Chairman's Statement

The Global economic and geopolitical environment remained challenging in 2025.

The year saw slower growth in some major economies as well as persistent and increasing geopolitical tensions. These have led to an unprecedented evolution in tariff, sanctions, export-control, and national security regimes resulting in a volatile investment and trade environment, and in changing capital and trade flows.

Specifically for the Group, geopolitical pressure has led to a meaningful legal conflict with the Panamanian State relating to the Group's container terminal operations there, and has also complicated ongoing discussions with potential counterparties regarding possible new arrangements for the disposition of interests in the Group's global port operations outside of Panama, Hong Kong and the Mainland.

Notwithstanding this backdrop, the Group's highly diversified business and geographic spread largely mitigates the impact of adverse developments in any particular sector or country. Strong cash generation in the year has placed the group in a solid financial position with a net debt to net total capital ratio at year end of 13.9%.

During the year, the Group continued to actively manage shareholder value through various major transactions, which resulted in certain one-time non-cash accounting impact to the Group's reported earnings. In 2025, the Group completed the merger of its UK telecommunications business with Vodafone UK (the "UK merger") and recognised a one-time non-cash loss and related impacts of HK$10,922 million on a Pre-IFRS 16 basis(1). This compares to a one-time non-cash impairment and other provisions on its Vietnam telecommunications business of HK$3,740 million which the Group recognised in 2024.

On 26 February 2026, the Group announced the sale by CK Group (CK Infrastructure Holdings Limited, Power Assets Holdings Limited and CK Asset Holdings Limited) of 100% of their interests in UK Power Networks to Engie S.A.. Subject to completion occurring, the sale is expected to result in significant cash flow and net profits attributable to the Group in 2026.

Excluding the one-time losses mentioned above and on a Pre-IFRS 16 basis, the Group delivered underlying net earnings of HK$22,258 million, a 7% growth against 2024 in reported currency. Underlying EBITDA and EBIT both increased 9% in reported currency compared to last year, primarily from robust growth in the Ports division, favourable performance from CK Hutchison Group Telecom ("CKHGT") including certain treasury gains, higher contributions from Cenovus Energy, share of gains from disposal of non-core assets by the Group's listed associates as well as favourable foreign exchange movements.

On a reported basis, the Group's profit attributable to ordinary shareholders was HK$11,336 million for the year ended 31 December 2025. On a Post-IFRS 16 basis, reported profit attributable to ordinary shareholders was HK$11,841 million. Reported earnings per share were HK$3.09 for the year ended 31 December 2025 (31 December 2024 – HK$4.46).

Dividend

The Board of Directors recommends a final dividend of HK$1.602 per share (2024 final dividend – HK$1.514 per share), payable on Thursday, 11 June 2026, to shareholders (except for holders of treasury shares) whose names appear on the Register of Members of the Company at the close of business on Thursday, 28 May 2026, being the record date for determining shareholders' entitlement to the proposed final dividend. Combined with the interim dividend of HK$0.710 per share, the full year dividend amounts to HK$2.312 per share (2024 full year dividend – HK$2.202 per share). Currently, there are no treasury shares held by the Company (whether held or deposited in the Central Clearing and Settlement System, or otherwise).

Note 1: The HK$10,922 million on a Pre-IFRS 16 basis one-time losses included HK$9,915 million of non-cash disposal loss, HK$1,445 million of transactional related expenses under CKHGT and transactional intercompany credit of HK$438 million under Finance & Investments and Others. Under Post-IFRS 16 basis, the one-time non-cash loss arising from the UK merger and related impacts totalled HK$10,469 million.

Ports and Related Services

This division reported revenue of HK$48,895 million, an increase of 8% compared to 2024, mainly driven by 3% throughput growth mainly from Yantian and Shanghai Ports, as well as key terminals in Asia and Middle East, along with a 17% higher storage income compared to last year, primarily contributed by Mexico and European ports, partly offset by adverse performance of a shipping line associated company due to drop in market freight rate. EBITDA(2) of HK$17,439 million and EBIT(2) of HK$12,850 million, both increased by 8%, delivered through a combination of robust revenue growth and disciplined cost management.

Looking ahead to 2026, global trade growth is expected to slow down amid geopolitical risks and China-U.S. trade tensions. The conflicts in the Middle East region, if prolonged, will also shift trade routes away from the region. However, with the division's geographically diversified portfolio, the impact is expected to be mostly mitigated as other ports in the division may benefit from the diversion.

The Group will also continue to work to resolve its legal disputes with the Panamanian State and others relating to the Group's container terminal operations in Panama in a way that is fair and protects the interests of shareholders of the Group.

