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

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 1)

UNAUDITED RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2025

HIGHLIGHTS

Six months ended 30 June	Post-IFRS 16 ⁽¹⁾ Basis				Change
	2025	2024	2025	2024	
	HK\$ million	HK\$ million	HK\$ per share	HK\$ per share	
Total Revenue ⁽²⁾	240,663	232,644			
Total EBITDA ⁽²⁾	56,983	63,422			
Total EBIT ⁽²⁾	23,161	30,955			
Reported earnings ⁽³⁾⁽⁴⁾					
Underlying	11,321	10,205	2.96	2.66	+11%
One-time items ⁽⁴⁾	(10,469)	-			
	852	10,205	0.22	2.66	-92%
Interim dividend per share			0.710	0.688	+3%

Six months ended 30 June	Pre-IFRS 16 ⁽¹⁾ Basis					
	Reported		Underlying ⁽⁴⁾		Reported currency change	Local currencies change
	2025	2024	2025	2024		
	HK\$ million	HK\$ million	HK\$ million	HK\$ million		
Total Revenue ⁽²⁾	240,663	232,644	240,663	232,644	+3%	+3%
Total EBITDA ⁽²⁾	44,998	52,201	55,920	52,201	+7%	+6%
Total EBIT ⁽²⁾	20,487	28,843	31,409	28,843	+9%	+8%
Reported earnings ⁽³⁾⁽⁴⁾	440	10,192	11,362	10,192	+11%	+9%

- (1) The Group has adopted International Financial Reporting Standard 16 “Leases” (“IFRS 16”) accounting standard for its statutory reporting but its management reporting has remained on the precedent lease accounting standard International Accounting Standard 17 “Leases” (“IAS 17”). 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. Pre-IFRS 16 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 results announcement is on a Pre-IFRS 16 basis as mentioned above.
- (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.
- (3) Reported earnings represent profit attributable to shareholders. Reported earnings per share for the six months ended 30 June 2025 and 2024 is calculated based on profit attributable to ordinary shareholders and CKHH’s number of shares in issue during the periods of 3,830,044,500.
- (4) Reported earnings include both underlying results and one-off items. Underlying results for the six months ended 30 June 2025 exclude one-time non-cash loss arising from the UK merger and related impacts of HK\$10,922 million under Pre-IFRS 16 basis and HK\$10,469 million under Post-IFRS 16 basis.

CHAIRMAN'S STATEMENT

Economic conditions in the first half of 2025 were challenging as geopolitical and trade tensions continued to escalate, with significant uncertainties driving volatility in trade flows, global equity and commodity markets as well as weak consumer sentiment. These had mixed impacts on the Group, with currency volatility generally favourable and commodity price volatility generally unfavourable to our results.

The Group closed a major strategic transaction with the completion of the merger of its UK telecommunication business with Vodafone UK (the "UK merger") in May 2025. Operationally, the Group delivered a promising 11% year-on-year underlying Pre-IFRS 16 net earnings growth to HK\$11,362 million in the first half of 2025. This growth was attributable to an underlying EBITDA and EBIT increase of 7% and 9% respectively in reported currency compared to the first half of 2024, primarily from strong growth in the Ports division, improvements in the Retail division, higher contribution from the Infrastructure division and favourable performance from CK Hutchison Group Telecom ("CKHGT") including treasury operations, as well as the Group's share of a gain on the partial disposal of a non-core asset by HUTCHMED. Growth was adversely impacted by a lower contribution from Cenovus Energy due to lower commodity prices and significant maintenance and turnaround activities during the half.

In connection with the UK merger, the Group recognised a one-time non-cash loss and related impacts of HK\$10,922 million on a Pre-IFRS 16 basis⁽¹⁾. After taking this loss into account, the Group reported profit attributable to ordinary shareholders of HK\$440 million for the six months ended 30 June 2025. From this merger, the Group also received net cash proceeds of approximately £1.3 billion.

On a Post-IFRS 16 basis, reported profit attributable to ordinary shareholders, including the one-time non-cash UK merger loss and related impacts, was HK\$852 million. Reported earnings per share were HK\$0.22 for the six months ended 30 June 2025 (30 June 2024 – HK\$2.66).

Dividend

The Board of Directors recommends an interim dividend of HK\$0.710 per share (30 June 2024 – HK\$0.688 per share), payable on Thursday, 25 September 2025, to shareholders (except for holders of treasury shares, if any) whose names appear on the Register of Members of the Company at the close of business on Tuesday, 16 September 2025, being the record date for determining shareholders' entitlement to the interim dividend. Currently, there are no treasury shares held by the Company (whether held or deposited in the Central Clearing and Settlement System, or otherwise).

⁽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\$23,597 million, an increase of 9% compared to first half of 2024, primarily driven by 4% higher throughput mainly from Yantian Ports, Shanghai Ports, and terminals in Asia and Middle East, as well as a 27% surge in storage income contributed by Mexico and European ports and the favourable performance of a shipping line associated company. Consequently, EBITDA⁽²⁾ of HK\$8,719 million and EBIT⁽²⁾ of HK\$6,508 million, increased by 10% and 12% respectively in the first half, as a result of increased revenue from strong performance and efficient cost management.

Looking into the second half, global trade and consumer demand will remain volatile due to the uncertain outcome of trade disputes and geopolitical risks. However, with moderate organic volume growth at certain terminals, particularly in Asia, and additional volume from the new facility in Egypt, as well as improved operating margin from cost efficiencies, the division expects to deliver good earnings growth for the full year.

⁽²⁾ Under Post-IFRS 16 basis, EBITDA was HK\$10,132 million (30 June 2024: HK\$9,319 million); EBIT was HK\$7,161 million (30 June 2024: HK\$6,472 million).

Retail

The division's total revenue of HK\$98,840 million increased by 8% in reported currency against the same period last year, while EBITDA⁽³⁾ and EBIT⁽³⁾ of HK\$7,974 million and HK\$6,180 million increased by 12% and 14% respectively. In local currencies, total revenue increased by 6%, while EBITDA increased by 8% and EBIT by 9%. The majority of this division's operations improved against the same period last year driven by robust growth in Health and Beauty businesses in the UK, Poland and the Philippines. This was partly offset by adverse performance of Health and Beauty China which continue to suffer from weak consumer demand. Excluding Health and Beauty China, EBITDA and EBIT both achieved solid growth of 11% in local currencies compared to the first half of 2024.

Looking ahead, most businesses in Europe and Asia are projected to continue to deliver strong results, while Health and Beauty China will continue to face headwinds in the second half. In order to mitigate challenges and maintain a sound financial profile, Health and Beauty China is sharpening its value propositions and is optimising its store footprint and adding dark stores⁽⁴⁾ to further enhance the online business capabilities. The division will focus on expanding and nurturing its 175 million loyalty member base through optimisation of customer journey, driving revenue growth via its integrated online plus offline platform strategy, and maintaining a short payback period for investments in new stores and refurbishments.

⁽³⁾ Under Post-IFRS 16 basis, EBITDA was HK\$12,771 million (30 Jun 2024: HK\$11,760 million); EBIT was HK\$6,805 million (30 June 2024: HK\$6,023 million).

⁽⁴⁾ Dark stores for H&B China are small fulfilment centres solely to fulfil online orders and are strategically located to enable quick delivery services. Dark stores complement the operation's offline store locations and densifies the operational footprint in a cost efficient manner.

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

CKI announced net profit attributable to shareholders under Post-IFRS 16 basis of HK\$4,348 million, 1% higher than the same period last year, reflecting steady performance of the portfolio of infrastructure assets despite geopolitical and economic uncertainties characterised by shifting political landscapes, a complex interest rate outlook, trade disruptions and inflationary pressures.

In July 2025, Eversholt UK Rails Group Limited, a joint venture company of CKI, CK Asset Holdings Limited, Power Assets Holdings Limited and the Group, entered into an agreement to divest UK Rails. Completion of the transaction is subject to the fulfilment of certain conditions under the sales and purchase agreement. Once completed, the proceeds from this transaction will reduce CKI’s net debt to net total capital ratio significantly.

Looking into the remainder of the year, 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.

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 £1.3 billion net proceeds on completion of the merger. VodafoneThree is currently the largest mobile network operator in the United Kingdom with 28.8 million customers and is expected to deliver network improvements for its customers through seamless access of both networks. The combined network will also remove 16,500 km² of “not spot” areas by the end of 2025.

Revenue of CKHGT was HK\$45,012 million (€5,216 million), 5% higher against last year in reported currency. EBITDA and EBIT included one-time non-cash loss on the UK merger and related impacts⁽⁵⁾, excluding which, underlying EBITDA⁽⁶⁾ of HK\$13,160 million was 12% higher against the same period last year in reported currency, primarily due to treasury gains of HK\$0.7 billion from bond buybacks, and higher underlying EBITDA contribution from 3 Group Europe. Underlying EBIT⁽⁶⁾ of HK\$2,518 million was 38% higher due to EBITDA growth, partly offset by higher depreciation of 3 Group Europe following the UK merger completion.

3 Group Europe

Revenue of HK\$41,958 million was 3% higher against the same period last year in local currencies, primarily driven by growth in net customer service revenue from the higher customer base, favourable revenue initiatives, higher MVNO and other wholesale revenue, as well as one month accretive contribution from the share of revenue of VodafoneThree.

3 Group Europe reported an overall 6% higher total margin in local currencies. Underlying EBITDA⁽⁷⁾ of HK\$11,816 million was 4% or HK\$475 million higher against the same period last year in local currencies, primarily driven by one month accretive EBITDA contribution from VodafoneThree, as well as margin growth of other operations, partly offset by higher network costs from the expanded networks. Depreciation and amortisation increased by 5% or HK\$487 million due to higher depreciation from enlarged network asset base and share of higher depreciation of VodafoneThree following completion of the merger at the end of May 2025. Correspondingly, underlying EBIT⁽⁷⁾ of HK\$1,737 million was 1% or HK\$12 million lower against the same period last year in local currencies.

For the remainder of the year, VodafoneThree plans to invest £1.3 billion in capex in its first year to accelerate the network deployment and will invest £11 billion over the next 10 years to create one of Europe’s most advanced 5G networks for a vastly superior mobile experience to its customers and businesses. The operation will also focus on delivering the cost and capex synergies target of £700 million per annum by the fifth year after merger completion. The rest of the operations will aim to deliver stable underlying performance through growing customer base, continuing revenue initiatives, stringent cost discipline and stabilising depreciation under tight management of capital spending. All operations are engaged in a comprehensive review exercise to identify major opportunities to increase productivity and reduce costs over the next five years.

⁽⁵⁾ 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.

⁽⁶⁾ Under Post-IFRS 16 basis, underlying EBITDA was HK\$16,810 million (30 June 2024: HK\$15,134 million); underlying EBIT was HK\$2,945 million (30 June 2024: EBIT of HK\$2,169 million).

⁽⁷⁾ 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 related impacts, underlying EBITDA was HK\$15,253 million (30 June 2024: HK\$14,238 million); underlying EBIT was HK\$2,154 million (30 June 2024: HK\$2,031 million).

Finance & Investments and Others

This segment's underlying EBITDA and EBIT results remained stable compared to the same period last year, primarily due to a one-time gain on the partial disposal of a non-core asset of HUTCHMED, largely offset by lower contributions from Cenovus Energy and Indosat Ooredoo Hutchison ("IOH").

The Group's 17.1% share of Cenovus Energy's Post-IFRS 16 EBITDA, EBIT and net earnings were HK\$4,716 million, HK\$2,304 million and HK\$1,636 million, a decrease of HK\$788 million, HK\$809 million and HK\$480 million compared to last year respectively, mainly reflecting the decline in commodity prices and major maintenance and turnaround activities, partly offset by increased downstream throughput.

IOH, the Group's telecommunications joint venture in Indonesia, reported on a Post-IFRS 16 basis a 4% decline in EBITDA and a 15% decline in net profit compared to the same period last year, due to challenging business environment.

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 measured capital spending and disciplined working capital management. Consolidated cash and liquid investments at 30 June 2025 totalled HK\$137,268 million and consolidated total bank and other debts⁽⁸⁾ amounted to HK\$256,589 million, resulting in consolidated net debt⁽⁸⁾ of HK\$119,321 million (31 December 2024 – HK\$129,614 million) and net debt to net total capital ratio⁽⁸⁾ of 14.7% (31 December 2024 – 16.2%).

⁽⁸⁾ 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 14.9% (31 December 2024: 16.4%).

Sustainability

In April 2025, the Group released its 2024 Sustainability Report, highlighting the latest sustainability performance and achievements throughout the year. The Group remains dedicated 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 20% reduction in scope 1 and 2 emissions from the 2020 baseline and has also started reporting scope 3 emissions by categories, allowing stakeholders to better understand our emission performance across our full value chain.

To support the delivery of the Group's sustainability targets and reinforce organisational alignment across our operations, management compensation plans of certain core divisions will incorporate measurable sustainability metrics this year. By embedding these metrics, the Group aims to align divisional management priorities and encourage long-term sustainable business decisions across the Group.

Diversity and inclusion are core values embraced by the Group which published its first "Workforce Diversity Policy" in 2025. The policy includes a clear direction and approach with respect to employment, including recruitment and selection, professional development and training, compensation and benefits, performance evaluation and career advancement.

With regards to the US\$1 billion US Dollar Green note issued in April 2024, the Group also published a Green Bond Report in 2025, outlining the scope of allocation and use of proceeds, with 46% of the funds being allocated to in Energy Efficiency projects, 24% to Clean Transportation projects, 20% to Renewable Energy development and utilisation, and the remaining allocated to Circular Economy and Design projects.

Outlook

The global economic outlook in this half will continue to be uncertain and unpredictable, with persistent unresolved trade and fiscal and monetary policy issues affecting commodity prices, interest and currency rates, as well as consumer and business sentiment. Geopolitical uncertainty is likely to remain elevated. The Group will remain prudent on capital spending and new investment, and will maintain disciplined cash flow management in order to ensure that it retains a strong financial profile regardless of externalities.

