKFRS 7

These amendments clarify the characteristics of supplier finance arrangements ("SFAs") and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of SFAs on an entity's liabilities, cash flows and exposure to liquidity risk.

Other than these changes, the accounting policies and methods of computation used in the preparation of the Annual Financial Statements are consistent with those used in the 2023 Annual Financial Statements.

(b) New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for the current reporting year and have not been early adopted by the Group.

These new / amended accounting standards and interpretations are effective for annual periods beginning after 1 January 2024 and include:

(i) Lack of Exchangeability – Amendments to HKAS 21

The HKICPA amended HKAS 21 to help entities to determine whether a currency is exchangeable into another currency, and which spot exchange rate to use when it is not.

The amendments to HKAS 21 will be effective for annual reporting periods beginning on or after 1 January 2025. The Group does not expect these amendments to have a material impact on its operations or financial statements.

(ii) Amendments to the Classification and Measurement of Financial Instruments – Amendments to HKFRS 9 and HKFRS 7

The HKICPA issued targeted amendments to HKFRS 9 and HKFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- update the disclosures for equity instruments designated at fair value through other comprehensive income.

The amendments to HKFRS 9 and HKFRS 7 will be effective for annual reporting periods beginning on or after 1 January 2026. The Group does not expect these amendments to have a material impact on its operations or financial statements.

46 Summary of material accounting policies (continued)

(b) New standards and interpretations not yet adopted (continued)

(iii) Presentation and Disclosure in Financial Statements – HKFRS 18

HKFRS 18 will replace HKAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

The key new concepts introduced in HKFRS 18 relate to:

– the structure of the statement of profit or loss with defined subtotals;

– requirement to determine the most useful structure summary for presenting expenses in the statement of profit or loss;

– required disclosures in a single note within the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and

– enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

The references in HK Interpretation 5 have been updated correspondingly to reflect the requirements in HKFRS 18.

The Group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with HKFRS 18.

(iv) Annual Improvements to HKFRS Accounting Standards – Volume 11

The HKICPA issued narrow-scope amendments to HKFRS that include clarifications, simplifications, corrections, and changes intended to improve consistency in:

– HKFRS 1 First-time Adoption of International Financial Reporting Standards;

– HKFRS 7 Financial Instruments: Disclosures and Guidance on implementing HKFRS 7;

– HKFRS 9 Financial Instruments;

– HKFRS 10 Consolidated Financial Statements; and

– HKAS 7 Statement of Cash Flows.

These amendments will be effective for annual periods beginning on or after 1 January 2026. The Group does not expect these amendments to have a material impact on its operations or financial statements.

(v) Sale or contribution of assets between an investor and its associate or joint venture – Amendments to HKFRS 10 and HKAS 28

The HKICPA has made limited scope amendments to HKFRS 10 Consolidated Financial Statements and HKAS 28 Investments in Associates and Joint Ventures.

The amendments clarify the accounting treatment for sales or contribution of assets between an investor and its associated companies or joint ventures. They confirm that the accounting treatment depends on whether the non-monetary assets sold or contributed to an associated company or joint venture constitute a 'business' (as defined in HKFRS 3 Business Combinations).

Where the non-monetary assets constitute a business, the investor will recognise the full gain or loss on the sale or contribution of assets. If the assets do not meet the definition of a business, the gain or loss is recognised by the investor only to the extent of the other investor's interests in the associated company or joint venture. The amendments apply prospectively.

In December 2015, the HKICPA decided to defer the application date of this amendment until such time as the HKICPA has finalised its research project on the equity method.

46 Summary of material accounting policies (continued)

(c) Summary of material accounting policies

Set out below is a summary of material accounting policies adopted in the preparation of these financial statements to the extent they have not already been disclosed in the other notes elsewhere in these financial statements. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(i) Subsidiary companies

Subsidiaries are entities over which the Group has control. Where an entity is governed by voting rights, the Group consolidates when it holds, directly or indirectly, the necessary voting rights to pass resolutions by the governing body. In other cases, the assessment of control is more complex and requires judgement of other factors, including having exposure to variability of returns, power to direct relevant activities, and whether power is held as agent or principal. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Impairment testing is performed where there is an indication of impairment, by comparing the recoverable amount of the relevant investment to its carrying amount. Indicators of impairment include both external and internal sources of information. Similarly, assessments are made as to whether an impairment loss recognised in prior periods may no longer exist or may have decreased. Where this is the case, such an impairment loss is reversed if there has been a change in the estimate used to determine the relevant recoverable amount since the last impairment loss was recognised, and to the extent that it does not increase the carrying amount above that had no impairment loss been previously recognised.

(ii) Associated companies and joint arrangements

The Group classifies investments in entities over which it has significant influence, and which are neither subsidiaries nor joint arrangements, as associated companies. This is generally the case where the Group holds between 20% and 50% of the voting rights.

Joint arrangements are investments in which the Group, together with one or more parties, has joint control and over which none of the participating parties has unilateral control. Investments in joint arrangements are classified either as joint operations or joint ventures, depending on the contractual rights and obligations each investor has. Joint operations arise where the investors have rights to the assets and obligations for the liabilities of an arrangement. Joint ventures arise where the investors have rights to the net assets of the arrangement.

The Group recognises its share of the assets, liabilities and results in a joint operation. Investments in associated companies and interests in joint ventures are recognised using the equity method. The attributable share of the results and reserves of joint ventures and associated companies is included in the consolidated financial statements based on either financial statements made up to 31 December or pro-rated amounts adjusted for any material transactions or events occurring between the date the financial statements are available and 31 December.

Investments in associated companies and joint ventures are assessed at each reporting date and tested for impairment when there is an indication that the investment may be impaired, by comparing the recoverable amount of the relevant investment to its carrying amount. Goodwill on acquisitions of interests in joint ventures and associated companies is not tested separately for impairment, but is assessed as part of the carrying amount of the investment. Previously recognised impairments are assessed for reversal when there are indicators that they may no longer exist or have decreased. Any reversal, which may arise from changes in estimates used to determine the prior impairment loss, is recognised to the extent that it does not increase the carrying amount above that had no impairment loss been previously recognised.