Retail

The division's total revenue of HK$209,267 million increased by 10% in reported currency against last year, while EBITDA(3) and EBIT(3) of HK$18,238 million and HK$14,553 million increased by 11% and 12% respectively. In local currencies, total revenue increased by 6%, while EBITDA and EBIT both increased by 5%. This division recorded positive growth against last year mainly attributable to the growth in Health and Beauty businesses in Europe and Asia. The favourable performance was partly offset by challenging business environment in the Health and Beauty China segment.

Looking ahead, the division's European and Asian operations are well-positioned to continue the growth momentum despite economic headwinds. Health and Beauty China is aiming to mitigate challenging market conditions through assortment enhancements, particularly focusing on own brand products, optimising the existing store network quality and enhancing online capabilities to drive online plus offline traffic. This division will focus on expanding and nurturing its 183 million loyalty members through optimisation of customer journey and disciplined short payback principle for investments in new stores and refurbishments as well as in advanced technology.

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 as of December 2025. The divestment of the division's 70% interest in UK Rails was completed in January 2026, with interests in five co-owned infrastructure investments with CKI remaining in this division thereafter.

CKI

CKI announced net profit attributable to shareholders under Post-IFRS 16 basis of HK$8,265 million, 2% higher than last year, reflecting steady operating performance across major businesses.

Looking into 2026, this division's regulated businesses will continue to provide steady and recurring income and the non-regulated businesses will grow organically and actively expand their portfolios. Together with its strong financial position, this division is well placed to capitalise on investment opportunities as they arise.

Note 2: Under Post-IFRS 16 basis, EBITDA was HK$20,424 million (31 December 2024: HK$18,848 million); EBIT was HK$14,218 million (31 December 2024: HK$13,123 million).

Note 3: Under Post-IFRS 16 basis, EBITDA was HK$27,909 million (31 December 2024: HK$25,594 million); EBIT was HK$15,841 million (31 December 2024: HK$14,099 million).

CK Hutchison Group Telecom

On 31 May 2025, the merger of **3** UK and Vodafone UK was completed with the formation of the combined business, VodafoneThree, now a 49% associated company of the Group. CKHGT also received approximately £1,300 million net proceeds on completion of the merger.

Revenue of CKHGT was HK$101,311 million (€11,387 million), 15% higher against last year in reported currency. EBITDA and EBIT included one-time non-cash loss on the UK merger and related impacts[4], excluding which, underlying EBITDA[5] of HK$27,817 million (€3,128 million) was 15% higher against last year in reported currency, primarily due to treasury gains of approximately HK$700 million from bond buybacks and higher underlying EBITDA contribution from **3** Group Europe. Underlying EBIT[5] of HK$4,783 million (€536 million) was 37% higher due to the higher EBITDA mentioned above, partly offset by higher depreciation of **3** Group Europe from the share of higher depreciation from an enlarged company following the UK merger completion.

3 Group Europe

Revenue of HK$93,839 million was 10% higher against last year in local currencies, primarily driven by growth in net customer service revenue from the higher customer base, higher MVNO and other wholesale revenue, as well as accretive contribution from the share of revenue of VodafoneThree.

3 Group Europe reported an overall 10% higher total margin in local currencies. Underlying EBITDA[6] of HK$25,877 million was 6% or HK$1,500 million higher against last year in local currencies, primarily driven by accretive EBITDA contribution from VodafoneThree, as well as margin growth of other operations. Depreciation and amortisation increased by 7% or HK$1,358 million primarily due to the share of higher depreciation of VodafoneThree following merger completion, which more than offset the accretive EBITDA contribution from the merged entity. Correspondingly, underlying EBIT[6] of HK$3,969 million was 4% or HK$142 million higher against last year in local currencies which was mainly arising from improvements in other operations of this division.

VodafoneThree is currently the largest mobile network operator in the United Kingdom with over 28 million customers. Spectrum and network sharing are ahead of plan to deliver seamless access of both networks to customers through activation of more than 8,000 radio sites and removal of 16,500 km^2 "not spot" area at the end of 2025 which already resulted in notable network improvements recognised by independent tests. The merged entity has also made significant progress in integration processes, including retail and property consolidation and organisation simplification of the combined business, and is on-track to deliver cost and capex synergy target of £700 million per annum by the fifth year after merger completion.

Excluding VodafoneThree, consolidated revenue, EBITDA and EBIT for all other operations in **3** Group Europe year on year were 1%, 2% and 13% higher in local currencies respectively. These operations will aim to deliver stable underlying performance through growing customer base, expanding beyond-the-core offerings, and implement cost efficiency initiatives to increase productivity and reduce costs over the next five years.

Note 4: The HK$11,360 million on a Pre-IFRS 16 basis one-time losses included HK$9,915 million of non-cash disposal loss and HK$1,445 million of transactional related expenses. Under Post-IFRS 16 basis, the one-time non-cash loss arising from the UK merger and related impacts totalled HK$10,907 million.