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, 14 August 2025

Financial Performance Summary

	Post-IFRS 16 Unaudited Results for the six months ended 30 June 2025 HK\$ million		Post-IFRS 16 Unaudited Results for the six months ended 30 June 2024 HK\$ million		Change %
		%		%	
Revenue ⁽¹⁾					
Ports and Related Services ⁽¹⁾	23,597	10%	21,594	9%	9%
Retail	98,840	41%	91,469	39%	8%
Infrastructure	28,627	12%	27,098	12%	6%
CK Hutchison Group Telecom	45,012	19%	42,934	19%	5%
Finance & Investments and Others	44,587	18%	49,549	21%	-10%
Total Revenue	240,663	100%	232,644	100%	3%
EBITDA ⁽¹⁾					
Ports and Related Services ⁽¹⁾	10,132	15%	9,319	15%	9%
Retail	12,771	19%	11,760	19%	9%
Infrastructure	15,734	23%	14,847	23%	6%
CK Hutchison Group Telecom	16,810	25%	15,134	24%	11%
Finance & Investments and Others	12,005	18%	12,362	19%	-3%
Total Underlying EBITDA	67,452	100%	63,422	100%	6%
One-off items ⁽²⁾	(10,469)		–		
Total Reported EBITDA	56,983		63,422		-10%
EBIT ⁽¹⁾					
Ports and Related Services ⁽¹⁾	7,161	21%	6,472	21%	11%
Retail	6,805	20%	6,023	19%	13%
Infrastructure	10,193	30%	9,754	32%	5%
CK Hutchison Group Telecom	2,945	9%	2,169	7%	36%
Finance & Investments and Others	6,526	20%	6,537	21%	–
Total Underlying EBIT	33,630	100%	30,955	100%	9%
One-off items ⁽²⁾	(10,469)		–		
Total Reported EBIT	23,161		30,955		-25%
Interest Expenses and Other Finance Costs ⁽¹⁾	(12,042)		(11,933)		-1%
Profit Before Tax	11,119		19,022		-42%
Tax ⁽¹⁾					
Current tax	(4,494)		(4,351)		-3%
Deferred tax	(2,211)		(1,134)		-95%
	(6,705)		(5,485)		-22%
Profit after tax	4,414		13,537		-67%
Non-controlling interests and perpetual capital securities holders' interests	(3,562)		(3,332)		-7%
Reported Profit Attributable to Ordinary Shareholder	852		10,205		-92%
Add back: One-off items ⁽²⁾	10,469		–		
Underlying Profit Attributable to Ordinary Shareholder	11,321		10,205		11%

Note 1: 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 2: One-off items represent non-cash loss arising from the UK merger and related impacts of HK\$10,469 million.

Financial Performance Summary

	Pre-IFRS 16 ⁽¹⁾ Unaudited Results for the six months ended 30 June 2025 HK\$ million		Pre-IFRS 16 ⁽¹⁾ Unaudited Results for the six months ended 30 June 2024 HK\$ million		Change	Local currencies change
		%		%	%	%
Revenue⁽²⁾						
Ports and Related Services ⁽²⁾	23,597	10%	21,594	9%	9%	10%
Retail	98,840	41%	91,469	39%	8%	6%
Infrastructure	28,627	12%	27,098	12%	6%	6%
CK Hutchison Group Telecom	45,012	19%	42,934	19%	5%	2%
Finance & Investments and Others	44,587	18%	49,549	21%	-10%	-7%
Total Revenue	240,663	100%	232,644	100%	3%	3%
EBITDA⁽²⁾						
Ports and Related Services ⁽²⁾	8,719	16%	7,938	15%	10%	8%
Retail	7,974	14%	7,089	14%	12%	8%
Infrastructure	15,565	28%	14,679	28%	6%	6%
CK Hutchison Group Telecom	13,160	23%	11,732	22%	12%	9%
Finance & Investments and Others	10,502	19%	10,763	21%	-2%	-
Total Underlying EBITDA	55,920	100%	52,201	100%	7%	6%
One-off items ⁽³⁾	(10,922)		-			
Total Reported EBITDA	44,998		52,201		-14%	-15%
EBIT⁽²⁾						
Ports and Related Services ⁽²⁾	6,508	21%	5,785	20%	12%	11%
Retail	6,180	20%	5,433	19%	14%	9%
Infrastructure	10,161	32%	9,726	34%	4%	4%
CK Hutchison Group Telecom	2,518	8%	1,822	6%	38%	32%
Finance & Investments and Others	6,042	19%	6,077	21%	-1%	1%
Total Underlying EBIT	31,409	100%	28,843	100%	9%	8%
One-off items ⁽³⁾	(10,922)		-			
Total Reported EBIT	20,487		28,843		-29%	-30%
Interest Expenses and Other Finance Costs ⁽²⁾	(9,624)		(9,828)		2%	
Profit Before Tax	10,863		19,015		-43%	
Tax⁽²⁾						
Current tax	(4,494)		(4,351)		-3%	
Deferred tax	(2,330)		(1,160)		-101%	
	(6,824)		(5,511)		-24%	
Profit after tax	4,039		13,504		-70%	
Non-controlling interests and perpetual capital securities holders' interests	(3,599)		(3,312)		-9%	
Reported Profit Attributable to Ordinary Shareholder	440		10,192		-96%	-98%
Add back: One-off items ⁽³⁾	10,922		-			
Underlying Profit Attributable to Ordinary Shareholder	11,362		10,192		11%	9%

Note 1: The Group has adopted International Financial Reporting Standard 16 "Leases" ("IFRS 16") accounting standard for its statutory reporting but its management reporting has remained on the precedent lease accounting standard International Accounting Standard 17 "Leases" ("IAS 17"). 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. Pre-IFRS 16 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 results announcement is on a Pre-IFRS 16 basis as mentioned above.

Note 2: 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 3: The HK\$10,922 million 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.

Operations Highlights

Ports and Related Services

	30 June 2025 HK\$ million	30 June 2024 HK\$ million	Change	Local currencies change
Total Revenue ⁽¹⁾	23,597	21,594	+9%	+10%
EBITDA ⁽¹⁾⁽³⁾	8,719	7,938	+10%	+8%
EBIT ⁽¹⁾⁽³⁾	6,508	5,785	+12%	+11%
Throughput (million TEU)	44.0	42.3	+4%	
Number of berths ⁽²⁾	295	293	+2 berths	

	Throughput (million TEU)			Number of Berths ⁽²⁾		
	30 June 2025	30 June 2024	Change	30 June 2025	30 June 2024	Change
HPH Trust	11.1	10.4	+7%	52	52	–
Mainland China and Other Hong Kong	6.7	6.5	+3%	44	44	–
Europe	8.2	8.2	–	67	67	–
Asia, Australia and Others	18.0	17.2	+5%	132	130	+2 berths
Total	44.0	42.3	+4%	295	293	+2 berths

HK\$ million	Total Revenue ⁽¹⁾				Total EBITDA ⁽¹⁾⁽³⁾			
	30 June 2025	30 June 2024	Change	Local currencies change	30 June 2025	30 June 2024	Change	Local currencies change
HPH Trust	1,184	1,130	+5%	+5%	644	606	+6%	+6%
Mainland China and Other Hong Kong	886	869	+2%	+3%	315	346	-9%	-8%
Europe	7,897	6,983	+13%	+11%	2,315	1,878	+23%	+20%
Asia, Australia and Others	11,433	10,814	+6%	+9%	4,932	4,371	+13%	+12%
Corporate costs & other port related services	2,197	1,798	+22%	+22%	513	737	-30%	-30%
Total	23,597	21,594	+9%	+10%	8,719	7,938	+10%	+8%

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

Note 2: Based on 300 metres per berth and is computed by dividing the total berth length by 300 metres.

Note 3: Under Post-IFRS 16 basis, EBITDA was HK\$10,132 million (30 June 2024: HK\$9,319 million); EBIT was HK\$7,161 million (30 June 2024: HK\$6,472 million).

Throughput increased by 4% to 44.0 million TEU in the first half of 2025, with 65% and 35% local and transshipment volume respectively (1H 2024: 65% and 35% local and transshipment volume respectively). Overall throughput growth was primarily attributable to HPH Trust, with a 7% year-on-year increase driven by Yantian from growth in export to Europe and higher transshipment volume from new shipping alliances formed in early 2025, despite revenue only increased by 5% as it had a higher portion of transshipment cargoes which had a lower tariff in general, along with 5% volume growth in the Asia, Australia and Others segment, reflecting increased activities in Asia and Middle East due to supply chain reallocation and heightened consumer spending, as well as a 3% increased volume in the Mainland China and Other Hong Kong segment mainly contributed by Shanghai Ports. Throughput in European ports was flat compared to the same period last year, with local volume growth at Rotterdam being offset by reduced transshipment volume at Barcelona.

As a result of the increase in volume coupled with higher storage income predominantly in Mexico and European ports, total revenue in the first half of 2025 was 10% higher than the same period last year in local currencies. In local currencies, EBITDA and EBIT increased 8% and 11% respectively. The Asia, Australia and Others segment reported 12% and 14% increase in EBITDA and EBIT respectively in local currencies with strong results in Pakistan and Thailand, together with additional contribution from the new facility at Abu Qir, Egypt. Europe segment increased 20% and 27% in EBITDA and EBIT respectively in local currencies, mainly due to higher storage income. HPH Trust EBITDA and EBIT increased 6% and 16% respectively in local currencies primarily from throughput growth, whereas lower EBITDA in the Mainland China and Other Hong Kong segment, despite revenue growth, was attributed to an insurance recovery income received in the first half of 2024 which did not recur in this half.

As at 30 June 2025, this division operates 295 berths. No change in number of berths is expected in the second half of the year as the additional berths at Jazan port in Saudi Arabia (+2 berths) and Laemchabang in Thailand (+1 berth), will be fully offset by the reduction of berths at RAK port in UAE (-2 berths, return of 2 berths according to concession extension agreement) and Basra in Iraq (-1 berth, planned return of concession).

Since the implementation of the Equipment Electrification Directive, the Ports division has achieved notable progress in reducing its environmental footprint. By May 2025, Scope 1 and 2 emissions per TEU had declined by almost 4% year-on-year, while diesel consumption per TEU reduced by 5% year-on-year. To support the ongoing decarbonisation efforts, the Ports division is actively procuring renewable energy through Renewable Energy Power Purchase Agreements and Energy Attribute Certificates. Operations in the United Kingdom and Spain are now fully powered by renewable energy, and operations in the Netherlands and Poland are reaching 90% renewable energy usage. As a result, by the end of May 2025, over 40% of total electricity consumed by the Ports division was sourced from renewable energy, providing a significant contribution in achieving the division's goal in reducing emissions.

Retail

	30 June 2025 HK\$ million	30 June 2024 HK\$ million	Change	Local currencies change
Total Revenue	98,840	91,469	+8%	+6%
EBITDA ⁽¹⁾	7,974	7,089	+12%	+8%
EBIT ⁽¹⁾	6,180	5,433	+14%	+9%
Store Numbers	16,935	16,548	+2%	

	Store Numbers			Net Change In Store Number	Comparable Stores Sales Growth (%) ⁽²⁾	
	30 June 2025 ⁽⁴⁾	30 June 2024	Change	30 June 2025	30 June 2025	30 June 2024
H&B China	3,630	3,775	-4%	(145)	-1.0%	-18.6%
H&B Asia	4,314	4,032	+7%	282	+6.4%	+9.2%
H&B China & Asia Subtotal	7,944	7,807	+2%	137	+4.6%	+0.3%
H&B Western Europe	5,861	5,777	+1%	84	+4.6%	+6.5%
H&B Eastern Europe	2,774	2,573	+8%	201	+4.3%	+6.9%
H&B Europe Subtotal	8,635	8,350	+3%	285	+4.5%	+6.6%
H&B Subtotal	16,579	16,157	+3%	422	+4.5%	+4.5%
Other Retail ⁽³⁾	356	391	-9%	(35)	+1.1%	-5.6%
Total Retail	16,935	16,548	+2%	387	+4.2%	+3.3%

Note 1: Under Post-IFRS 16 basis, EBITDA was HK\$12,771 million (30 June 2024: HK\$11,760 million); EBIT was HK\$6,805 million (30 June 2024: HK\$6,023 million).

Note 2: 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.

Note 3: Other Retail includes PARKnSHOP, PARKnSHOP Yonghui, Fortress, Watson's Wine and the manufacturing operations.

Note 4: Store number excludes dark stores ⁽⁵⁾ in H&B China (which commence operation in 2H 2024). On this basis, the store numbers as at 31 December 2024 has been restated to 16,820.

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 175 million loyalty member base. ASW operated 12 retail brands with 16,935 stores in 31 markets worldwide as of 30 June 2025. The division achieved a net store growth of 5% in H&B Asia and Europe, driven by strategic expansions in high-performing markets. In H&B China, there was a 4% reduction in store number. This reduction reflects our decision to close stores in low-traffic locations upon lease expiry, aligning with our strategy to optimise the store portfolio. Dark stores ⁽⁵⁾ in the Mainland has increased from 131 stores at the end of 31 December 2024 to 394 at the end of 30 June 2025 to further enhance the online business capabilities.

Comparable stores sales growth for the H&B segment of 4.5% in the first half of 2025 was primarily contributed by the strong comparable stores sales growth of 6.4% in the H&B Asia led by the Philippines, Malaysia and Türkiye, as well as a steady comparable stores sales growth of 4.5% in H&B Europe from positive trading momentum in the UK and the Benelux countries. This was partly offset by H&B China's slight decrease in comparable store sales of -1.0% due to weak consumer demand.

Note 5: Small fulfilment centres solely to fulfil online orders and are strategically located to enable delivery services.

HK\$ million	Total Revenue						Total EBITDA ⁽¹⁾							
	30 June 2025	%	30 June 2024	%	Change	Local currencies change	30 June 2025	%	EBITDA Margin	30 June 2024	%	EBITDA Margin	Change	Local currencies change
H&B China	6,666	7%	6,879	8%	-3%	-2%	117	2%	2%	250	4%	4%	-53%	-53%
H&B Asia	20,493	21%	18,300	20%	+12%	+11%	1,976	25%	10%	1,729	24%	9%	+14%	+9%
H&B China & Asia Subtotal	27,159	28%	25,179	28%	+8%	+7%	2,093	27%	8%	1,979	28%	8%	+6%	+2%
H&B Western Europe	46,770	47%	43,228	47%	+8%	+6%	4,074	51%	9%	3,778	53%	9%	+8%	+5%
H&B Eastern Europe	13,931	14%	12,038	13%	+16%	+12%	1,770	22%	13%	1,358	19%	11%	+30%	+25%
H&B Europe Subtotal	60,701	61%	55,266	60%	+10%	+7%	5,844	73%	10%	5,136	72%	9%	+14%	+10%
H&B Subtotal	87,860	89%	80,445	88%	+9%	+7%	7,937	100%	9%	7,115	100%	9%	+12%	+8%
Other Retail	10,980	11%	11,024	12%	–	–	37	–	–	(26)	–	–	+242%	+240%
Total Retail	98,840	100%	91,469	100%	+8%	+6%	7,974	100%	8%	7,089	100%	8%	+12%	+8%

H&B loyalty members' participation & exclusives sales contribution	30 June 2025	30 June 2024
Total loyalty members in H&B segment (million)	174	163
Loyalty members' sales participation in H&B segment (%)	64%	65%
Exclusives sales contribution to total H&B sales (%)	36%	36%

The division's total revenue, EBITDA and EBIT increased by 8%, 12% and 14% in reported currency against the same period last year respectively. Excluding the favourable foreign exchange translation effect, this division's total revenue, EBITDA and EBIT increased by 6%, 8% and 9% in local currencies respectively. Excluding H&B China, the division's EBITDA and EBIT both achieved notable growth of 11% in local currencies against the same period last year.