(iii) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to the ordinary shareholders of the Company.

46 Summary of material accounting policies (continued)

(c) Summary of material accounting policies (continued)

(iii) Changes in ownership interests (continued)

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associated company, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRS.

If the ownership interest in a joint venture or an associated company is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

(iv) Business combinations

The Group applies the provisions of HKFRS 3, Business combinations, to transactions and other events that meet the definition of a business combination within the scope of HKFRS 3. Where the acquisition method of accounting is used to account for business combinations, the consideration transferred is the sum of the acquisition date fair values of the assets transferred, equity instruments issued or liabilities incurred by the Group to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. This election is made for each business combination. Acquisition-related costs are generally recognised in profit or loss as incurred.

The difference between the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any pre-existing investment in the acquiree over the acquisition-date fair value of assets acquired and the liabilities assumed is recognised as goodwill. If the consideration transferred and the fair value of pre-existing investment in the acquiree is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the Group, the difference is recognised as a gain directly in profit or loss by the Group on the acquisition date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the Group's previously held equity interest in the acquiree.

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held interests (including joint operations) in the acquired entity are remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

Business combinations are initially accounted for on a provisional basis. The Group retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period (see above), based on new information obtained about the facts and circumstances that existed as of the acquisition date.

46 Summary of material accounting policies (continued)

(c) Summary of material accounting policies (continued)

(v) Goodwill

Goodwill is initially recognised and measured as set out in note 46(c)(iv) Business combinations.

Goodwill is not amortised but is subject to impairment test annually and when there is an indication that the carrying value may not be recoverable. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal (but does not include any attributable goodwill previously eliminated against reserves).

The Group's policy for goodwill arising on the acquisition of an associated company and a joint venture is described in note 46(c)(ii) above.

(vi) Fixed assets

Fixed assets other than freehold lands, are stated at cost less depreciation and any impairment loss. Freehold lands included in land and buildings are not depreciated. Buildings are depreciated on the basis of an expected life of 50 years, or the remainder thereof, or over the remaining period of the lease of the underlying leasehold land, whichever is less. The period of the lease includes the period for which a right to renewal is attached.

Depreciation of other fixed assets is provided on the straight-line basis to write off their costs over their estimated useful lives. The principal annual rates used for these purposes are as follows:

Motor vehicles	20 - 25%
Plant, machinery and equipment	3 1/3 - 20%
Container terminal equipment	3 - 20%
Telecommunications equipment	2.5 - 20%
Leasehold improvements	Over the unexpired period of the lease or 15%, whichever is greater

The gain or loss on disposal or retirement of a fixed asset is the difference between the net sales proceeds and the carrying amount.

(vii) Leases

(I) Group as a lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the lease liability and interest on lease liability. The interest on lease liability is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the lease liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option;
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

46 Summary of material accounting policies (continued)

(c) Summary of material accounting policies (continued)

(vii) Leases (continued)

(I) Group as a lessee (continued)

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- lease payments made at or before the commencement date less any lease incentives received;
- initial direct costs and restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office furniture and certain IT-equipment.

Some leases contain variable payment terms that are linked to sales generated from a store. For individual retail stores, lease payments are on the basis of variable payment terms and there is a wide range of sales percentages applied. Variable payment terms are used for a variety of reasons, including minimising the fixed costs base for newly established stores. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

Extension and termination options are included in a number of leases across the Group. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

(II) Group as a lessor

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying asset to the lessee. If this is not the case, the lease is classified as an operating lease.

However, when the Group is an intermediate lessor the sublease are classified as a finance lease or as an operating lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset.

(c) Summary of material accounting policies (continued)

(viii) Telecommunications licences, other licences, brand names, trademarks and other rights

Separately acquired telecommunications licences, other licences, brand names, trademarks and other rights are carried at historical cost. Telecommunications licences, other licences, brand names, trademarks and other rights that are considered to have indefinite useful lives to the Group are not amortised and are tested for impairment annually and when there is an indication that they may be impaired. Telecommunications licences, other licences, brand names, trademarks and other rights with a finite useful life are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of these assets over their estimated useful lives:

Telecommunications licences and other licences	2 to 20 years
Brand names, trademarks and other rights	2 to 45 years

(ix) Customer acquisition and retention costs

Customer acquisition and retention costs ("CACs") comprise the net costs to acquire and retain customers, which are mainly mobile telecommunication customers. CACs are expensed and recognised in the consolidated income statement in the period in which they are incurred, except (i) the costs are incremental of obtaining a contract and they are expected to be recovered; and (ii) the costs relate directly to the contract, generate resources used in satisfying the contract and are expected to be recovered, then they are capitalised and amortised over the customer contract period. Appropriate allowance are recognised if the carrying amounts of the capitalised costs exceed the remaining amount that the Group expects to receive less any directly related costs that have not been recognised as expenses.

(x) Liquid funds and other listed investments and unlisted investments

"Liquid funds and other listed investments" are investments in listed debt securities, listed equity securities and cash and cash equivalents. "Unlisted investments", disclosed under other non-current assets, are investments in unlisted debt securities and unlisted equity securities. These investments are recognised and de-recognised on the date the Group commits to purchase or sell the investments or when they expire.

(I) Measurement

Debt instrument financial assets subsequent to initial recognition are measured as follows:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets, impairment losses, foreign exchange gains and losses, and gain or loss arising on derecognition are recognised directly in profit or loss.

Financial assets at fair value through other comprehensive income ("FVOCI"): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment losses and reversals, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to, and recognised in, profit or loss.

Financial assets at fair value through profit or loss ("FVPL"): Assets that do not meet the criteria for amortised cost or FVOCI, or designated as FVPL using fair value option, are measured at FVPL. A gain or loss on a debt instrument that is subsequently measured at FVPL is recognised in profit or loss in the period in which it arises.