Note 5: Under Post-IFRS 16 basis, underlying EBITDA was HK$35,976 million (31 December 2024: HK$31,257 million); underlying EBIT was HK$5,973 million (31 December 2024: EBIT of HK$4,490 million).

Note 6: **3** Group Europe EBITDA and EBIT excluding one-time UK merger related impacts of HK$774 million under Pre-IFRS 16 and Post-IFRS 16 basis. Under Post-IFRS 16 basis and excluding one-time UK merger and related impacts, underlying EBITDA was HK$33,617 million (31 December 2024: HK$29,824 million); underlying EBIT was HK$5,139 million (31 December 2024: HK$4,590 million).

Finance & Investments and Others

This segment reported underlying EBITDA and EBIT improvement against last year, primarily due to higher contribution from Cenovus Energy, as well as the Group's share of gains from disposal of non-core assets by TPG and HUTCHMED, partly offset by adverse performance of the Marionnaud businesses from intensified competition.

The Group's 16.4% share of Cenovus Energy's Post-IFRS 16 EBITDA, EBIT and net earnings were HK$9,851 million, HK$4,838 million and HK$3,757 million, an increase of HK$540 million, HK$347 million and HK$716 million compared to last year respectively, mainly reflecting upstream production volume increase and the recognition of a gain from downstream asset disposal, partly offset by decline in commodity prices. In November 2025, Cenovus Energy completed the acquisition of MEG Energy, adding oil sands production of approximately 110,000 barrels per day, as well as creating value through synergies achievable in the near term. Together with maintaining a competitive cost structure, optimising margins and focusing on financial discipline, the operation is well positioned for resiliency through the volatile commodity price cycles.

Indosat Ooredoo Hutchison, the Group's telecommunications joint venture in Indonesia, reported Post-IFRS 16 EBITDA and net earnings increase of 1% and 12% compared to last year respectively. Despite the challenging business environment in the first half of the year, the operation delivered a notable turnaround in the second half, returning to positive growth driven by improved revenue across all business lines together with ongoing cost optimisation.

TPG Telecom, the Group's listed associate in Australia, reported net earnings on a continuing operations basis of A$52 million compared to net loss of A$140 million last year, which included a A$250 million pre-tax one-off non-cash impairment charge. Excluding this impairment, the underlying improvement reflected a 2% service revenue growth and disciplined cost controls, which sets a strong foundation for achieving 2026 targets. The operation has also completed the sale of a non-core asset in July 2025 generating A$4.7 billion of net cash proceeds.

The Group's liquidity and financial profile further strengthened with the receipt of approximately £1.3 billion net proceeds upon completion of the UK merger, as well as continued cash flow generation from controlled capital expenditure and disciplined working capital management. Consolidated cash and liquid investments at 31 December 2025 totalled HK$151,310 million and consolidated total bank and other debts[7] amounted to HK$265,099 million, resulting in consolidated net debt[7] of HK$113,789 million (31 December 2024 – HK$129,614 million) and net debt to net total capital ratio[7] of 13.9%, a significant 2.3%-points improvement from the 16.2% reported for the year ended 31 December 2024.

Sustainability

The Group remains committed to sustainable operations and pursuing the goal of achieving net-zero greenhouse gas emissions across its value chain by 2050. To date, the Group has achieved approximately 23% reduction in Scope 1 and 2 emissions from the 2020 baseline, on track to achieve its target of reducing 50% of its scope 1 and 2 emissions by 2030. In addition, the Group started disclosing its 2024 scope 3 emissions by category in the 2025 Sustainability Report, demonstrating the commitment to enhance transparency on the emission performance across the Group's value chain.

With increasing disclosure requirements and rising stakeholder expectations, the Group maintained regular dialogue with investors, rating agencies, NGOs, customers and employees, as well as sharing updates on the Group's latest strategies and initiatives on climate change. Key developments in the year included the completion of the divisional double materiality assessment, enhancements to cybersecurity and AI-related policies to guide responsible data and AI practices, and the formalisation of a new workforce diversity policy to promote an inclusive workplace culture. Business ethics remains a core operational principle for the Group. During the year, the Group published an updated Anti-Fraud and Anti-Bribery policy, providing enhanced guidance and setting a clear expectation on ethical conduct.

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 14.1% (31 December 2024: 16.4%).

Outlook

Without doubt, the Group's businesses will face new and perhaps unforeseen challenges in 2026. However, as usual, the Group will maintain its disciplined capital allocation, cash flow and liability management, as well as its strong financial profile to ensure it continues to deliver a stable performance. The Group will also of course continue to look for opportunities to enhance value for our shareholders through major transaction activity.

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, 19 March 2026