The H&B segment, which represented 100% of the division's EBITDA in the first half of 2025, reported an increase of 7% in total revenue, while EBITDA and EBIT both improved by 8% in local currencies against the same period last year. This was mainly due to favourable performance in European and Asian markets including Poland, the UK, the Benelux countries, the Philippines and Malaysia. The favourable performance across the operations have been partly offset by the adverse performance in the Mainland due to weak consumer demand. The operation is sharpening its value propositions and optimising its store portfolio to improve its profitability.

During the first half of the 2025, the division continued contributing positively to the Group's commitment for more sustainable operations, through continued purchase of renewable energy and expanded sustainable product offerings. The division purchased 629 GWh of renewable energy through Energy Attributes Certificates in selected markets (the Mainland, Hong Kong, the Philippines, Indonesia, Malaysia, Thailand and Türkiye), an increase from 581 GWh in the same period last year. The purchase of renewable energy accounted for almost 100% of the annual electricity consumption in these markets, driving positive reduction progress towards its scope 2 emissions reduction commitment. In addition, the division introduced 11,000 SKUs of sustainable products (exclusive brands and suppliers' brands) across markets such as the Mainland, Hong Kong, Indonesia, Malaysia, the Philippines, Singapore, Thailand, Taiwan and Türkiye, reflecting a 13% increment from the previous year.

Infrastructure

	30 June 2025 HK\$ million	30 June 2024 HK\$ million	Change	Local currencies change
Total Revenue	28,627	27,098	+6%	+6%
EBITDA ⁽¹⁾	15,565	14,679	+6%	+6%
EBIT ⁽¹⁾	10,161	9,726	+4%	+4%
CKI Reported Net Profit (under Post-IFRS 16 basis)	4,348	4,311	+1%	

Note 1: Under Post-IFRS 16 basis, EBITDA was HK\$15,734 million (30 June 2024: HK\$14,847 million); EBIT was HK\$10,193 million (30 June 2024: HK\$9,754 million).

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 the Group's interests in six co-owned infrastructure assets with CKI, including Northumbrian Water, Park'N Fly, Australian Gas Networks, Dutch Enviro Energy, Wales & West Utilities and UK Rails.

CKI

CKI operates in Hong Kong, the Mainland, the UK, Continental Europe, Australia, New Zealand, Canada and the United States. CKI announced profit attributable to shareholders under Post-IFRS 16 basis of HK\$4,348 million in the first half of 2025, 1% higher against the same period last year, reflecting steady performance of the portfolio of infrastructure assets despite geopolitical and economic uncertainties characterised by shifting political landscapes, a complex interest rate outlook, trade disruptions and inflationary pressures.

Profit contribution⁽²⁾ from Power Assets, a company listed on the SEHK and in which CKI holds a 36.01% interest as of 30 June 2025, was HK\$1,095 million in the first half of 2025, an increase of 1% in reported currency, reflecting solid operational performance of international businesses and HK Electric. Profit contribution⁽²⁾ from the UK portfolio was HK\$2,223 million in the first half of 2025, 19% and 17% higher against the same period last year in reported currency and local currency respectively, mainly due to higher contribution from Northumbrian Water resulted from a higher return on higher regulatory capital value due to inflation, good earnings of Northern Gas Networks, Wales & West Utilities and Phoenix Energy reflecting strong operating performance, earnings growth of UK Power Networks with good performance from both regulated and non-regulated businesses, as well as good performance delivered by UK Rails. Profit contribution⁽²⁾ from Australian portfolio decreased by 8% to HK\$793 million in the first half of 2025 in reported currency. In local currency, profit contribution⁽²⁾ decreased by 5% driven by lower contribution from Energy Developments due to the expiry of various lucrative contracts and lower electricity prices than the highs experienced last year, whereas operating performance of Australian Gas Networks, Multinet Gas Networks and Dampier Bunbury Pipeline continued to be stable. In Continental Europe, profit contribution⁽²⁾ was HK\$432 million in the first half of 2025, an increase of 3% in reported currency but flat in local currency. ista reported strong performance during the first half of 2025, whereas for Dutch Enviro Energy, the phase one reconstruction of its waste-to-energy plant in Rosenburg subsequent to the fire in late 2023 has been completed with all seven incineration lines now in operation, while phase two of the project, which involves a new turbine hall and electricity generation resumption, is on track to be completed early next year. In Canada, profit contribution⁽²⁾ decreased by 9% and 5% in reported currency and local currency respectively to HK\$275 million in the first half of 2025, primarily driven by reduced contribution from Canadian Power due to lower power generation and lower power prices from its units in Alberta, as well as slightly lower revenue of Park'N Fly from weaker price and volume, partly offset by good growth from Reliance Home Comfort and steady results of Canadian Midstream Assets. Profit contribution⁽²⁾ from New Zealand portfolio of HK\$80 million in the first half of 2025 was flat against the same period last year in reported currency. In local currency, profit contribution⁽²⁾ was 4% higher mainly attributable to strong performance of Enviro NZ, which successfully secured a number of contracts, including the renewal of 10-year waste collection services contract with Taupo District Council. Hong Kong and the Mainland businesses reported a profit contribution⁽²⁾ of HK\$98 million in the first half of 2025, a slight increase of 2% against the same period last year, reflecting stable performance of the transportation projects and the infrastructure materials business.

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

A number of CKI's regulated businesses in the UK and Australia have entered or are expected to enter new regulatory regime in 2025 and 2026. Northumbrian Water entered its new regulatory period on 1 April 2025, and alongside several other companies, has sought a redetermination by the Competition and Markets Authority with the appeal result expected to be released by the end of the year. Northumbrian Water proposed approximately £6 billion of expenditure, which includes investments to drive improvements for customers and the environment, over the next five years. Northern Gas and Wales & West Utilities received their draft determinations for the regulatory period from 2026-2031, which outlined higher proposed returns for the upcoming regulatory period. For the Australian portfolio, SA Power Networks entered a new regulatory period from 1 July 2025, with approved higher allowed returns and asset base growth based on the final determination. Victoria Power Networks and United Energy are preparing for the upcoming regulatory resets for the period 2026-2031 and have proposed higher capital investments to support the networks' growing utilisation rates. Preparations for the 2026-2031 regulatory resets are also being made by Australian Gas Networks' operations in South Australia and Dampier Bunbury Pipeline.

CKI has always been committed to prudent financial management and the risk management approach is conservative with the underlying financial position closely monitored. CKI's financial strength continues to be solid, with HK\$4.7 billion cash on hand and a net debt to net total capital ratio of 10.6% as at 30 June 2025. Taking into account the net debt of the infrastructure investment portfolio, net debt to net total capital ratio on a look-through basis was an industry low of 48.7% as at 30 June 2025.

Credit rating from Standard & Poor's maintained at "A/ Stable".

The Infrastructure division continues to advance key sustainability initiatives, including smart grid solutions, electric vehicle charging infrastructure, and integration systems with renewable energy sources. Clean hydrogen/biomethane projects by the division's gas networks are also making steady headway in the UK and Australia, alongside Canadian Power's Okanagan and UK Renewables Energy's wind farms, UK Power Networks Services' and the Australian unregulated businesses' solar portfolios, as well as HK Electric's gas-fired generation unit.

CK Hutchison Group Telecom

In million	30 June 2025 HK\$	30 June 2024 HK\$	Change	Local currencies change	30 June 2025 EURO	30 June 2024 EURO
Total Revenue	45,012	42,934	+5%	+2%	5,216	5,071
Total Margin	33,528	31,245	+7%	+5%	3,884	3,692
Total CACs	(6,991)	(7,619)	+8%		(813)	(898)
Less: Handset revenue	4,708	5,612	-16%		548	661
Total CACs (net of handset revenue)	(2,283)	(2,007)	-14%		(265)	(237)
Operating Expenses	(18,085)	(17,506)	-3%		(2,101)	(2,068)
Loss on UK merger and related impacts ⁽²⁾	(11,360)	–	N/A		(948)	–
EBITDA ⁽¹⁾	1,800	11,732	-85%	-88%	570	1,387
Underlying EBITDA ⁽⁵⁾	13,160	11,732	+12%	+9%	1,518	1,387
Depreciation & Amortisation	(10,642)	(9,910)	-7%		(1,232)	(1,172)
(LBIT)/EBIT ⁽¹⁾	(8,842)	1,822	-585%	-591%	(662)	215
Underlying EBIT ⁽⁵⁾	2,518	1,822	+38%	+32%	286	215

3 Group Europe

In million	30 June 2025 HK\$	30 June 2024 HK\$	Change	Local currencies change
Total Revenue	41,958	39,935	+5%	+3%
Total Margin	31,539	29,126	+8%	+6%
Total CACs	(6,793)	(7,393)	+8%	
Less: Handset revenue	4,611	5,495	-16%	
Total CACs (net of handset revenue)	(2,182)	(1,898)	-15%	-11%
Operating Expenses	(17,541)	(16,185)	-8%	-6%
Opex as a % of total margin	56%	56%		
UK merger related impacts	(774)	–		
EBITDA ⁽⁴⁾	11,042	11,043	–	-3%
EBITDA Margin % ⁽³⁾	30%	32%		
Underlying EBITDA ⁽⁵⁾	11,816	11,043	+7%	+4%
Depreciation & Amortisation	(10,079)	(9,350)	-8%	-5%
EBIT ⁽⁴⁾	963	1,693	-43%	-46%
Underlying EBIT ⁽⁵⁾	1,737	1,693	+3%	-1%

Note 1: Under Post-IFRS 16 basis, EBITDA was HK\$5,903 million (30 June 2024: HK\$15,134 million); LBIT was HK\$(7,962) million (30 June 2024: HK\$2,169 million).

Note 2: 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 loss arising from the UK merger and related impacts totalled HK\$10,907 million. The one-time losses in HK\$ and Euro included different reserves recycling impact arising from the UK merger completion.

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

Note 4: Under Post-IFRS 16 basis, EBITDA was HK\$14,479 million (30 June 2024: HK\$14,238 million); EBIT was HK\$1,380 million (30 June 2024: HK\$2,031 million).

Note 5: Underlying results of CKHGT exclude one-time non-cash loss arising from the UK merger and related impacts of HK\$11,360 million under Pre-IFRS 16 basis and HK\$10,907 million under Post-IFRS 16 basis. Underlying results of 3 Group Europe exclude one-time UK merger related impacts of HK\$774 million under Pre-IFRS 16 and Post-IFRS 16 basis.

3 Group Europe's total revenue and total margin of HK\$41,958 million and HK\$31,539 million respectively were 3% and 6% higher respectively against the same period last year in local currencies, primarily driven by the growth in net customer service revenue due to an increase in the customer base and upside from revenue initiatives, coupled with share of one month accretive contribution from VodafoneThree. Higher total revenue also reflects higher MVNO and beyond-the-core revenue streams, as well as incremental OpNet wholesale contribution of Wind Tre.

Active customer base as at 30 June 2025 of 56.6 million was 40% higher against the same period last year following the completion of the merger of **3** UK and Vodafone UK in end of May 2025. Average monthly customer churn rate of the contract customer base improved to 1.1% for the first half of 2025 (1H 2024: 1.2%). **3** Group Europe's net ARPU of €12.83 was 1% higher as compared to the first half of 2024, primarily reflecting the accretive contribution from VodafoneThree and revenue initiatives upside on net customer service revenue, partly offset by adverse impact on incoming mobile termination revenue due to reduction in EU-wide interconnection rates and dilutive impact of higher mix of low margin Internet of things (IoT) customers in Ireland. Despite this reduction in mobile termination revenue impact, **3** Group Europe's net AMPU of €11.84 was 2% higher as the effect was nullified by the corresponding decrease in interconnection cost and therefore had no impact on net AMPU.

The 49% share of accretive contribution from the enlarged UK operation resulted in an uplift of UK's net customer service margin and total margin compared to the same period last year. For the rest of the **3** Group Europe operations, majority of which reported higher net customer service margin driven by the upside from inflation-linked adjustment embedded in customer contracts or annual adjustment executed in 2024 and 2025. In addition, Sweden and Denmark reported higher contract base and growth in second brands, while Ireland continued to increase their active customer base in business and Fixed Wireless Access segments. Italy's net customer service margin was stable against the same period last year, while Austria reported a decrease primarily due to a lower average customer base from keen competition. Other margin of **3** Group Europe grew year-on-year, reflecting accretive contribution following the UK merger completion, incremental OpNet wholesale revenue as mentioned, as well as expansion of revenue streams beyond traditional core service offerings. Overall, these resulted in a solid 6% total margin growth.

3 Group Europe's underlying EBITDA was 4% higher year-on-year in local currencies, primarily due to one-month accretive EBITDA contribution from VodafoneThree and margin growth of other operations, partly offset by increased network costs from network expansion. Underlying EBIT was 1% lower against the same period last year in local currencies as depreciation and amortisation increased by 5% in local currencies due to enlarged network asset base across the footprint and share of higher depreciation of VodafoneThree. The higher EBITDA performance from VodafoneThree has been largely offset by higher share of their depreciation and amortisation.

The Telecommunication division is progressing on its decarbonisation journey, supported by the successful validation of long-term Science-Based Targets, including the goal to achieve net-zero emissions by 2050. The purchase of renewable electricity supported progress towards its sustainable goal, along with continued investments in network virtualisation, equipment modernisation, and the implementation of advanced energy-saving features, further enhances the mobile network efficiency. To address emissions across the broader value chain, a supplier engagement programme has been launched to collect primary supplier data, identify decarbonisation opportunities and foster collaboration. In addition, **3** Ireland, **3** Sweden and Wind Tre earned national or regional recognitions as the best employers locally in the first half of 2025. **3** Ireland maintained its Gold Status from Investors in Diversity, which is the only telecommunication company in Ireland to hold the accreditation, while Wind Tre renewed its gender equality certification (UNI/PDR 125) in addition to its Equal Pay Certificate.