Equity instrument financial assets are measured at fair value at and subsequent to initial recognition. Changes in the fair value of these financial assets are normally recognised in profit or loss. Dividends from such investments are recognised in profit or loss when the Group's right to receive payments is established. Where an election is made to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

46 Summary of material accounting policies (continued)

(c) Summary of material accounting policies (continued)

(x) Liquid funds and other listed investments and unlisted investments (continued)

(II) Impairment

Under the expected loss approach, the Group assesses on a forward looking basis the expected credit losses associated with its financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The impairment model under HKFRS 9 applies to debt instruments measured at amortised cost and at FVOCI, contract assets under HKFRS 15, lease receivables, loan commitments and certain financial guarantee contracts. The Group applies the simplified approach to recognise lifetime expected losses for trade receivables due from customers and contract assets. As regards lease receivables, loan commitments, financial guarantee contracts, and certain other financial assets (which are presented under Liquid funds and other listed investments, unlisted investments, and other current assets within Trade receivables and other current assets) the Group considers that they have low credit risk and hence recognises 12-month expected credit losses for such items.

(xi) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

(xii) Trade and other receivables, and contract assets

Trade receivables are recognised when the Group's right to consideration is unconditional that only the passage of time is required before the payment is due.

Contract assets primarily relate to the Group's rights to consideration for delivered goods or services but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the customer.

Trade receivables and contract assets are initially recognised at the amount of consideration that is unconditional unless they contain significant financing components when they are recognised at fair value, and are subsequently measured at amortised cost using the effective interest rate, less allowance for expected credit losses.

Other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less allowances for expected credit losses.

(xiii) Borrowings and borrowing costs

Borrowings and debt instruments are initially measured at fair value, net of transaction costs, and are subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the settlement or redemption amount is recognised over the period of the borrowings using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in the consolidated income statement in the period in which they are incurred.

(xiv) Trade and other payables, and contract liabilities

Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

Contract liability is recognised in the amount of the prepayment from customers for the Group's performance obligation to transfer, or to stand ready to transfer, goods or services in future. The contract liabilities primarily relate to the advance consideration received from customers, where the Group has the unconditional right to considerations before the goods or services are delivered. They are released and revenues are recognised when the performance obligations are satisfied upon transferring of goods and services to customers.

(c) Summary of material accounting policies (continued)

(xv) Asset impairment

Assets that have an indefinite useful life are tested for impairment annually and when there is an indication that they may be impaired. Assets that are subject to depreciation and amortisation are reviewed for impairment to determine whether there is any indication that the carrying value of these assets may not be recoverable and have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. The recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. Such impairment loss is recognised in the consolidated income statement except where the asset is carried at valuation and the impairment loss does not exceed the revaluation surplus for that in which case it is treated as a revaluation decrease.

(xvi) Foreign exchange

Transactions in foreign currencies are converted at the rates of exchange ruling at the transaction dates. Monetary assets and liabilities are translated at the rates of exchange ruling at the end of the reporting period.

The financial statements of foreign operations are translated into Hong Kong dollar using the year end rates of exchange for the consolidated statement of financial position items and the average rates of exchange for the year for the income statement items. Exchange differences are recognised in other comprehensive income and accumulated under the heading of exchange reserve. Exchange differences arising from foreign currency borrowings and other currency instruments designated as hedges of such overseas investments, are recognised in other comprehensive income and accumulated under the heading of exchange reserve.

Exchange differences arising from translation of inter-company loan balances between Group entities are recognised in other comprehensive income and accumulated under the heading of exchange reserve when such loans form part of the Group's net investment in a foreign entity. On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, a disposal involving loss of joint control over a joint venture that includes a foreign operation, or a disposal involving loss of significant influence over an associated company that includes a foreign operation), all of the exchange gains or losses accumulated in exchange reserve in respect of that operation attributable to the owners of the Company are transferred out of the exchange reserve and are recognised in the consolidated income statement.

In addition, in relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary that includes a foreign operation, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in the consolidated income statement. For all other partial disposals (i.e. partial disposals of associated companies or joint ventures that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is transferred out of the exchange reserve and are recognised in the consolidated income statement.

All other exchange differences are recognised in the consolidated income statement.

46 Summary of material accounting policies (continued)

(c) Summary of material accounting policies (continued)

(xvii) Revenue recognition

Revenue is measured at the fair value of the consideration received and receivable and represents amounts receivable for goods and services provided in the normal course of business. Revenue from contracts with customers is measured based on the consideration specified in a contract with a customer and exclude amounts collected on behalf of third parties. The Group recognises revenue when it transfers control over a product or service to a customer.

Ports and Related Services

Revenue from the provision of ports and related services is recognised over time when the services are rendered and the Group's performance provides the benefits received and consumed simultaneously by the customer.

Retail

Revenue from the sale of retail goods is recognised at point of sale less an estimate for sales return based on past experience where goods are sold with a right to return. Retail sales are usually settled in cash or by credit card and debit card. The recorded revenue is the gross amount of sales, including credit card fees payable for the transaction.

Infrastructure

Revenue from sales of infrastructure materials is recognised when a performance obligation is satisfied, which is recognised at a point in time, based on the timing of control of the goods underlying the particular performance obligation being transferred to the customer.

Revenue from the provision of waste collection, commercial refuse and recycling services together with refuse transfer station operations and landfill operations is recognised when a performance obligation is satisfied, which is recognised at a point of time, based on the timing of control of the services underlying the particular performance obligation being transferred to the customer.

Telecommunications services

Revenue represents amounts earned for services rendered and for the sale of mobile and related devices. The Group recognises revenue for mobile devices when it transfers the control over the device to the customer which is usually the time the customer signs up to a contract. The Group recognises revenue for mobile telecommunication services as the services are rendered. Monthly recurring charges and additional airtime used by contract customers are invoiced and recorded as part of a periodic billing cycle and recognised as revenue over the related access period. Unbilled revenue resulting from services already provided from the billing cycle date to the end of each period is accrued, and unearned monthly access charges relating to periods after each accounting period are deferred. Products and services may be sold separately or in a bundled transaction. Revenue from the sale of prepaid credit is deferred until such time as the customer uses the airtime, or the credit expires.

For bundled transactions under contract comprising the provision of telecommunications services and sale of a device (e.g. handsets), the elements are accounted for separately if they are distinct. A product or service is distinct if they are separately identifiable from other items in the bundled package and if the customer can benefit from it. The revenue is allocated to the respective element in an amount that reflects the consideration to which the Group expects to be entitled in exchange for the services and device, where device revenue is recognised at the inception of the contract upon delivery to the customer and services revenue is recognised throughout the contract period as the services are provided.

Other service income is recognised when the service is rendered. Customer service revenue is mobile telecommunications service revenue, and where a customer is invoiced for a bundled transaction under contract, the invoiced amount less amounts related to accrued device revenue and also less other service income. Total revenue arising from telecommunications services comprises of service revenue, sale of device revenue and other service income.

Finance and investments

Dividend income from investments in securities is recognised when the Group's right to receive payment is established.

Interest income is recognised on a time proportion basis using the effective interest method.

46 Summary of material accounting policies (continued)

(d) Summary of other potentially material accounting policies

Set out below is a summary of other potentially material accounting policies adopted in the preparation of these financial statements to the extent they have not already been disclosed in the other notes elsewhere in these financial statements. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(i) Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the consolidated statement of financial position. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the consolidated statement of financial position.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the consolidated income statement.

(ii) Investment properties

Investment properties are interests in land and buildings that are held to earn rentals or for capital appreciation or both. Such properties are carried in the consolidated statement of financial position at their fair value. Changes in fair values of investment properties are recorded in the consolidated income statement.

(iii) Leasehold land

The acquisition costs and upfront payments made for leasehold land are presented on the face of the consolidated statement of financial position as leasehold land prior to 1 January 2019 and are grouped as part of right-of-use assets with effect from 1 January 2019. Leasehold land are expensed in the consolidated income statement on a straight-line basis over the period of the lease.

(iv) Contractual customer relationships

Separately acquired contractual customer relationships are carried at historical cost. These contractual customer relationships are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method from five to fifteen years over the expected useful life of the customer relationship.

(v) Deferred tax

Deferred tax is recognised, using the liabilities method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax losses and tax credits can be utilised.

46 Summary of material accounting policies (continued)

(d) Summary of other potentially material accounting policies (continued)

(vi) Derivative financial instruments and hedging activities

Derivative financial instruments are utilised by the Group in the management of its foreign currency and interest rate exposures. Derivative financial instruments are recognised at fair value. At the end of each reporting period the fair value is remeasured. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss, except where the derivatives qualify for cash flow hedge accounting or hedges of net investment in a foreign operation, in which case recognition of any resultant gain or loss depends on the nature of the item being hedged.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment;
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment;
- Hedges of a net investment in a foreign operation (net investment hedges).

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

At the inception of the hedging, the Group documents the economic relationship between hedging instruments and hedged items, including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transactions.

The fair values of derivative financial instruments designated in hedge relationships are disclosed in note 40(i). Movements in the hedging reserve in shareholders' equity are shown in note 32. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

Hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below:

Fair value hedges

The change in the fair value of a hedging instrument is recognised in profit or loss as other expense except when the hedging instrument hedges an equity instrument designated at FVOCI in which case it is recognised in other comprehensive income. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item (if applicable) and is also recognised in profit or loss as other expense.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the effective interest rate ("EIR") method. The EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss.

When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit or loss.

46 Summary of material accounting policies (continued)

(d) Summary of other potentially material accounting policies (continued)

(vi) Derivative financial instruments and hedging activities (continued)

Cash flow hedges

Where a derivative financial instrument is designated as a hedging instrument in a cash flow hedge, the effective portion of any gain or loss on the derivative financial instrument is recognised in other comprehensive income and accumulated separately in equity in the hedging reserve. The ineffective portion of any gain or loss is recognised immediately in profit or loss.

If a hedge of a forecast transaction subsequently results in the recognition of a non-financial asset such as inventory, the associated gain or loss is reclassified from equity to be included in the initial cost of the non-financial asset. For all other hedged forecast transactions, the amount accumulated in the hedging reserve is reclassified from equity to profit or loss in the same period or periods during which the hedged cash flows affect profit or loss (such as when a forecast sale occurs or interest expense is recognised).

If a hedge no longer meets the criteria for hedge accounting (including when the hedging instrument expires or is sold, terminated or exercised), then hedge accounting is discontinued prospectively. When hedge accounting is discontinued, but the hedged forecast transaction is still expected to occur, the amount that has been accumulated in the hedging reserve remains in equity until the transaction occurs and it is recognised in accordance with the above policy. If the hedged transaction is no longer expected to take place, the amount that has been accumulated in the hedging reserve is reclassified from equity to profit or loss immediately.

Hedge of net investments in foreign operations

The effective portion of any foreign exchange gain or loss on the derivative financial instruments is recognised in other comprehensive income and accumulated in equity in the exchange reserve until the disposal of the foreign operation, at which time the cumulative gain or loss is reclassified from equity to profit or loss. The ineffective portion is recognised immediately in profit or loss.

(vii) Inventories

Inventories consist mainly of retail goods. The carrying value of retail stock is mainly determined using the weighted average cost method. Inventories are stated at the lower of cost and net realisable value. Cost includes all direct expenditure and other appropriate attributable costs incurred in bringing inventories to their present location and condition.

(viii) Customer loyalty credits

Customer loyalty credits are accounted for as a separate component of the sales transaction in which they are granted.

(ix) Share capital

Share capital issued by the Company are recorded in equity at the proceeds received, net of direct issue costs. Where any group company purchases the company's equity instruments, for example as the result of a share buy-back or a share-based payment plan, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the ordinary shareholders.

(x) Provisions

Provisions are recognised when it is probable that an outflow of economic benefits will be required to settle a present obligation as a result of past events and a reliable estimate can be made of the amount of the obligation.

46 Summary of material accounting policies (continued)

(d) Summary of other potentially material accounting policies (continued)

(xi) Pension plans

Pension plans are classified into defined benefit and defined contribution plans. The pension plans are generally funded by the relevant group companies taking into account the recommendations of independent qualified actuaries and by payments from employees for contributory plans.