CKHGT - Results by operations

In million	UK ⁽⁶⁾ GBP		Italy ⁽⁷⁾ EURO		Sweden SEK		Denmark DKK		Austria EURO		Ireland EURO		3 Group Europe HK\$		HTHKH HK\$		Corporate and Others HK\$		CKHGT HK\$		CKHGT EURO	
	1H 2025	1H 2024	1H 2025	1H 2024	1H 2025	1H 2024	1H 2025	1H 2024	1H 2025	1H 2024	1H 2025	1H 2024	1H 2025	1H 2024	1H 2025	1H 2024	1H 2025	1H 2024	1H 2025	1H 2024	1H 2025	1H 2024
Total Revenue	1,396	1,335	1,924	1,853	3,984	3,980	1,276	1,217	446	478	309	309	41,958	39,935	2,216	2,058	838	941	45,012	42,934	5,216	5,071
% change	+5%		+4%		–		+5%		-7%		–		+5%		+8%		-11%		+5%		+3%	
											Local currencies change %		+3%						+2%			
Total margin	967	879	1,517	1,438	2,874	2,685	1,088	1,032	342	361	245	238	31,539	29,126	1,639	1,653	350	466	33,528	31,245	3,884	3,692
% change	+10%		+5%		+7%		+5%		-5%		+3%		+8%		-1%		-25%		+7%		+5%	
											Local currencies change %		+6%						+5%			
Total CACs	(414)	(474)	(159)	(156)	(333)	(393)	(128)	(129)	(53)	(69)	(39)	(42)	(6,793)	(7,393)	(198)	(226)	–	–	(6,991)	(7,619)	(813)	(898)
Less: Handset Revenue	280	356	107	110	109	195	36	37	47	60	36	41	4,611	5,495	97	117	–	–	4,708	5,612	548	661
Total CACs (net of handset revenue)	(134)	(118)	(52)	(46)	(224)	(198)	(92)	(92)	(6)	(9)	(3)	(1)	(2,182)	(1,898)	(101)	(109)	–	–	(2,283)	(2,007)	(265)	(237)
Operating Expenses	(592)	(548)	(812)	(742)	(1,223)	(1,226)	(620)	(583)	(174)	(183)	(158)	(159)	(17,541)	(16,185)	(892)	(925)	348	(396)	(18,085)	(17,506)	(2,101)	(2,068)
Opex as a % of total margin	61%	62%	54%	52%	43%	46%	57%	56%	51%	51%	64%	67%	56%	56%	54%	56%	N/A	N/A	54%	56%	54%	56%
Loss on UK merger and related impacts	(75)	–	–	–	–	–	–	–	–	–	–	–	(774)	–	–	–	(10,586)	–	(11,360)	–	(948)	–
EBITDA/(LBITDA)	166	213	653	650	1,427	1,261	376	357	162	169	84	78	11,042	11,043	646	619	(9,888)	70	1,800	11,732	570	1,387
% change	-22%		–		+13%		+5%		-4%		+8%		–		+4%		-14226%		-85%		-59%	
											Local currencies change %		-3%						-88%			
EBITDA margin % ⁽⁸⁾	15%	22%	36%	37%	37%	33%	30%	30%	41%	40%	31%	29%	30%	32%	30%	32%	N/A	N/A	4%	31%	12%	31%
Underlying EBITDA	241	213	653	650	1,427	1,261	376	357	162	169	84	78	11,816	11,043	646	619	698	70	13,160	11,732	1,518	1,387
% change	+13%		–		+13%		+5%		-4%		+8%		+7%		+4%		+897%		+12%		+9%	
											Local currencies change %		+4%						+9%			
Depreciation & Amortisation	(275)	(243)	(561)	(552)	(910)	(900)	(280)	(281)	(94)	(85)	(68)	(67)	(10,079)	(9,350)	(562)	(559)	(1)	(1)	(10,642)	(9,910)	(1,232)	(1,172)
EBIT/(LBIT)	(109)	(30)	92	98	517	361	96	76	68	84	16	11	963	1,693	84	60	(9,889)	69	(8,842)	1,822	(662)	215
% change	-263%		-6%		+43%		+26%		-19%		+45%		-43%		+40%		-14432%		-585%		-408%	
											Local currencies change %		-46%						-591%			
Underlying EBIT/(LBIT)	(34)	(30)	92	98	517	361	96	76	68	84	16	11	1,737	1,693	84	60	697	69	2,518	1,822	286	215
% change	-13%		-6%		+43%		+26%		-19%		+45%		+3%		+40%		+910%		+38%		+33%	
											Local currencies change %		-1%						+32%			
Capex (excluding licence)		(230)	(282)	(298)	(707)	(873)	(110)	(152)	(97)	(112)	(39)	(43)		(6,935)	(173)	(166)	(1)	–		(7,101)		(839)
Comparable Depreciation & Amortisation ⁽⁹⁾		(202)	(369)	(362)	(505)	(551)	(204)	(211)	(68)	(59)	(49)	(49)		(6,629)	(277)	(266)	(1)	(1)		(6,896)		(815)
Comparable Depreciation & Amortisation ⁽⁹⁾ less Capex		(28)	87	64	(202)	(322)	94	59	(29)	(53)	10	6		(306)	104	100	–	1		(205)		(24)
Reported EBITDA less Capex		(17)	371	352	720	388	266	205	65	57	45	35		4,108	473	453	(9,889)	70		4,631		548
Licence ⁽¹⁰⁾		–	–	–	–	–	–	–	–	(7)	–	–		(59)	–	–	–	–		(59)		(7)
HK dollar equivalents of Reported EBITDA and EBIT are summarised as follows:																						
EBITDA-pre IFRS 16 basis (HK\$)	1,701	2,109	5,668	5,503	1,114	937	433	405	1,399	1,431	727	658	11,042	11,043	646	619	(9,888)	70	1,800	11,732	€570	€1,387
EBITDA-post IFRS 16 basis (HK\$)	2,184	2,523	8,141	7,823	1,253	1,069	493	462	1,535	1,555	873	806	14,479	14,238	859	826	(9,435)	70	5,903	15,134	€1,043	€1,788
EBIT-pre IFRS 16 basis (HK\$)	(1,109)	(296)	830	831	405	268	110	86	587	709	140	95	963	1,693	84	60	(9,889)	69	(8,842)	1,822	€(662)	€215
EBIT-post IFRS 16 basis (HK\$)	(991)	(238)	1,071	1,054	415	277	115	91	606	735	164	112	1,380	2,031	94	69	(9,436)	69	(7,962)	2,169	€(564)	€256

	UK		Italy		Sweden		Denmark	
	1H 2025	1H 2024	1H 2025	1H 2024	1H 2025	1H 2024	1H 2025	1H 2024
Total registered customer base (million)	28.8	12.0	19.0	19.0	2.8	2.7	1.7	1.6
Total active customer base (million)	26.2	10.9	18.0	17.8	2.8	2.7	1.7	1.6
Contract customers as a % of the total registered customer base	73%	78%	50%	50%	70%	70%	56%	55%
Average monthly churn rate of the total contract registered customer base (%) ⁽¹¹⁾	1.3%	1.5%	1.2%	1.3%	1.4%	1.2%	1.7%	1.8%
Active contract customers as a % of the total contract registered customer base	100%	99%	97%	96%	100%	100%	100%	100%
Active customers as a % of the total registered customer base	91%	91%	95%	94%	100%	100%	100%	100%
LTE coverage by population (%)		96%	100%	100%	100%	99%	100%	100%

Six month data usage per active customer (Gigabyte)

Note 6: 1H 2025 represents five months results of 3 UK for January to May 2025 prior to the formation of VodafoneThree that was completed in end of May 2025 and the Group's 49% share of one month results of VodafoneThree for June 2025, of which the Group's share of fixed line business revenue was £50 million. 1H 2024 represents 3 UK 100% standalone results for the first six months of 2024.

Note 7: Wind Tre's results include fixed line business revenue of €509 million (30 June 2024: €523 million) and EBITDA of €78 million (30 June 2024: €102 million).

Note 8: EBITDA margin % represents EBITDA as a percentage of total revenue (excluding handset revenue).

Note 9: Comparable 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 2025 definition.

Note 10: 1H 2024 licence cost for Austria represents investment for 600 MHz of 26 GHz spectrum acquired in March 2024.

Note 11: 1H 2025 key business indicator of UK was calculated based on five months (January to May 2025) of 3 UK's standalone figures and one-month (June 2025) of VodafoneThree's figures.

CK Hutchison Group Telecom (continued)

Key Business Indicators

	Registered Customer Base								
	Registered Customers at 30 June 2025 ('000)			Registered Customer Growth (%) from 31 December 2024 to 30 June 2025			Registered Customer Growth (%) from 30 June 2024 to 30 June 2025		
	Non-contract	Contract	Total	Non-contract	Contract	Total	Non-contract	Contract	Total
United Kingdom ⁽¹²⁾⁽¹³⁾	7,644	21,121	28,765	+251%	+125%	+149%	+184%	+127%	+140%
Italy ⁽¹²⁾	9,477	9,508	18,985	-1%	+2%	+1%	-1%	–	–
Sweden	847	1,956	2,803	+3%	+1%	+2%	+7%	+4%	+5%
Denmark	764	956	1,720	+3%	+4%	+4%	+5%	+6%	+6%
Austria	642	2,352	2,994	-4%	-2%	-2%	-7%	-2%	-3%
Ireland	841	4,388	5,229	–	+7%	+6%	-1%	+14%	+12%
3 Group Europe Total	20,215	40,281	60,496	+37%	+44%	+41%	+32%	+45%	+40%
HTHKH	6,311	1,399	7,710	+46%	-2%	+34%	+67%	-3%	+48%

	Active ⁽¹⁴⁾ Customer Base								
	Active Customers at 30 June 2025 ('000)			Active Customer Growth (%) from 31 December 2024 to 30 June 2025			Active Customer Growth (%) from 30 June 2024 to 30 June 2025		
	Non-contract	Contract	Total	Non-contract	Contract	Total	Non-contract	Contract	Total
United Kingdom ⁽¹²⁾⁽¹³⁾	5,059	21,121	26,180	+238%	+127%	+142%	+202%	+129%	+140%
Italy ⁽¹²⁾	8,785	9,186	17,971	–	+2%	+1%	+1%	+1%	+1%
Sweden	842	1,956	2,798	+3%	+1%	+2%	+7%	+4%	+5%
Denmark	764	956	1,720	+3%	+4%	+4%	+5%	+6%	+6%
Austria	377	2,338	2,715	-2%	-2%	-2%	-3%	-2%	-2%
Ireland	841	4,388	5,229	–	+7%	+6%	-1%	+14%	+12%
3 Group Europe Total	16,668	39,945	56,613	+27%	+45%	+39%	+27%	+46%	+40%
HTHKH	4,735	1,399	6,134	+47%	-2%	+32%	+67%	-3%	+44%

Note 12: In addition to the above, VodafoneThree has 1.6 million fixed line customers and Wind Tre has 2.7 million fixed line customers.

Note 13: United Kingdom's customer base as at 30 June 2025 was based on 100% of VodafoneThree.

Note 14: 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 ("ARPU") ⁽¹⁵⁾
to 30 June 2025**

	Non-contract	Contract	Blended Total	% Variance compared to 30 June 2024
United Kingdom ⁽¹⁶⁾	£6.75	£17.45	£15.89	-10%
Italy	€9.06	€12.79	€10.96	-1%
Sweden	SEK120.82	SEK228.07	SEK196.23	-3%
Denmark	DKK94.78	DKK135.91	DKK117.56	-1%
Austria	€9.19	€23.23	€21.28	-1%
Ireland	€14.49	€7.73	€8.88	-9%
3 Group Europe Average ⁽¹⁷⁾	€9.56	€16.29	€14.14	-4%
HTHKH	HK\$14.17	HK\$183.28	HK\$64.80	-16%

**12-month Trailing Net Average Revenue per Active User ("Net ARPU") ⁽¹⁸⁾
to 30 June 2025**

	Non-contract	Contract	Blended Total	% Variance compared to 30 June 2024
United Kingdom ⁽¹⁶⁾	£6.75	£15.36	£14.11	+5%
Italy	€9.06	€12.02	€10.57	-1%
Sweden	SEK120.82	SEK208.87	SEK182.73	-1%
Denmark	DKK94.78	DKK129.41	DKK113.96	–
Austria	€9.19	€18.86	€17.51	-2%
Ireland	€14.49	€6.10	€7.53	-8%
3 Group Europe Average ⁽¹⁷⁾	€9.56	€14.36	€12.83	+1%
HTHKH	HK\$14.17	HK\$170.85	HK\$61.08	-14%

**12-month Trailing Net Average Margin per Active User ("Net AMPU") ⁽¹⁹⁾
to 30 June 2025**

	Non-contract	Contract	Blended Total	% Variance compared to 30 June 2024
United Kingdom ⁽¹⁶⁾	£5.96	£14.06	£12.88	+6%
Italy	€8.49	€11.35	€9.95	–
Sweden	SEK106.13	SEK186.86	SEK162.90	–
Denmark	DKK82.39	DKK112.49	DKK99.06	–
Austria	€8.52	€17.79	€16.49	–
Ireland	€13.53	€5.69	€7.02	-7%
3 Group Europe Average ⁽¹⁷⁾	€8.82	€13.26	€11.84	+2%
HTHKH	HK\$10.68	HK\$147.63	HK\$51.68	-17%

Note 15: 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 period.

Note 16: United Kingdom's ARPU, net ARPU and net AMPU were calculated based on eleven months (July 2024 to May 2025) of 3 UK's standalone figures and one month (June 2025) of VodafoneThree's figures.

Note 17: 3 Group Europe ARPU, net ARPU and net AMPU were calculated based on 100% of 3 UK's standalone figures from July 2024 to May 2025 and 49% contribution from VodafoneThree for June 2025.

Note 18: 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 period.

Note 19: 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 period.

CK Hutchison Group Telecom (continued)

United Kingdom

The merger of 3 UK and Vodafone UK was completed on 31 May 2025, forming the combined business, VodafoneThree, a 49% associated company of the Group. Upon the completion, VodafoneThree became the largest mobile network operator in the United Kingdom with 28.8 million customers. The integration of the two businesses has commenced and has already started delivering network improvements and customer experience enhancement through spectrum sharing. VodafoneThree plans to invest £11 billion over the next 10 years to create one of Europe's most advanced 5G networks for a vastly superior mobile experience to its customers and businesses.

The results of the telecommunications business in the United Kingdom for the six months ended 30 June 2025 represented five months results of 3 UK and the Group's 49% share of one month results of VodafoneThree. Total margin increased by 10% driven by the accretive contribution from VodafoneThree and wholesale growth pre-merger. Underlying EBITDA increased by 13% in local currency driven by higher total margin, partly offset by the share of higher costs of VodafoneThree and higher network costs of 3 UK from the expanded network. Underlying LBIT was 13% adverse in local currency against the same period last year, mainly due to increased depreciation from the larger asset base of 3 UK pre-merger, partly offset by the underlying EBITDA growth for the first five months of the year. One month accretive EBITDA contribution of VodafoneThree was largely offset by share of the higher depreciation.

Italy

Wind Tre's total margin increased by 5% in local currency compared to the same period last year, mainly driven by higher other margin from incremental OpNet wholesale business, as well as growth in new revenue streams such as cybersecurity, energy and insurance products. EBITDA was flat against the first half of 2024 as the increase in total margin was mostly offset by higher operating expenses from increased network asset base. EBIT decreased by 6% in local currency compared to the first half of 2024 mainly due to incremental depreciation from OpNet network assets.

Sweden

Sweden, where the Group has a 60% interest, reported 7% increase in total margin compared to the same period last year primarily from 5% customer base growth. EBITDA and EBIT grew by 13% and 43% respectively in local currency driven by a foreign currency gain of SEK114 million on the translation of an intercompany loan and strong growth in total margin, partly offset by higher customer acquisition costs. Sweden's 5G population coverage further increased by 10%-pts from end of 2024 to reach over 85% by the first half of 2025.