The Group's contributions to the defined contribution plans are charged to the consolidated income statement in the year incurred.

Pension costs for defined benefit plans are assessed using the projected unit credit method. Under this method, the cost of providing pensions is charged to the consolidated income statement so as to spread the regular cost over the future service lives of employees in accordance with the advice of the actuaries who carry out a full valuation of the plans. The liability or asset recognised in the consolidated statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of the plan assets. The present value of the defined benefit obligation is measured by discounting the estimated future cash outflows using interest rates determined by reference to market yields at the end of the reporting period based on government agency or high quality corporate bonds with currency and term similar to the estimated term of benefit obligations.

Remeasurements arising from defined benefit plans are recognised in other comprehensive income in the period in which they occur and reflected immediately in retained profit. Remeasurements comprise actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability (asset)) and any change in the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability (asset)).

Pension costs are charged to the consolidated income statement within staff costs.

(xii) Share-based payments

The Company and its subsidiary companies do not have share option scheme as at 31 December 2024 and 31 December 2023 but certain of the Company's associated companies have issued equity-settled and cash-settled share-based compensation plans. Equity-settled share-based payments are measured at fair value (excluding the effect of non-market-based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the respective group companies' estimate of their shares that will eventually vest and adjusted for the effect of non-market-based vesting conditions.

For cash-settled share-based payments, a liability equal to the portion of the goods or services received is recognised at the current fair value determined at the end of the reporting period.

Principal Subsidiary and Associated Companies and Joint Ventures
at 31 December 2024

	Subsidiary and associated companies and joint ventures	Place of incorporation / principal place of operations	Nominal value of issued ordinary share capital ** / registered capital		Percentage of equity attributable to the Group	Principal activities
	Ports and related services					
#	Abu Qir Container Terminal Company S.A.E.	Egypt	USD	157,000,000	33	Container terminal operating
	Alexandria International Container Terminals Company S.A.E.	Egypt	USD	30,000,000	59	Container terminal operating
	Amsterdam Container Terminals B.V.	Netherlands	EUR	18,400	80	Container terminal operating
	Brisbane Container Terminals Pty Limited	Australia	AUD	34,100,000	80	Container terminal operating
	ECT Delta Terminal B.V.	Netherlands	EUR	18,000	71	Container terminal operating
	Ensenada Cruiseport Village, S.A. de C.V.	Mexico	MXP	145,695,000	80	Cruise terminal operating
	Ensenada International Terminal, S.A. de C.V.	Mexico	MXP	160,195,000	80	Container terminal operating
	Europe Container Terminals B.V.	Netherlands	EUR	45,000,000	75	Holding company
	Euromax Terminal Rotterdam B.V.	Netherlands	EUR	125,000	39	Container terminal operating
	Freeport Container Port Limited	Bahamas	BSD	2,000	41	Container terminal operating
	Gdynia Container Terminal Sp. z o.o.	Poland	PLN	11,379,300	80	Container terminal operating and rental of port real estate
	Harwich International Port Limited	United Kingdom	GBP	16,812,002	80	Container terminal operating
	Hongkong United Dockyards Limited	Hong Kong	HKD	76,000,000	100	Ship repairing and general engineering
✡ +	惠州港業股份有限公司	China	RMB	300,000,000	27	Container terminal operating
	Hutchison Ajman International Terminals Limited – F.Z.E.	United Arab Emirates	AED	60,000,000	80	Container terminal operating
	Hutchison Korea Terminals Limited	South Korea	WON	4,107,500,000	80	Container terminal operating
	Hutchison Laemchabang Terminal Limited	Thailand	THB	1,000,000,000	64	Container terminal operating
	Hutchison Port Holdings Limited	British Virgin Islands / Hong Kong	USD	26,000,000	80	Operation, management and development of ports and container terminals, and investment holding
✧ ❋ #	Hutchison Port Holdings Trust	Singapore / China	USD	8,797,780,935	30	Container port business trust
	Hutchison Port Investments Limited	Cayman Islands / Hong Kong	USD	74,870,807	80	Holding company
	Hutchison Port Jazan Limited	Saudi Arabia	SAR	18,750,000	48	Container terminal operating
	Hutchison Ports Investments S.à r.l.	Luxembourg	USD	14,090	80	Operation, management and development of ports and container terminals, and investment holding
	Hutchison Ports RAK Limited	British Virgin Islands / United Arab Emirates	USD	10,000	48	Container terminal operating
	Hutchison Ports Sweden AB	Sweden	SEK	100,000	80	Container terminal operating
	Hutchison Ports UAQ Limited	British Virgin Islands / United Arab Emirates	USD	36,320	48	Container terminal operating
	Internacional de Contenedores Asociados de Veracruz, S.A. de C.V.	Mexico	MXP	138,623,200	80	Container terminal operating
✡ ⌘	Jiangmen International Container Terminals Limited	China	USD	14,461,665	40	Container terminal operating
	Karachi International Container Terminal Limited	Pakistan	PKR	1,109,384,220	80	Container terminal operating
	Korea International Terminals Limited	South Korea	WON	45,005,000,000	71	Container terminal operating
	L.C. Terminal Portuaria de Contenedores, S.A. de C.V.	Mexico	MXP	995,760,628	80	Container terminal operating
	Maritime Transport Services Limited	United Kingdom	GBP	13,921,323	64	Container terminal operating
✡ ⌘	Nanhai International Container Terminals Limited	China	USD	42,800,000	40	Container terminal operating
✡ ⌘	寧波北侖國際集裝箱碼頭有限公司	China	RMB	700,000,000	39	Container terminal operating