Denmark

The operation in Denmark, where the Group has a 60% interest, reported 5% growth in total margin primarily driven by customer base growth. EBITDA and EBIT increased by 5% and 26% respectively in local currency mainly due to higher total margin, partly offset by higher operating costs from enlarged network base and higher selling and distribution costs. Denmark has reached 90% FDD coverage and 70% TDD coverage in first half of 2025.

Austria

3 Austria's EBITDA decreased by 4% in local currency compared to the same period last year, primarily driven by reduced total margin from intense competition in both core mobile business and MVNO business, partly offset by lower operating expenses from lower electricity costs and stringent cost control measures to combat the reducing revenues. EBIT in local currency decreased by 19%, driven by lower EBITDA as mentioned and higher depreciation resulting from the enlarged asset base amid ongoing 5G network rollout. During the period, Austria enhanced its 5G coverage, with FDD and TDD coverage reaching over 95% and 75% respectively.

Ireland

Total margin grew by 3% against the same period last year driven by the customer 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 8% and 45% respectively compared to the same period last year reflecting better total margin with stable operating expenses year-on-year. In the first half of 2025, 3 Ireland has reached over 90% 5G coverage.

Hutchison Telecommunications Hong Kong Holdings

Total margin decreased by 1% against the same period last year mainly due to lower interest income as a result of lower bank deposit interest rate as well as reduced local service revenue primarily from competitive market dynamics, partly offset by increase in roaming services revenue driven by the persistent growth in international travel. EBITDA of HK\$646 million was 4% higher as compared to the same period last year, primarily attributable to effective and disciplined cost management. EBIT of HK\$84 million was 40% higher as compared to the first half of 2024 as a result of the aforesaid improvement in EBITDA with broadly stable depreciation and amortisation expenses.

Finance & Investments and Others

	30 June 2025 HK\$ million	30 June 2024 HK\$ million	Change	Local currencies change
Total Revenue	44,587	49,549	-10%	-7%
EBITDA ⁽¹⁾	10,940	10,763	+2%	+4%
- Underlying	10,502	10,763	-2%	-
- One-off item	438	-		
EBIT ⁽¹⁾	6,480	6,077	+7%	+8%
- Underlying	6,042	6,077	-1%	+1%
- One-off item	438	-		

Note 1: Under Post-IFRS 16 basis, EBITDA was HK\$12,443 million (30 June 2024: HK\$12,362 million); EBIT was HK\$6,964 million (30 June 2024: HK\$6,537 million).

Finance & Investments and Others segment includes returns earned on the Group's holdings of cash and liquid investments, Hutchison Whampoa (China) Limited, listed associate TOM Group, the Marionnaud businesses, listed associate CK Life Sciences Group, Indosat Ooredoo Hutchison ("IOH"), operations in Vietnam and Sri Lanka, listed associate Cenovus Energy and Hutchison Telecommunications (Australia) Limited ("HTAL"), which has a 25.05% interest in TPG Telecom Limited, a listed company in Australia. HTAL was delisted from Australian Securities Exchange on 25 July 2025 and will become a wholly-owned subsidiary of the Group.

In the first half of 2025, EBITDA and EBIT in this segment included the transactional intercompany credit of HK\$438 million. Excluding the one-off item, underlying EBITDA and EBIT were relatively stable in local currencies as compared to the first half of 2024, primarily due to a one-time gain on the partial disposal of a non-core asset of HUTCHMED, largely offset by share of lower profit of the energy business and IOH.

The Group's share of Cenovus Energy's Post-IFRS 16 EBITDA, EBIT and net earnings were HK\$4,716 million, HK\$2,304 million and HK\$1,636 million, a decrease of 14%, 26% and 23% compared to the same period last year respectively, mainly due to decline in commodity prices and major maintenance and turnaround activities, partly offset by higher downstream throughput during the period.

IOH's reported Post-IFRS 16 EBITDA and net profit were IDR12,855 billion and IDR2,335 billion, decrease of 4% and 15% respectively compared to the same period last year, mainly due to challenging business environment.

As at 30 June 2025, the Group's holdings of cash and liquid investments totalled HK\$137,268 million. Further information on the Group's treasury function can be found in the "Group Capital Resources and Liquidity" section of this results announcement.

Interest Expense, Finance Costs and Tax

The Group's consolidated interest expenses and other finance costs for the six months ended 30 June 2025, 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\$9,624 million, decreased by 2% when compared to the same period last year, mainly due to lower average loan balance and lower effective interest rate of consolidated debt, partly offset by higher share of interest expenses of the Group's associates and joint ventures. The Group's weighted average cost of debt for the six months ended 30 June 2025 was 20 basis points lower at 3.4% (30 June 2024: 3.6%).

The Group recorded current and deferred tax charges of HK\$6,824 million in the six months ended 30 June 2025, an increase of 24% compared to the same period last year. Excluding the impact of the UK merger, the Group has generated higher underlying profit before tax during the first half and resulted in increased tax charges in the first half of 2025.

**Report on Review of Interim Financial Statements
To the Board of Directors of CK Hutchison Holdings Limited**
(incorporated in the Cayman Islands with limited liability)

Introduction

We have reviewed the interim financial statements set out on pages 26 to 190, which comprises the condensed consolidated statement of financial position of CK Hutchison Holdings Limited (the “Company”) and its subsidiaries (together, the “Group”) as at 30 June 2025 and the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six-month period then ended, and selected explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial statements to be in compliance with the relevant provisions thereof and International Accounting Standard 34 “Interim Financial Reporting”. The directors of the Company are responsible for the preparation and presentation of these interim financial statements in accordance with International Accounting Standard 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on these interim financial statements based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements of the Group are not prepared, in all material respects, in accordance with International Accounting Standard 34 “Interim Financial Reporting”.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 14 August 2025

Condensed Consolidated Income Statement

for the six months ended 30 June 2025

Unaudited 2025 # US\$ million		Note	Unaudited 2025 HK\$ million	Unaudited 2024 HK\$ million	Unaudited 2023 HK\$ million
17,837	Revenue	5	139,130	136,451	133,377
(6,875)	Cost of inventories sold	7	(53,622)	(50,823)	(51,121)
(2,786)	Staff costs		(21,727)	(20,539)	(19,445)
(786)	Expensed customer acquisition and retention costs		(6,128)	(7,471)	(7,005)
(2,546)	Depreciation and amortisation	7	(19,862)	(19,826)	(19,675)
(4,416)	Other expenses and losses	7	(34,443)	(24,351)	(24,323)
114	Other income and gains	7	887	466	2,134
	Share of profits less losses of:				
606	Associated companies		4,726	3,908	4,080
657	Joint ventures		5,121	4,633	3,720
1,805			14,082	22,448	21,742
(810)	Interest expenses and other finance costs	8	(6,321)	(6,630)	(5,687)
995	Profit before tax		7,761	15,818	16,055
(249)	Current tax charge	9	(1,944)	(2,063)	(1,573)
(175)	Deferred tax credit (charge)	9	(1,362)	(198)	198
571	Profit after tax		4,455	13,557	14,680
(462)	Profit attributable to non-controlling interests and holders of perpetual capital securities		(3,603)	(3,352)	(3,138)
109	Profit attributable to ordinary shareholders		852	10,205	11,542
US 2.9 cents	Earnings per share for profit attributable to ordinary shareholders	10	HK\$ 0.22	HK\$ 2.66	HK\$ 3.01

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

See note 41.

Condensed Consolidated Statement of Comprehensive Income

for the six months ended 30 June 2025

Unaudited 2025 [#] US\$ million		Unaudited 2025 HK\$ million	Unaudited 2024 HK\$ million	Unaudited 2023 HK\$ million
571	Profit after tax	4,455	13,557	14,680
	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			
28	other comprehensive income	219	(377)	605
(13)	Remeasurement of defined benefit obligations	(105)	498	101
4	Share of other comprehensive income (losses) of associated companies	31	(116)	(539)
25	Share of other comprehensive income (losses) of joint ventures	196	(910)	94
	Tax relating to components of other comprehensive income (losses) that			
(5)	will not be reclassified to profit or loss	(38)	(112)	(36)
39		303	(1,017)	225
	Items that may be reclassified to profit or loss			
	Changes in fair value of debt instruments at fair value through			
14	other comprehensive income	113	19	(4)
3,048	Exchange gains (losses) on translation of foreign operations	23,774	(4,376)	8,941
(831)	Reserves reclassified to profit or loss	(6,480)	-	-
(2)	Losses on cash flow hedges	(17)	(27)	(1,145)
(474)	Gains (losses) on net investment hedges	(3,700)	635	(1,378)
-	Reclassification adjustments for hedging gains included in profit or loss	-	-	(1,735)
596	Share of other comprehensive income (losses) of associated companies	4,649	(2,141)	2,587
1,175	Share of other comprehensive income (losses) of joint ventures	9,159	(2,336)	4,181
	Tax relating to components of other comprehensive income (losses) that			
-	may be reclassified to profit or loss	1	2	(1)
3,526		27,499	(8,224)	11,446
3,565	Other comprehensive income (losses), net of tax	27,802	(9,241)	11,671
4,136	Total comprehensive income	32,257	4,316	26,351
(877)	Total comprehensive income attributable to non-controlling interests and holders of perpetual capital securities	(6,840)	(2,112)	(4,324)
3,259	Total comprehensive income attributable to ordinary shareholders	25,417	2,204	22,027

[#] See note 41.

Condensed Consolidated Statement of Financial Position

at 30 June 2025

Unaudited 30 June 2025 [#] US\$ million		Note	Unaudited 30 June 2025 HK\$ million	Unaudited 31 December 2024 HK\$ million	Unaudited 31 December 2023 HK\$ million	Unaudited 1 January 2023 HK\$ million
Non-current assets						
12,359	Fixed assets	12	96,399	111,777	119,826	112,650
7,763	Right-of-use assets	13	60,547	57,589	61,198	59,337
6,273	Telecommunications licences	14	48,930	63,869	64,264	60,689
9,963	Brand names and other rights	15	77,712	79,241	83,396	83,694
35,116	Goodwill	16	273,906	267,325	271,136	268,008
23,735	Associated companies	17	185,129	139,855	143,638	140,711
21,587	Interests in joint ventures	18	168,380	154,208	156,337	148,561
948	Deferred tax assets	19	7,390	18,140	21,074	18,509
981	Liquid funds and other listed investments	20	7,655	8,142	15,786	16,103
1,641	Other non-current assets	21	12,803	20,203	19,862	15,900
120,366			938,851	920,349	956,517	924,162
Current assets						
16,617	Cash and cash equivalents	22	129,613	121,303	127,323	138,085
3,491	Inventories		27,228	24,923	24,473	23,283
5,371	Trade receivables and other current assets	23	41,894	45,967	50,590	56,811
25,479			198,735	192,193	202,386	218,179
-	Assets classified as held for sale		-	-	-	6,096
25,479			198,735	192,193	202,386	224,275
Current liabilities						
2,444	Bank and other debts	24	19,061	30,956	58,324	70,130
-	Interest bearing loan from a non-controlling shareholder	27	-	1,874	-	-
209	Current tax liabilities		1,632	3,368	4,166	4,001
1,799	Lease liabilities	13	14,036	12,142	13,616	12,128
10,624	Trade payables and other current liabilities	25	82,861	82,645	86,419	89,129
15,076			117,590	130,985	162,525	175,388
-	Liabilities directly associated with assets classified as held for sale		-	-	-	1,127
15,076			117,590	130,985	162,525	176,515
10,403	Net current assets		81,145	61,208	39,861	47,760
130,769	Total assets less current liabilities		1,019,996	981,557	996,378	971,922
Non-current liabilities						
30,243	Bank and other debts	24	235,894	225,436	213,598	214,196
504	Interest bearing loans from non-controlling shareholders	27	3,932	1,597	3,245	2,567
6,940	Lease liabilities	13	54,131	52,377	54,307	53,931
2,217	Deferred tax liabilities	19	17,293	17,974	19,572	19,290
421	Pension obligations	28	3,289	3,197	3,536	2,730
3,794	Other non-current liabilities	29	29,592	28,384	31,571	31,899
44,119			344,131	328,965	325,829	324,613
86,650	Net assets		675,865	652,592	670,549	647,309

[#] See note 41.

Condensed Consolidated Statement of Financial Position

at 30 June 2025

Unaudited 30 June 2025 [#] US\$ million		Note	Unaudited 30 June 2025 HK\$ million	Unaudited 31 December 2024 HK\$ million	Unaudited 31 December 2023 HK\$ million	Unaudited 1 January 2023 HK\$ million
	Capital and reserves					
491	Share capital	30 (a)	3,830	3,830	3,830	3,830
31,150	Share premium	30 (a)	242,972	242,972	242,972	242,972
39,486	Reserves	31	307,988	287,913	297,233	276,711
71,127	Total ordinary shareholders' funds		554,790	534,715	544,035	523,513
-	Perpetual capital securities	30 (b)	-	-	4,566	4,561
15,523	Non-controlling interests		121,075	117,877	121,948	119,235
86,650	Total equity		675,865	652,592	670,549	647,309

[#] See note 41.

Condensed Consolidated Statement of Changes in Equity

for the six months ended 30 June 2025

Unaudited Total equity # US\$ million		Attributable to				Unaudited Total equity HK\$ million
		Ordinary shareholders			Non-controlling interests	
		Share capital and share premium * HK\$ million	Reserves @ HK\$ million	Total ordinary shareholders' funds HK\$ million	HK\$ million	
83,666	At 1 January 2025	246,802	287,913	534,715	117,877	652,592
571	Profit for the period	-	852	852	3,603	4,455
	Other comprehensive income (losses)					
28	Changes in fair value of equity instruments at fair value through other comprehensive income	-	195	195	24	219
14	Changes in fair value of debt instruments at fair value through other comprehensive income	-	113	113	-	113
(13)	Remeasurement of defined benefit obligations	-	(79)	(79)	(26)	(105)
3,048	Exchange gains on translation of foreign operations	-	22,188	22,188	1,586	23,774
(831)	Reserves reclassified to profit or loss	-	(6,480)	(6,480)	-	(6,480)
(2)	Losses on cash flow hedges	-	(6)	(6)	(11)	(17)
(474)	Losses on net investment hedges	-	(2,800)	(2,800)	(900)	(3,700)
600	Share of other comprehensive income of associated companies	-	4,278	4,278	402	4,680
1,200	Share of other comprehensive income of joint ventures	-	7,185	7,185	2,170	9,355
(5)	Tax relating to components of other comprehensive income (losses)	-	(29)	(29)	(8)	(37)
3,565	Other comprehensive income, net of tax	-	24,565	24,565	3,237	27,802
4,136	Total comprehensive income	-	25,417	25,417	6,840	32,257
	Transactions with owners in their capacity as owners:					
(743)	Dividends paid relating to 2024	-	(5,799)	(5,799)	-	(5,799)
(387)	Dividends paid to non-controlling interests	-	-	-	(3,018)	(3,018)
7	Equity contribution from non-controlling interests	-	-	-	56	56
(29)	Relating to purchase of non-controlling interests	-	457	457	(680)	(223)
(1,152)		-	(5,342)	(5,342)	(3,642)	(8,984)
86,650	At 30 June 2025	246,802	307,988	554,790	121,075	675,865

See note 41.