Principal Subsidiary and Associated Companies and Joint Ventures

at 31 December 2024

	Subsidiary and associated companies and joint ventures	Place of incorporation / principal place of operations	Nominal value of issued ordinary share capital ** / registered capital		Percentage of equity attributable to the Group	Principal activities
	Ports and related services (continued)					
	Oman International Container Terminal L.L.C.	Oman	OMR	4,000,000	52	Container terminal operating
	Panama Ports Company, S.A.	Panama	USD	10,000,000	72	Container terminal operating
	Port of Felixstowe Limited	United Kingdom	GBP	100,002	80	Container terminal operating
✡ +	PT Jakarta International Container Terminal	Indonesia	IDR	221,450,406,000	39	Container terminal operating
✡	River Trade Terminal Co. Ltd.	British Virgin Islands / Hong Kong	USD	1	40	River trade terminal operation
	Saigon International Terminals Vietnam Limited	Vietnam	USD	80,084,000	56	Container terminal operating
✡ ⌘	上海明東集裝箱碼頭有限公司	China	RMB	4,000,000,000	24	Container terminal operating
	South Asia Pakistan Terminals Limited	Pakistan	PKR	5,763,773,300	72	Container terminal operating
	Star Classic Investments Limited	British Virgin Islands / Hong Kong	USD	22,796	80	Operation, management and development of ports and container terminals, and investment holding
	Sydney International Container Terminals Pty Ltd	Australia	AUD	49,000,001	80	Container terminal operating
	Talleres Navales del Golfo, S.A. de C.V.	Mexico	MXP	143,700,000	80	Marine construction and ship repair yard
	Terminal Catalunya, S.A.	Spain	EUR	2,342,800	80	Container terminal operating
	Thai Laemchabang Terminal Co., Ltd.	Thailand	THB	680,000,000	70	Container terminal operating
	Thamesport (London) Limited	United Kingdom	GBP	2	64	Container terminal operating
❋ # +	Westports Holdings Berhad	Malaysia	MYR	341,000,000	19	Holding company
# ⌘ +	Xiamen Haicang International Container Terminals Limited	China	RMB	555,515,000	39	Container terminal operating
# ⌘ +	Xiamen International Container Terminals Limited	China	RMB	1,148,700,000	39	Container terminal operating
	Retail					
	AS Watson Holdings Limited	Cayman Islands / Hong Kong	HKD	1,000,000	75	Holding company
	AS Watson (Europe) Retail Holdings B.V.	Netherlands	EUR	18,001	75	Investment holding in retail businesses
	AS Watson Retail (HK) Limited	Hong Kong	HKD	100,000,000	75	Retailing
✡ +	Dirk Rossmann GmbH	Germany	EUR	12,000,000	30	Retailing
	PARKnSHOP (HK) Limited	Hong Kong	HKD	100,000,000	75	Supermarket operating
❋	PT Duta Intidaya Tbk	Indonesia	IDR	242,054,702,500	55	Retailing
✡	Rossmann Supermarkety Drogeryjne Polska sp. z o.o.	Poland	PLN	26,442,892	53	Retailing
	Superdrug Stores plc	United Kingdom	GBP	22,000,000	75	Retailing
	Savers Health and Beauty Limited	United Kingdom	GBP	1,400,000	75	Retailing
	Central Watson Company Limited	Thailand	THB	181,692,100	68	Retailing
	Watson's Personal Care Stores Sdn. Bhd.	Malaysia	MYR	6,000,000	75	Retailing
	Infrastructure					
✡	Australian Gas Networks Limited	Australia	AUD	879,082,753	62	Gas distribution
✡ +	AVR-Afvalverwerking B.V.	Netherlands	EUR	1	38	Producing energy from waste
❋ +	CK Infrastructure Holdings Limited	Bermuda / Hong Kong	HKD	2,519,610,945	76	Holding company
✡ +	CK William UK Holdings Limited	United Kingdom	GBP	5,122,005,121	30	Investment holding in electricity distribution and generation, and gas transmissions and distribution
✡ +	CKP (Canada) Holdings Limited	Canada	CAD	2,243,862,831	19	Water heater and HVAC (heating, ventilation and air conditioning) rentals, sales and services

	Subsidiary and associated companies and joint ventures	Place of incorporation / principal place of operations	Nominal value of issued ordinary share capital ** / registered capital		Percentage of equity attributable to the Group	Principal activities
	Infrastructure (continued)					
+	Enviro NZ Services Limited	New Zealand	NZD	84,768,736	76	Waste management services
✡ +	Eversholt UK Rails Group Limited	United Kingdom	GBP	1,100	54	Leasing of rolling stock
✡ +	Northern Gas Networks Holdings Limited	United Kingdom	GBP	71,670,980	36	Gas distribution
✡ +	Northumbrian Water Group Limited	United Kingdom	GBP	40	33	Water supply, sewage and waste water businesses
❖ ❋ # +	Power Assets Holdings Limited	Hong Kong	HKD	6,610,008,417	27	Investment in energy and utility-related businesses
✡	Trionista SE	Germany	EUR	125,000	26	Sub-metering and related services
✡ +	UK Power Networks Holdings Limited	United Kingdom	GBP	610,000,000	30	Electricity distribution
✡	Wales & West Gas Networks (Holdings) Limited	United Kingdom	GBP	29,027	33	Gas distribution
	Telecommunications					
	CK Hutchison Group Telecom Holdings Limited	Cayman Islands / Hong Kong	EUR	64	100	Holding company
	Hi3G Access AB	Sweden	SEK	10,000,000	60	Mobile telecommunications services
	Hi3G Denmark ApS	Denmark	DKK	64,375,000	60	Mobile telecommunications services
	Hutchison 3G UK Limited	United Kingdom	GBP	201	100	Mobile telecommunications services
	Hutchison Drei Austria GmbH	Austria	EUR	34,882,960	100	Mobile telecommunications services
❋	Hutchison Telecommunications Hong Kong Holdings Limited	Cayman Islands / Hong Kong	HKD	1,204,774,052	66	Holding company of mobile telecommunications services
	Hutchison Telephone Company Limited	Hong Kong	HKD	2,730,684,340	66	Mobile telecommunications services
✡	Ooredoo Hutchison Asia Pte. Ltd.	Singapore	SGD	435,492	50	Mobile telecommunications services
	Three Ireland (Hutchison) Limited	Ireland	EUR	2	100	Mobile telecommunications services
	Vietnamobile Telecommunications Joint Stock Company	Vietnam	VND	9,348,000,000,000	49	Mobile telecommunications services
	Wind Tre S.p.A.	Italy	EUR	474,303,795	100	Mobile telecommunications services
✡	Zefiro Net S.r.l.	Italy	EUR	20,000	50	Telecommunication network services
	Finance & investments and others					
	Cheung Kong (Holdings) Limited	Hong Kong	HKD	10,488,733,666	100	Holding company
	CK Hutchison Global Investments Limited	British Virgin Islands / Hong Kong	USD	3	100	Holding company
❋ #	Cenovus Energy Inc.	Canada	CAD	15,659,000,000	17	Oil and gas business
❋ # +	CK Life Sciences Int'l., (Holdings) Inc.	Cayman Islands / Hong Kong	HKD	961,107,240	45	Holding company of nutraceuticals, pharmaceuticals and agriculture-related businesses
	Hutchison International Limited	Hong Kong	HKD	727,966,526	100	Holding company & corporate
❋	Hutchison Telecommunications (Australia) Limited	Australia	AUD	4,204,487,847	88	Holding company
	Hutchison Whampoa (China) Limited	Hong Kong	HKD	15,100,000	100	Investment holding & China businesses
	Hutchison Whampoa Limited	Hong Kong	HKD	29,424,795,590	100	Holding company
❋ #	HUTCHMED (China) Limited	Cayman Islands / Hong Kong	USD	87,160,109	38	Holding company of biopharmaceutical business
	Marionnaud Parfumeries S.A.S.	France	EUR	947,782,990	100	Investment holding in perfume retailing businesses
#	Metro Broadcast Corporation Limited	Hong Kong	HKD	1,000,452	24	Radio broadcasting
❋ #	TOM Group Limited	Cayman Islands / Hong Kong	HKD	395,851,056	36	Technology and media
❋ #	TPG Telecom Limited	Australia	AUD	18,399,043,754	22	Telecommunications services