* See note 30(a).

@ See note 31.

Condensed Consolidated Statement of Changes in Equity

for the six months ended 30 June 2025

Unaudited Total equity [#] US\$ million		Attributable to					Unaudited Total equity HK\$ million
		Ordinary shareholders			Holders of perpetual capital securities	Non- controlling interests	
		Share capital and share premium *	Reserves @	Total ordinary shareholders' funds			
		HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	
85,968	At 1 January 2024	246,802	297,233	544,035	4,566	121,948	670,549
1,738	Profit for the period	-	10,205	10,205	71	3,281	13,557
	Other comprehensive income (losses)						
(48)	Changes in fair value of equity instruments at fair value through other comprehensive income	-	(377)	(377)	-	-	(377)
2	Changes in fair value of debt instruments at fair value through other comprehensive income	-	19	19	-	-	19
64	Remeasurement of defined benefit obligations	-	397	397	-	101	498
(561)	Exchange losses on translation of foreign operations	-	(3,678)	(3,678)	-	(698)	(4,376)
(3)	Losses on cash flow hedges	-	(24)	(24)	-	(3)	(27)
81	Gains on net investment hedges	-	481	481	-	154	635
(290)	Share of other comprehensive income (losses) of associated companies	-	(2,112)	(2,112)	-	(145)	(2,257)
(416)	Share of other comprehensive income (losses) of joint ventures	-	(2,621)	(2,621)	-	(625)	(3,246)
(14)	Tax relating to components of other comprehensive income (losses)	-	(86)	(86)	-	(24)	(110)
(1,185)	Other comprehensive income (losses), net of tax	-	(8,001)	(8,001)	-	(1,240)	(9,241)
553	Total comprehensive income	-	2,204	2,204	71	2,041	4,316
	Transactions with owners in their capacity as owners:						
(871)	Dividends paid relating to 2023	-	(6,798)	(6,798)	-	-	(6,798)
(763)	Dividends paid to non-controlling interests	-	-	-	-	(5,954)	(5,954)
(21)	Distributions paid on perpetual capital securities	-	-	-	(162)	-	(162)
(573)	Redemption of perpetual capital securities	-	-	-	(4,475)	-	(4,475)
3	Equity contribution from non-controlling interests	-	-	-	-	27	27
(70)	Relating to disposal of subsidiary companies	-	-	-	-	(543)	(543)
(2,295)		-	(6,798)	(6,798)	(4,637)	(6,470)	(17,905)
84,226	At 30 June 2024	246,802	292,639	539,441	-	117,519	656,960

See note 41.

* See note 30(a).

@ See note 31.

Condensed Consolidated Statement of Changes in Equity

for the six months ended 30 June 2025

Unaudited Total equity [#] US\$ million		Attributable to					Unaudited Total equity HK\$ million
		Ordinary shareholders			Holders of perpetual capital securities HK\$ million	Non- controlling interests HK\$ million	
		Share capital and share premium * HK\$ million	Reserves @ HK\$ million	Total ordinary shareholders’ funds HK\$ million			
82,988	At 1 January 2023	246,802	276,711	523,513	4,561	119,235	647,309
1,882	Profit for the period	-	11,542	11,542	89	3,049	14,680
	Other comprehensive income (losses)						
78	Changes in fair value of equity instruments at fair value through other comprehensive income	-	605	605	-	-	605
(1)	Changes in fair value of debt instruments at fair value through other comprehensive income	-	(4)	(4)	-	-	(4)
13	Remeasurement of defined benefit obligations	-	85	85	-	16	101
1,146	Exchange gains on translation of foreign operations	-	8,655	8,655	-	286	8,941
(147)	Losses on cash flow hedges	-	(1,132)	(1,132)	-	(13)	(1,145)
(177)	Losses on net investment hedges	-	(1,095)	(1,095)	-	(283)	(1,378)
(222)	Reclassification adjustments for hedging gains included in profit or loss	-	(1,735)	(1,735)	-	-	(1,735)
263	Share of other comprehensive income of associated companies	-	1,822	1,822	-	226	2,048
548	Share of other comprehensive income of joint ventures	-	3,314	3,314	-	961	4,275
(5)	Tax relating to components of other comprehensive income (losses)	-	(30)	(30)	-	(7)	(37)
1,496	Other comprehensive income, net of tax	-	10,485	10,485	-	1,186	11,671
3,378	Total comprehensive income	-	22,027	22,027	89	4,235	26,351
(4)	Impact of hyperinflation	-	(21)	(21)	-	(5)	(26)
	Transactions with owners in their capacity as owners:						
(1,024)	Dividends paid relating to 2022	-	(7,989)	(7,989)	-	-	(7,989)
(390)	Dividends paid to non-controlling interests	-	-	-	-	(3,052)	(3,052)
(21)	Distributions paid on perpetual capital securities	-	-	-	(167)	-	(167)
(19)	Recognition of put option liabilities arising from business combinations	-	(148)	(148)	-	-	(148)
1	Relating to purchase of a subsidiary company	-	-	-	-	8	8
-	Relating to purchase of non-controlling interests	-	(34)	(34)	-	34	-
(1,457)		-	(8,192)	(8,192)	(167)	(3,015)	(11,374)
84,909	At 30 June 2023	246,802	290,546	537,348	4,483	120,455	662,286

See note 41.

* See note 30(a).

@ See note 31.

Condensed Consolidated Statement of Cash Flows

for the six months ended 30 June 2025

Unaudited 2025 # US\$ million		Note	Unaudited 2025 HK\$ million	Unaudited 2024 HK\$ million	Unaudited 2023 HK\$ million
	Operating activities				
4,733	Cash generated from operating activities before interest expenses and other finance costs, tax paid and changes in working capital	32 (a)	36,918	37,035	35,553
(802)	Interest expenses and other finance costs paid (net of capitalisation)		(6,252)	(6,567)	(5,621)
(358)	Tax paid		(2,792)	(2,274)	(1,760)
3,573	Funds from operations (before principal elements of lease payments)		27,874	28,194	28,172
396	Changes in working capital	32 (b)	3,087	(5,229)	(6,981)
3,969	Net cash from operating activities		30,961	22,965	21,191
	Investing activities				
(990)	Purchase of fixed assets	12	(7,719)	(8,817)	(9,746)
-	Additions to telecommunications licences	14	-	(60)	(1,009)
(111)	Additions to brand names and other rights	15	(869)	(751)	(649)
-	Purchase of subsidiary companies, net of cash acquired	32 (c)	-	(10)	(79)
(8)	Additions to unlisted investments		(59)	(22)	(39)
41	Repayments of loans from associated companies and joint ventures		317	350	2,241
(63)	Purchase of and advances to associated companies and joint ventures		(492)	(1,604)	(95)
3	Proceeds from disposal of fixed assets		21	115	19
1,910	Proceeds from disposal of subsidiary companies, net of cash disposed	32 (d)	14,902	333	2,563
	Proceeds from partial disposal / disposal of associated companies and joint ventures				
119			926	179	723
2	Proceeds from disposal of other unlisted investments		14	262	74
	Cash flows from (used in) investing activities before additions to / disposal of liquid funds and other listed investments		7,041	(10,025)	(5,997)
119	Disposal of liquid funds and other listed investments		926	3,297	15
(12)	Additions to liquid funds and other listed investments		(88)	(75)	(65)
1,010	Cash flows from (used in) investing activities		7,879	(6,803)	(6,047)
4,979	Net cash inflow before financing activities		38,840	16,162	15,144
	Financing activities				
3,312	New borrowings	32 (e)	25,832	32,341	38,122
(5,066)	Repayment of borrowings	32 (e)	(39,516)	(19,817)	(44,012)
(1,020)	Principal elements of lease payments	32 (e)	(7,956)	(7,370)	(7,500)
(1)	Net loans to non-controlling shareholders	32 (e)	(8)	(21)	(30)
	Issue of equity securities by subsidiary companies to non-controlling shareholders		56	27	-
(29)	Payments to acquire additional interests in subsidiary companies		(223)	-	-
-	Redemption of perpetual capital securities	30 (b)	-	(4,180)	-
(743)	Dividends paid to ordinary shareholders		(5,799)	(6,798)	(7,989)
(374)	Dividends paid to non-controlling interests		(2,916)	(5,906)	(2,913)
-	Distributions paid on perpetual capital securities		-	(162)	(167)
(3,914)	Cash flows used in financing activities		(30,530)	(11,886)	(24,489)
1,065	Increase (decrease) in cash and cash equivalents		8,310	4,276	(9,345)
15,552	Cash and cash equivalents at 1 January		121,303	127,323	138,085
16,617	Cash and cash equivalents at 30 June		129,613	131,599	128,740

See note 41.

Condensed Consolidated Statement of Cash Flows

for the six months ended 30 June 2025

Unaudited 2025 # US\$ million		Note	Unaudited 2025 HK\$ million	Unaudited 2024 HK\$ million	Unaudited 2023 HK\$ million
Analysis of cash, liquid funds and other listed investments at 30 June					
16,617	Cash and cash equivalents, as above		129,613	131,599	128,740
981	Liquid funds and other listed investments	20	7,655	11,477	17,995
17,598	Total cash, liquid funds and other listed investments		137,268	143,076	146,735
32,883	Total principal amount of bank and other debts and unamortised				
	fair value adjustments arising from acquisitions	24	256,490	279,743	284,766
504	Interest bearing loans from non-controlling shareholders	27	3,932	3,141	2,549
15,789	Net debt		123,154	139,808	140,580
(504)	Interest bearing loans from non-controlling shareholders		(3,932)	(3,141)	(2,549)
15,285	Net debt (excluding interest bearing loans from non-controlling shareholders)		119,222	136,667	138,031

See note 41.

Notes to the Financial Statements

1 General information

CK Hutchison Holdings Limited (the “Company”) is incorporated in the Cayman Islands with limited liability. Its shares are listed on The Stock Exchange of Hong Kong Limited.

The interim condensed consolidated financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) for the six months ended 30 June 2025 (the “2025 Interim Financial Statements”) were approved for issuance by the Company’s Board of Directors on 14 August 2025.

These financial statements are accompanied by supplementary disclosures included in the Company’s 2025 interim results announcement and 2025 Interim Report. These sections, comprising the Chairman’s Statement, Operations Highlights, and Group Capital Resources and Other Information, provide additional discussions on the Group’s business performance during the reporting period. They also detail significant corporate developments since 31 December 2024, and provide an overview of the Group’s capital resources, liquidity position, and financial profile.

2 Basis of preparation

The 2025 Interim Financial Statements represent the Company’s first interim financial statements prepared in accordance with IAS 34 “Interim Financial Reporting”, following the adoption of IFRS Accounting Standards (“IFRS”) effective 1 January 2025 (as detailed in note 4). Previously, the Company’s interim financial statements for periods up to and including the six months ended 30 June 2024 were prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

In preparing the 2025 Interim Financial Statements, the Company has applied the same optional exemptions under IFRS 1 “First-time Adoption of International Financial Reporting Standards” (“IFRS 1”), issued by International Accounting Standards Board (the “IASB”), as will be applied in the consolidated financial statements as at and for the year ending 31 December 2025 (the “2025 Annual Financial Statements”), as detailed in Note 4. The accounting policies adopted are consistent with those expected to be applied in the 2025 Annual Financial Statements. A summary of material accounting policies is provided in note 44.

These interim financial statements have been prepared on a historical cost basis, except for plan assets of defined benefit plans, investment properties, and certain financial assets and liabilities (including derivative instruments), which are measured at fair value.

These interim financial statements have been prepared on a going concern basis. Management has assessed the Group’s ability to continue as a going concern by evaluating projected cash flows, liquidity position and available funding sources. Based on this assessment, Management has concluded that the Group has adequate resources to meet its financial obligations and continue operations for the foreseeable future. Accordingly, the use of the going concern basis of accounting is considered appropriate as of the date of authorisation of these interim financial statements.

These interim financial statements are regarded as “Condensed” as per IAS 34 as they do not include all of the information and disclosures required for a complete set of financial statements prepared in accordance with IFRS. They should be read in conjunction with the Company’s last annual consolidated financial statements as at and for the year ended 31 December 2024. The accompanying financial statements and notes are unaudited. The results presented in the 2025 Interim Financial Statements should not be regarded as necessarily indicative of results that may be expected for the full financial year.

3 Use of judgements, assumptions and estimates

In preparing the 2025 Interim Financial Statements, the Group has made accounting-related estimates based on judgements and assumptions about current and, where applicable, future economic and market conditions that management considers relevant and reasonable.

It is reasonably possible that actual outcomes could differ from those underlying the estimates, which may result in material changes to the carrying amounts of assets and liabilities in future periods. Accordingly, the Group’s accounting estimates, judgements, and assumptions may evolve over time in response to changes in external conditions.

The estimation methodologies applied reflect the conditions and circumstances existing as at the respective reporting dates and for the periods presented.

Further information on significant accounting judgements, estimates and assumptions is provided in note 43.

4 Adoption of IFRS Accounting Standards

Historically, the Company prepared its consolidated financial statements in accordance with HKFRS Accounting Standards (“HKFRS” or “Previous GAAP”) issued by the HKICPA. While HKFRS are fully converged with IFRS issued by IASB, the Company’s consolidated financial statements for periods up to and including the year ended 31 December 2024 prepared under HKFRS do not constitute IFRS financial statements.

As the globally accepted accounting standards, IFRS are used in over 140 jurisdictions. The transition to IFRS delivers significant strategic and operational advantages:

- | | |
|--|--|
| 1) Enhanced investor confidence | <ul style="list-style-type: none">Increases credibility with institutional investors.Enables direct performance comparisons with global peers listed in IFRS-based jurisdictions. |
| 2) Alignment with future growth strategies | <ul style="list-style-type: none">Supports mergers and acquisitions due diligence and post-transaction integration in IFRS-based jurisdictions.Ensures readiness for potential mergers and acquisitions activities, listings, partnerships, or acquisitions in market requiring IFRS. |
| 3) Improved capital markets access | <ul style="list-style-type: none">Aligns with reporting requirements in major financial markets (EU, UK, Australia, Canada).Eliminates reconciliation requirements for cross-border investors.Strengthens position for future debt and equity transactions. |
| 4) Operational efficiency | <ul style="list-style-type: none">Reduces compliance costs by eliminating dual reporting.Streamlines financial consolidation across multinational operations under a single, unified set of accounting standards. |
| 5) Global consistency & comparability | <ul style="list-style-type: none">Enhances transparency through alignment with global reporting standards used in over 140 jurisdictions.Facilitates benchmarking against international peers.Simplifies financial analysis for global investors. |

Effective from 1 January 2025, the Company has adopted IFRS as its financial reporting framework. The standards applied comprise:

- International Financial Reporting Standards;
- International Accounting Standards;
- IFRIC Interpretations; and
- SIC Interpretations.