The above table lists the principal subsidiary and associated companies and joint ventures of the Group which, in the opinion of the directors, principally affect the results and net assets of the Group. To give full details of subsidiary and associated companies and joint ventures would, in the opinion of the directors, result in particulars of excessive length.

Unless otherwise stated, the principal place of operation of each company is the same as its place of incorporation.

Except Cheung Kong (Holdings) Limited and CK Hutchison Global Investments Limited which are 100% directly held by the Company, the interests in the remaining subsidiary and associated companies and joint ventures are held indirectly.

❋ Company listed on The Stock Exchange of Hong Kong Limited except Hutchison Port Holdings Trust which is listed on the Singapore Stock Exchange, Westports Holdings Berhad which is listed on the Bursa Malaysia Securities Berhad, PT Duta Intidaya Tbk is listed on the Indonesia Stock Exchange, Cenovus Energy Inc. which is listed on the New York Stock Exchange and Toronto Stock Exchange, Hutchison Telecommunications (Australia) Limited which is listed on the Australian Securities Exchange, TPG Telecom Limited which is listed on the Australian Securities Exchange and HUTCHMED (China) Limited which is listed on The Stock Exchange of Hong Kong Limited, AIM market of the London Stock Exchange and in the form of American Depositary Shares on the NASDAQ Global Select Market.

** For Hong Kong incorporated companies, this represents issued ordinary share capital.

Associated companies

✡ Joint ventures

⌘ Equity joint venture registered under PRC law

⧲ Wholly owned foreign enterprise (WOFE) registered under PRC law

✧ The share capital of Hutchison Port Holdings Trust is in a form of trust units.

❖ Power Assets Holdings Limited indirectly holds 33.37% equity interest in HK Electric Investments and HK Electric Investments Limited, which are listed on The Stock Exchange of Hong Kong Limited.

+ The accounts of these subsidiary and associated companies and joint ventures have been audited by firms other than PricewaterhouseCoopers. The aggregate revenue (excluding share of associated companies and joint ventures) attributable to shareholders and net assets (excluding share of net assets of associated companies and joint ventures) of these companies not audited by PricewaterhouseCoopers amounted to approximately 4% and 30% of the Group's respective items.