This transition to IFRS underscores the Company’s commitment to global best practices and enhances its position as an internationally integrated organisation.

The 2025 Annual Financial Statements will be prepared in accordance with IFRS, applying the guidance of IFRS 1. These annual consolidated financial statements will be the Company’s first IFRS financial statements and will include an explicit and unreserved statement of compliance with IFRS, two years (2023 and 2024) of full comparative information under IFRS, along with an opening consolidated statement of financial position at 1 January 2023. In line with guidance of IFRS 1, the Company’s date of transition to IFRS is accordingly 1 January 2023.

The presentation of three consecutive years of financial information under IFRS ensures compliance with IFRS reporting requirements, provides meaningful comparable financial information, while positioning the Company for future debt and equity capital transaction as well as strategic initiatives and opportunities requiring IFRS reporting.

4 Adoption of IFRS Accounting Standards (continued)

The adoption has been applied retrospectively in accordance with IFRS 1, with the Company's date of transition to IFRS being 1 January 2023.

This note and note 45 explain the Company's transition from HKFRS to IFRS, and the principal changes made.

(a) IFRS 1 provides first-time adopters with certain optional exemptions from the retrospective application of IFRS:

(i) Business combinations

In accordance with the exemption guidance under IFRS 1, the business combination requirements of IFRS were not applied retrospectively to transactions that occurred prior to the Company's transition date to IFRS.

As a result, the carrying amounts of assets and liabilities recognised in business combinations under Previous GAAP were treated as their deemed cost at the respective acquisition dates. This approach was also consistently applied to past acquisitions of equity-accounted investments.

In line with IFRS 1 requirements, the carrying amount of goodwill reported under Previous GAAP was adopted in the Company's opening consolidated statement of financial position prepared under IFRS.

There was no impairment recognised on goodwill upon transition to IFRS at the date of transition.

(ii) Share-based payment transactions

In accordance with the exemption guidance under IFRS 1, the requirements of IFRS for share-based payment transactions were not applied retrospectively to:

- Equity instruments granted on or before 7 November 2002; and
- Equity instruments granted after 7 November 2002 that vested before the later of the Company's transition date to IFRS and 1 January 2005.

This approach was also consistently applied to liabilities arising from cash-settled share-based payment transactions that were settled prior to 1 January 2023 which also exempt from retrospective application.

(iii) Foreign currency translation

In accordance with the exemption guidance under IFRS 1, the Company has elected not to recognise cumulative translation differences on foreign operations that existed at the date of transition to IFRS. Under this exemption:

- The cumulative currency translation losses at 1 January 2023 (the date of transition to IFRS) of HK\$40,203 million for all foreign operations are deemed to be zero.
- Any gain or loss arising from the subsequent disposal of a foreign operation will exclude translation differences accumulated prior to the transition date and will only include those arising post-transition.

4 Adoption of IFRS Accounting Standards (continued)

(a) IFRS 1 provides first-time adopters with certain optional exemptions from the retrospective application of IFRS (continued):

(iii) Foreign currency translation (continued)

As a result of applying this exemption, cumulative translation losses at 1 January 2023 (the date of transition) of HK\$40,203 million were reclassified from the Exchange Reserve to Retained Profit. This reclassification represents a transfer between reserve accounts within “Total Ordinary Shareholders’ Funds” and “Total Equity”. It does not affect the overall amount of “Total Ordinary Shareholders’ Funds” or “Total Equity”.

Due to the elimination of the opening balance of cumulative currency translation differences at the transition date:

- **2025 Interim Period Profit and Loss Impact:**
The loss on disposal of 3UK (see Note 7(d)) is HK\$11,340 million lower under IFRS. Consequently, profit for the current period is HK\$11,340 million higher and other comprehensive income is HK\$11,340 million lower. Under Previous GAAP, HK\$11,340 million pre-transition cumulative translation losses (out of HK\$40,203 million previously disclosed) would have been recycled from other comprehensive income and charged to the income statement for the current period.
- **2024 Interim Period Profit and Loss Impact:**
No impact on the comparative 2024 interim period as no disposal involving pre-transition cumulative translation differences.
- **2023 Interim Period Profit and Loss Impact:**
Other expenses and losses are HK\$250 million lower and other income and gains are HK\$87 million higher under IFRS. Consequently, profit for the 2023 interim period is HK\$337 million higher and other comprehensive income is HK\$337 million lower, while profit attributable to non-controlling interests and holders of perpetual capital securities is HK\$3 million higher and profit attributable to ordinary shareholders is HK\$334 million higher under IFRS. Under Previous GAAP, HK\$334 million of pre-transition cumulative translation losses (out of HK\$40,203 million previously disclosed) would have been recycled from other comprehensive income and charged to the income statement for the 2023 comparative period.

These differences reflect the application of the IFRS 1 exemption, which prohibits recycling of pre-transition cumulative translation differences to profit or loss upon disposal of foreign operations.

Save as discussed above, there would have been no material differences had the 2025 Interim Financial Statements been prepared under Previous GAAP.

(b) Estimates

The estimates made by the Group as at the date of transition to IFRS, as well as those made at comparative reporting dates and for the periods presented, are consistent with the estimates previously made under Previous GAAP for the same dates and periods. No retrospective adjustments to estimates were required in accordance with IFRS 1.

(c) Gap year between local and Group transition date

The Group adopted IFRS after several subsidiaries had already applied IFRS. In these cases, the Group measured the assets and liabilities of these subsidiaries at the same carrying amounts as in the subsidiaries’ local financial statements, subject to applicable consolidation adjustments.

4 Adoption of IFRS Accounting Standards (continued)

(d) Reconciliations between amounts reported under IFRS and Previous GAAP

Upon transitioning to IFRS, the Group did not recognise any new assets or liabilities that were not previously recorded under Previous GAAP, nor did it exclude any amounts that had been recognised in the consolidated statement of financial position at the transition date or during the periods presented.

Refer to note 45 for reconciliations between amounts reported under IFRS and Previous GAAP:

Total Equity

- Total Equity at 1 January 2023, 30 June 2023, 31 December 2023, 30 June 2024 and 31 December 2024

Opening Consolidated Statement of Financial Position

- Consolidated Statement of Financial Position at 1 January 2023

Year ended 31 December 2024

- Consolidated Income Statement for the year ended 31 December 2024
- Consolidated Statement of Comprehensive Income for the year ended 31 December 2024
- Consolidated Statement of Financial Position at 31 December 2024
- Consolidated Statement of Changes in Equity for the year ended 31 December 2024
- Consolidated Statement of Cash Flows for the year ended 31 December 2024

Year ended 31 December 2023

- Consolidated Income Statement for the year ended 31 December 2023
- Consolidated Statement of Comprehensive Income for the year ended 31 December 2023
- Consolidated Statement of Financial Position at 31 December 2023
- Consolidated Statement of Changes in Equity for the year ended 31 December 2023
- Consolidated Statement of Cash Flows for the year ended 31 December 2023

Six months ended 30 June 2024

- Consolidated Income Statement for the six months ended 30 June 2024
- Consolidated Statement of Comprehensive Income for the six months ended 30 June 2024
- Consolidated Statement of Financial Position at 30 June 2024
- Consolidated Statement of Changes in Equity for the six months ended 30 June 2024
- Consolidated Statement of Cash Flows for the six months ended 30 June 2024

Six months ended 30 June 2023

- Consolidated Income Statement for the six months ended 30 June 2023
- Consolidated Statement of Comprehensive Income for the six months ended 30 June 2023
- Consolidated Statement of Financial Position at 30 June 2023
- Consolidated Statement of Changes in Equity for the six months ended 30 June 2023
- Consolidated Statement of Cash Flows for the six months ended 30 June 2023

Note to Financial Statements - Consolidated Reserves

- Consolidated Reserves at 31 December 2024
- Consolidated Reserves at 31 December 2023
- Consolidated Reserves at 30 June 2024
- Consolidated Reserves at 30 June 2023

5 Revenue

(a) An analysis of revenue of the Company and subsidiary companies is as follows:

	Six months ended 30 June		
	2025	2024	2023
	HK\$ million	HK\$ million	HK\$ million
Sale of goods	80,827	78,143	77,828
Revenue from services	55,166	54,038	51,389
Interest	3,039	4,202	4,089
Dividend income	98	68	71
	139,130	136,451	133,377

(b) The following table presents revenue from contracts with customers within the scope of IFRS 15, disaggregated by revenue category for the Company and its subsidiaries:

(i) By segments *

	Six months ended 30 June 2025				
	Revenue from contracts with customers			Revenue from other sources	
	recognised at a point in time	recognised over time	Subtotal		Total
	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million
Ports and Related Services	-	17,814	17,814	100	17,914
Retail	70,347	15	70,362	-	70,362
Infrastructure	1,658	-	1,658	706	2,364
Telecommunications					
CK Hutchison Group Telecom					
3 Group Europe	4,807	33,544	38,351	6	38,357
Hutchison Telecommunications Hong Kong Holdings	394	1,822	2,216	-	2,216
Corporate and Others	-	338	338	436	774
	5,201	35,704	40,905	442	41,347
Finance & Investments and Others	4,669	539	5,208	1,935	7,143
	81,875	54,072	135,947	3,183	139,130
Six months ended 30 June 2024					
	Revenue from contracts with customers			Revenue from other sources	
	recognised at a point in time	recognised over time	Subtotal		Total
	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million
Ports and Related Services	-	16,572	16,572	84	16,656
Retail	65,667	19	65,686	-	65,686
Infrastructure	1,724	-	1,724	1,055	2,779
Telecommunications					
CK Hutchison Group Telecom					
3 Group Europe	6,258	33,666	39,924	6	39,930
Hutchison Telecommunications Hong Kong Holdings	298	1,760	2,058	-	2,058
Corporate and Others	22	304	326	558	884
	6,578	35,730	42,308	564	42,872
Finance & Investments and Others	5,292	550	5,842	2,616	8,458
	79,261	52,871	132,132	4,319	136,451

* See note 6 for operating segment information.

5 Revenue (continued)

- (b) The following table presents revenue from contracts with customers within the scope of IFRS 15, disaggregated by revenue category for the Company and its subsidiaries (continued):

(i) By segments * (continued)

	Six months ended 30 June 2023				
	Revenue from contracts with customers			Revenue	Total
	recognised at a point in time	recognised over time	Subtotal	from other sources	
	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million
Ports and Related Services	-	14,708	14,708	81	14,789
Retail	65,136	29	65,165	-	65,165
Infrastructure	1,966	-	1,966	1,564	3,530
Telecommunications					
CK Hutchison Group Telecom					
3 Group Europe	5,718	33,023	38,741	6	38,747
Hutchison Telecommunications Hong					
Kong Holdings	535	1,793	2,328	-	2,328
Corporate and Others	13	120	133	488	621
	6,266	34,936	41,202	494	41,696
Finance & Investments and Others	5,574	555	6,129	2,068	8,197
	78,942	50,228	129,170	4,207	133,377

(ii) By geographical locations *

	Six months ended 30 June 2025				
	Revenue from contracts with customers			Revenue	Total
	recognised at a point in time	recognised over time	Subtotal	from other sources	
	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million
Hong Kong	11,670	2,126	13,796	146	13,942
Mainland China	8,281	113	8,394	4	8,398
The People's Republic of China	19,951	2,239	22,190	150	22,340
Europe	37,540	41,034	78,574	704	79,278
Canada	-	-	-	42	42
Asia, Australia and Others	19,715	10,260	29,975	352	30,327
	57,255	51,294	108,549	1,098	109,647
	77,206	53,533	130,739	1,248	131,987
Finance & Investments and Others	4,669	539	5,208	1,935	7,143
	81,875	54,072	135,947	3,183	139,130

* See note 6 for operating segment information.

5 Revenue (continued)

(b) The following table presents revenue from contracts with customers within the scope of IFRS 15, disaggregated by revenue category for the Company and its subsidiaries (continued):

(ii) By geographical locations * (continued)

Six months ended 30 June 2024					
	Revenue from contracts with customers			Revenue from other sources	Total
	recognised at a point in time HK\$ million	recognised over time HK\$ million	Subtotal HK\$ million	HK\$ million	HK\$ million
Hong Kong	11,822	2,067	13,889	127	14,016
Mainland China	8,360	113	8,473	9	8,482
The People's Republic of China	20,182	2,180	22,362	136	22,498
Europe	36,367	40,307	76,674	865	77,539
Canada	-	-	-	102	102
Asia, Australia and Others	17,420	9,834	27,254	600	27,854
	53,787	50,141	103,928	1,567	105,495
	73,969	52,321	126,290	1,703	127,993
Finance & Investments and Others	5,292	550	5,842	2,616	8,458
	79,261	52,871	132,132	4,319	136,451
Six months ended 30 June 2023					
	Revenue from contracts with customers			Revenue from other sources	Total
	recognised at a point in time HK\$ million	recognised over time HK\$ million	Subtotal HK\$ million	HK\$ million	HK\$ million
Hong Kong	12,519	2,110	14,629	139	14,768
Mainland China	10,744	115	10,859	14	10,873
The People's Republic of China	23,263	2,225	25,488	153	25,641
Europe	33,655	39,209	72,864	800	73,664
Canada	-	-	-	119	119
Asia, Australia and Others	16,450	8,239	24,689	1,067	25,756
	50,105	47,448	97,553	1,986	99,539
	73,368	49,673	123,041	2,139	125,180
Finance & Investments and Others	5,574	555	6,129	2,068	8,197
	78,942	50,228	129,170	4,207	133,377

* See note 6 for operating segment information.

5 Revenue (continued)

(c) Contract balances related to contracts with customers within the scope of IFRS 15

Under IFRS 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 IFRS 15.

	30 June 2025	31 December 2024	31 December 2023	1 January 2023
	HK\$ million	HK\$ million	HK\$ million	HK\$ million
Trade receivables, which are included in "Trade receivables and other current assets" (see note 23)	14,993	15,327	16,297	14,945
Trade receivables, which are included in "Assets classified as held for sale"	-	-	-	21
Contract assets (see notes 21 and 23)	3,638	7,121	7,580	6,314
Contract liabilities (see note 25)	(5,203)	(5,500)	(5,948)	(6,027)

Trade receivables are non-interest bearing and are generally on terms of 30 to 60 days. For the six months ended 30 June 2025, HK\$312 million (30 June 2024: HK\$353 million; 30 June 2023: HK\$300 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. For the six months ended 30 June 2025, HK\$363 million (30 June 2024: HK\$553 million; 30 June 2023: HK\$387 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\$2,990 million (30 June 2024: HK\$4,149 million; 30 June 2023: HK\$2,574 million) was recognised as revenue for the six months ended 30 June 2025 that was included in the contract liability balance at the beginning of the year.