Ten Year Summary

	2015	2016	2017	2018	2019	2020	2021	2022	2023	**2024**
CONSOLIDATED INCOME STATEMENT										
HK$ million										
Revenue [1]	176,094	259,842	248,515	277,129	299,021	266,396	280,847	262,497	275,575	**281,351**
Profit attributable to ordinary shareholders of the Company [1]	118,570	33,008	35,100	39,000	39,830	29,143	33,484	36,680	23,500	**17,088**
Dividends	9,842	10,340	10,994	12,226	12,225	2,368	10,204	11,210	9,694	**8,434**
CONSOLIDATED STATEMENT OF FINANCIAL POSITION										
HK$ million										
Non-current assets										
Fixed assets	179,855	145,598	158,789	110,605	119,131	132,101	131,099	112,650	119,826	**111,777**
Right-of-use assets	–	–	–	–	83,708	83,805	76,852	59,337	61,198	**57,589**
Leasehold land	7,215	8,155	8,305	7,702	–	–	–	–	–	**–**
Telecommunications licences	32,608	23,936	27,271	64,221	63,387	66,944	69,985	60,689	64,264	**63,869**
Brand names and other rights	82,233	73,625	75,985	88,761	88,275	91,453	89,019	83,694	83,396	**79,241**
Goodwill	261,449	254,748	255,334	323,160	308,986	319,718	289,340	268,008	271,136	**267,325**
Associated companies	148,372	150,406	145,343	136,287	144,751	136,076	137,781	140,711	143,638	**139,855**
Interests in joint ventures	92,425	106,253	162,134	121,397	143,555	141,465	141,344	148,561	156,337	**154,208**
Deferred tax assets	20,986	15,856	20,195	20,260	20,353	19,926	21,188	18,509	21,074	**18,140**
Liquid funds and other listed investments	10,255	5,954	7,813	9,292	7,722	10,588	8,227	16,103	15,786	**8,142**
Other non-current assets [2]	4,572	5,440	5,540	10,717	14,276	14,944	14,202	15,900	19,862	**20,203**
	839,970	789,971	866,709	892,402	994,144	1,017,020	979,037	924,162	956,517	**920,349**
Current assets	192,974	223,494	233,546	339,842	216,832	237,576	234,489	224,275	202,386	**192,193**
Total assets	1,032,944	1,013,465	1,100,255	1,232,244	1,210,976	1,254,596	1,213,526	1,148,437	1,158,903	**1,112,542**
Current liabilities	130,303	157,312	114,888	221,929	159,301	173,446	181,413	176,515	162,525	**130,985**
Non-current liabilities										
Bank and other debts	270,536	231,260	310,276	325,570	304,565	301,050	259,438	214,196	213,598	**225,436**
Interest bearing loans from non-controlling shareholders	4,827	4,283	3,143	752	728	798	759	2,567	3,245	**1,597**
Lease liabilities	–	–	–	–	75,609	75,644	68,994	53,931	54,307	**52,377**
Deferred tax liabilities	26,062	23,692	25,583	19,261	16,819	17,672	17,383	19,290	19,572	**17,974**
Pension obligations	4,066	5,369	3,770	2,443	3,123	3,804	3,466	2,730	3,536	**3,197**
Other non-current liabilities	48,039	47,359	51,048	71,466	53,868	52,119	37,818	31,899	31,571	**28,384**
	353,530	311,963	393,820	419,492	454,712	451,087	387,858	324,613	325,829	**328,965**
Net assets	549,111	544,190	591,547	590,823	596,963	630,063	644,255	647,309	670,549	**652,592**
Capital and reserves										
Share capital	3,860	3,858	3,858	3,856	3,856	3,856	3,834	3,830	3,830	**3,830**
Share premium	244,691	244,505	244,505	244,377	244,377	244,377	243,169	242,972	242,972	**242,972**
Reserves	144,884	145,806	181,693	197,918	216,052	246,063	266,149	276,711	297,233	**287,913**
Total ordinary shareholders' funds	393,435	394,169	430,056	446,151	464,285	494,296	513,152	523,513	544,035	**534,715**
Perpetual capital securities	35,153	30,510	29,481	12,326	12,410	12,415	12,414	4,561	4,566	**–**
Non-controlling interests	120,523	119,511	132,010	132,346	120,268	123,352	118,689	119,235	121,948	**117,877**
Total equity	549,111	544,190	591,547	590,823	596,963	630,063	644,255	647,309	670,549	**652,592**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	**2024**
PERFORMANCE DATA										
Earnings per share for profit attributable to ordinary shareholders of the Company – (HK$)	36.91	8.55	9.10	10.11	10.33	7.56	8.70	9.57	6.14	**4.46**
Dividends per share – (HK$)	2.55	2.68	2.85	3.17	3.17	2.314	2.66	2.926	2.531	**2.202**
Dividend cover	14.5	3.2	3.2	3.2	3.3	3.3	3.3	3.3	2.4	**2.0**
Return on average ordinary shareholders' funds (%)	30.1%	8.4%	8.5%	8.9%	8.7%	6.1%	6.6%	7.1%	4.4%	**3.2%**
Current ratio	1.5	1.4	2.0	1.5	1.4	1.4	1.3	1.3	1.2	**1.5**
Net debt – (HK$ million) (3)	172,580	141,806	164,872	207,965	202,648	185,103	166,893	132,042	130,585	**128,558**
Net debt / Net total capital (%) (3)	23.7%	20.5%	21.7%	26.0%	25.3%	22.7%	20.5%	16.9%	16.2%	**16.4%**
Net assets attributable to ordinary shareholders of the Company per share – book value (HK$)	101.9	102.2	111.5	115.7	120.4	128.2	133.8	136.7	142.0	**139.6**
Number of shares outstanding (million)	3,859.7	3,857.7	3,857.7	3,856.2	3,856.2	3,856.2	3,834.6	3,830.0	3,830.0	**3,830.0**

Certain line item descriptions have been updated and certain comparative amounts have been reclassified to conform to the current year presentation.

(1) Amounts shown above are the aggregate total arising from continuing and discontinuing operations in 2015.

(2) With effect from 1 January 2018, "Investment properties" are included in "Other non-current assets" and "Total ordinary shareholders' funds" are shown as a separate item within the "Capital and reserves" section of the consolidated statement of financial position. This change in presentation has no impact on the total equity. The comparative information has been reclassified accordingly.

(3) See note 31(c)(i) to the financial statements.

Information for Shareholders

Listing	The ordinary shares of the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited
Stock Codes	The Stock Exchange of Hong Kong Limited: 1 Bloomberg: 1 HK Reuters: 1.HK
Public Float Capitalisation	Approximately HK$109,885 million (approximately 69% of the issued share capital of the Company) as at 31 December 2024
Financial Calendar	Payment of 2024 Interim Dividend: 26 September 2024 2024 Final Results Announcement: 20 March 2025 Record Date for 2024 Final Dividend: 28 May 2025 Payment of 2024 Final Dividend: 12 June 2025
Registered Office	PO Box 309, Ugland House, Grand Cayman KY1-1104, Cayman Islands
Principal Place of Business	48th Floor, Cheung Kong Center 2 Queen's Road Central, Hong Kong Telephone: +852 2128 1188 Facsimile: +852 2128 1705
Principal Share Registrar and Transfer Office	Maples Fund Services (Cayman) Limited PO Box 1093, Boundary Hall, Cricket Square Grand Cayman, KY1-1102, Cayman Islands
Hong Kong Share Registrar and Transfer Office	Computershare Hong Kong Investor Services Limited Rooms 1712-1716, 17th Floor Hopewell Centre, 183 Queen's Road East Wanchai, Hong Kong Telephone: +852 2862 8628 Facsimile: +852 2865 0990
Investor Information	Corporate press releases, financial reports and other investor information on the Group are available on the website of the Company
Investor Relations Contact	Please direct enquiries to: Group Investor Relations 47th Floor, Cheung Kong Center 2 Queen's Road Central, Hong Kong Telephone: +852 2128 1188 Facsimile: +852 2128 1705 Email: ir@ckh.com.hk
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