6 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
- Telecommunications

The Group's most senior executive management (the Chief Operating Decision Maker as defined in IFRS 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:

- Comprises: 80% interest in the Hutchison Ports group and its 30.07% interest in Hutchison Port Holdings Trust ("HPH Trust"), a listed associate.
- Includes the Group's effective shares of HPH Trust's results (net of non-controlling interests).

Retail:

- Operates as AS Watson ("ASW"), the world's largest international health and beauty retailer.
- Key metrics (as at 30 June 2025): 175 million loyalty members, 16,935 stores across 31 markets and 12 retail brands.

Infrastructure:

- Includes 75.67% interest in CK Infrastructure Holdings Limited ("CKI"), a listed subsidiary.
- Includes six co-owned infrastructure investments with CKI: Northumbrian Water, Park 'N Fly, Australian Gas Networks, Dutch Enviro Energy, Wales & West Utilities and UK Rails.

Telecommunications:

- Comprises: CK Hutchison Group Telecom Holdings (consolidating 3 Group Europe operations) and a 66.09% interest in Hutchison Telecommunications Hong Kong Holdings, a listed subsidiary.

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. This category covers the activities of other areas of the Group that are not presented separately and includes a 97.92% 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.

Segment presentation basis:

- Financial statements prepared under IFRS 16 ("Post-IFRS 16 basis").
- Management reporting maintained on the precedent lease accounting standard International Accounting Standard 17 "Leases" ("Pre-IFRS 16 basis").
- Segment information presented on Pre-IFRS 16 basis (with reconciliations to Post-IFRS 16 basis).
- Reconciliations provided in section (c) of this note.

Unless otherwise stated:

- "Company and Subsidiaries" column represents holding company and subsidiaries.
- "Associates and JV" column reflects the Group's share of associates and joint ventures.

6 Operating segment information (continued)

(b) Segment results, assets and liabilities

(i) An analysis of revenue by segments

Revenue				
Six months ended 30 June 2025				
Company and Subsidiaries HK\$ million	Associates and JV HK\$ million	Total HK\$ million	%	
Ports and Related Services	17,914	5,683	23,597	10%
Retail	70,362	28,478	98,840	41%
Infrastructure	2,364	26,263	28,627	12%
Telecommunications				
CK Hutchison Group Telecom				
3 Group Europe	38,357	3,601	41,958	18%
Hutchison Telecommunications Hong Kong Holdings	2,216	-	2,216	1%
Corporate and Others	774	64	838	-
	41,347	3,665	45,012	19%
Finance & Investments and Others	7,143	37,444	44,587	18%
	139,130	101,533	240,663	100%
<i>Portion attributable to:</i>				
Non-controlling interests of HPH Trust	-	640	640	
Divestiture of infrastructure investments	-	413	413	
	139,130	102,586	241,716	
IFRS 16 impact	-	-	-	
	139,130	102,586	241,716	

Revenue				
Six months ended 30 June 2024				
Company and Subsidiaries HK\$ million	Associates and JV HK\$ million	Total HK\$ million	%	
Ports and Related Services	16,656	4,938	21,594	9%
Retail	65,686	25,783	91,469	39%
Infrastructure	2,779	24,319	27,098	12%
Telecommunications				
CK Hutchison Group Telecom				
3 Group Europe	39,930	5	39,935	18%
Hutchison Telecommunications Hong Kong Holdings	2,058	-	2,058	1%
Corporate and Others	884	57	941	-
	42,872	62	42,934	19%
Finance & Investments and Others	8,458	41,091	49,549	21%
	136,451	96,193	232,644	100%
<i>Portion attributable to:</i>				
Non-controlling interests of HPH Trust	-	587	587	
Divestiture of infrastructure investments	-	424	424	
	136,451	97,204	233,655	
IFRS 16 impact	-	-	-	
	136,451	97,204	233,655	

6 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

(i) An analysis of revenue by segments (continued)

	Revenue			
	Six months ended 30 June 2023			
	Company and Subsidiaries HK\$ million	Associates and JV HK\$ million	Total HK\$ million	%
Ports and Related Services	14,789	5,074	19,863	9%
Retail	65,165	23,454	88,619	40%
Infrastructure	3,530	24,010	27,540	12%
Telecommunications				
CK Hutchison Group Telecom				
3 Group Europe	38,747	4	38,751	17%
Hutchison Telecommunications Hong Kong Holdings	2,328	-	2,328	1%
Corporate and Others	621	61	682	-
	41,696	65	41,761	18%
Finance & Investments and Others	8,197	37,887	46,084	21%
	133,377	90,490	223,867	100%
<i>Portion attributable to:</i>				
Non-controlling interests of HPH Trust	-	556	556	
Divestiture of infrastructure investments	-	357	357	
	133,377	91,403	224,780	
IFRS 16 impact	-	-	-	
	133,377	91,403	224,780	

6 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

The Group uses two measures of segment results, EBITDA (see note 6(b)(xiv)) and EBIT (see note 6(b)(xv)). Analyses of 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)			
	Six months ended 30 June 2025			
	Company and Subsidiaries HK\$ million	Associates and JV HK\$ million	Total HK\$ million	%
Ports and Related Services	6,684	2,035	8,719	19%
Retail	5,402	2,572	7,974	18%
Infrastructure	767	14,798	15,565	35%
Telecommunications				
CK Hutchison Group Telecom				
3 Group Europe	10,073	969	11,042	25%
Hutchison Telecommunications				
Hong Kong Holdings	621	25	646	1%
Corporate and Others	(9,881)	(7)	(9,888)	-22%
	813	987	1,800	4%
Finance & Investments and Others	1,384	9,556	10,940	24%
EBITDA	15,050	29,948	44,998	100%
Portion attributable to:				
Non-controlling interests of HPH Trust	-	450	450	
EBITDA [^]	15,050 [^]	30,398 [^]	45,448 [^]	
Depreciation and amortisation	(12,734)	(11,909)	(24,643)	
Interest expenses and other finance costs	(4,830)	(4,794)	(9,624)	
Current tax	(1,944)	(2,550)	(4,494)	
Deferred tax	(1,414)	(916)	(2,330)	
Non-controlling interests	(3,640)	(277)	(3,917)	
	(9,512)	9,952	440	
IFRS 16 impact				
EBITDA [^]	9,047 [^]	2,938 [^]	11,985 [^]	
Depreciation and amortisation	(7,128)	(2,183)	(9,311)	
Interest expenses and other				
finance costs	(1,491)	(927)	(2,418)	
Current tax	-	-	-	
Deferred tax	52	67	119	
Non-controlling interests	37	-	37	
	(8,995)	9,847	852	
[^] Reconciliation to Post-IFRS 16 basis EBITDA:				
Pre-IFRS 16 basis EBITDA				
per above	15,050	30,398	45,448	
IFRS 16 impact per above	9,047	2,938	11,985	
Post-IFRS 16 basis EBITDA				
(see note 32(a)(i))	24,097	33,336	57,433	

6 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

(ii) An analysis of EBITDA by segments (continued)

	EBITDA (LBITDA) ^(xiv)			
	Six months ended 30 June 2024			
	Company and Subsidiaries HK\$ million	Associates and JV HK\$ million	Total HK\$ million	%
Ports and Related Services	6,183	1,755	7,938	15%
Retail	4,874	2,215	7,089	14%
Infrastructure	1,144	13,535	14,679	28%
Telecommunications				
CK Hutchison Group Telecom				
3 Group Europe	10,828	215	11,043	21%
Hutchison Telecommunications				
Hong Kong Holdings	591	28	619	1%
Corporate and Others	83	(13)	70	-
	11,502	230	11,732	22%
Finance & Investments and Others	1,512	9,251	10,763	21%
EBITDA	25,215	26,986	52,201	100%
<i>Portion attributable to:</i>				
Non-controlling interests of HPH Trust	-	412	412	
EBITDA [^]	25,215 [^]	27,398 [^]	52,613 [^]	
Depreciation and amortisation	(12,772)	(10,721)	(23,493)	
Interest expenses and other finance costs	(5,342)	(4,486)	(9,828)	
Current tax	(2,063)	(2,288)	(4,351)	
Deferred tax	(197)	(963)	(1,160)	
Non-controlling interests	(3,332)	(257)	(3,589)	
	1,509	8,683	10,192	
IFRS 16 impact				
EBITDA [^]	8,518 [^]	2,703 [^]	11,221 [^]	
Depreciation and amortisation	(7,054)	(2,055)	(9,109)	
Interest expenses and other				
finance costs	(1,288)	(817)	(2,105)	
Current tax	-	-	-	
Deferred tax	(1)	27	26	
Non-controlling interests	(20)	-	(20)	
	1,664	8,541	10,205	
[^] Reconciliation to Post-IFRS 16 basis EBITDA:				
Pre-IFRS 16 basis EBITDA				
per above	25,215	27,398	52,613	
IFRS 16 impact per above	8,518	2,703	11,221	
Post-IFRS 16 basis EBITDA				
(see note 32(a)(i))	33,733	30,101	63,834	

6 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

(ii) An analysis of EBITDA by segments (continued)

	EBITDA (LBITDA) ^(xiv)			
	Six months ended 30 June 2023			
	Company and Subsidiaries HK\$ million	Associates and JV HK\$ million	Total HK\$ million	%
Ports and Related Services	4,690	1,832	6,522	13%
Retail	5,210	1,846	7,056	14%
Infrastructure	1,738	12,943	14,681	29%
Telecommunications				
CK Hutchison Group Telecom				
3 Group Europe	10,104	156	10,260	21%
Hutchison Telecommunications				
Hong Kong Holdings	583	31	614	1%
Corporate and Others	(529)	(2)	(531)	-1%
	10,158	185	10,343	21%
Finance & Investments and Others	3,372	8,296	11,668	23%
EBITDA	25,168	25,102	50,270	100%
<i>Portion attributable to:</i>				
Non-controlling interests of HPH Trust	-	378	378	
EBITDA [^]	25,168 [^]	25,480 [^]	50,648 [^]	
Depreciation and amortisation	(12,650)	(9,952)	(22,602)	
Interest expenses and other finance costs	(4,462)	(5,295)	(9,757)	
Current tax	(1,573)	(1,719)	(3,292)	
Deferred tax	189	(458)	(269)	
Non-controlling interests	(3,151)	(234)	(3,385)	
	3,521	7,822	11,343	
IFRS 16 impact				
EBITDA [^]	8,449 [^]	2,769 [^]	11,218 [^]	
Depreciation and amortisation	(7,025)	(2,047)	(9,072)	
Interest expenses and other				
finance costs	(1,225)	(753)	(1,978)	
Current tax	-	-	-	
Deferred tax	9	9	18	
Non-controlling interests	13	-	13	
	3,742	7,800	11,542	
[^] Reconciliation to Post-IFRS 16 basis EBITDA:				
Pre-IFRS 16 basis EBITDA				
per above	25,168	25,480	50,648	
IFRS 16 impact per above	8,449	2,769	11,218	
Post-IFRS 16 basis EBITDA				
(see note 32(a)(i))	33,617	28,249	61,866	

6 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

(iii) An analysis of EBIT by segments

	EBIT (LBIT) ^(xv)			
	Six months ended 30 June 2025			
	Company and Subsidiaries	Associates and JV	Total	%
	HK\$ million	HK\$ million	HK\$ million	
Ports and Related Services	5,217	1,291	6,508	32%
Retail	4,112	2,068	6,180	30%
Infrastructure	628	9,533	10,161	50%
Telecommunications				
CK Hutchison Group Telecom				
3 Group Europe				
EBITDA before the following				
non-cash items:	10,073	969	11,042	
Depreciation	(5,464)	(890)	(6,354)	
Amortisation of licence fees,				
customer acquisition and				
retention costs and				
other rights	(3,725)	-	(3,725)	
EBIT - 3 Group Europe	884	79	963	5%
Hutchison Telecommunications				
Hong Kong Holdings	78	6	84	-
Corporate and Others	(9,882)	(7)	(9,889)	-48%
	(8,920)	78	(8,842)	-43%
Finance & Investments and Others	1,279	5,201	6,480	31%
EBIT	2,316	18,171	20,487	100%
<i>Portion attributable to:</i>				
Non-controlling interests of HPH Trust	-	318	318	
EBIT [^]	2,316 [^]	18,489 [^]	20,805 [^]	
Interest expenses and other finance costs	(4,830)	(4,794)	(9,624)	
Current tax	(1,944)	(2,550)	(4,494)	
Deferred tax	(1,414)	(916)	(2,330)	
Non-controlling interests	(3,640)	(277)	(3,917)	
	(9,512)	9,952	440	
IFRS 16 impact				
EBIT [^]	1,919 [^]	755 [^]	2,674 [^]	
Interest expenses and other finance costs	(1,491)	(927)	(2,418)	
Current tax	-	-	-	
Deferred tax	52	67	119	
Non-controlling interests	37	-	37	
	(8,995)	9,847	852	
[^] Reconciliation to Post-IFRS 16				
basis EBIT:				
Pre-IFRS 16 basis EBIT				
per above	2,316	18,489	20,805	
IFRS 16 impact per above	1,919	755	2,674	
Post-IFRS 16 basis EBIT	4,235	19,244	23,479	

6 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

(iii) An analysis of EBIT by segments (continued)

	EBIT (LBIT) ^(xv)			
	Six months ended 30 June 2024			
	Company and Subsidiaries HK\$ million	Associates and JV HK\$ million	Total HK\$ million	%
Ports and Related Services	4,748	1,037	5,785	20%
Retail	3,640	1,793	5,433	19%
Infrastructure	1,011	8,715	9,726	34%
Telecommunications				
CK Hutchison Group Telecom				
3 Group Europe				
EBITDA before the following				
non-cash items:				
Depreciation	10,828	215	11,043	
Amortisation of licence fees,	(5,552)	(181)	(5,733)	
customer acquisition and				
retention costs and				
other rights	(3,617)	-	(3,617)	
EBIT - 3 Group Europe	1,659	34	1,693	6%
Hutchison Telecommunications				
Hong Kong Holdings	53	7	60	-
Corporate and Others	82	(13)	69	-
	1,794	28	1,822	6%
Finance & Investments and Others	1,250	4,827	6,077	21%
EBIT	12,443	16,400	28,843	100%
Portion attributable to:				
Non-controlling interests of HPH Trust	-	277	277	
EBIT ^	12,443 ^	16,677 ^	29,120 ^	
Interest expenses and other finance costs	(5,342)	(4,486)	(9,828)	
Current tax	(2,063)	(2,288)	(4,351)	
Deferred tax	(197)	(963)	(1,160)	
Non-controlling interests	(3,332)	(257)	(3,589)	
	1,509	8,683	10,192	
IFRS 16 impact				
EBIT ^	1,464 ^	648 ^	2,112 ^	
Interest expenses and other finance costs	(1,288)	(817)	(2,105)	
Current tax	-	-	-	
Deferred tax	(1)	27	26	
Non-controlling interests	(20)	-	(20)	
	1,664	8,541	10,205	
^ Reconciliation to Post-IFRS 16				
basis EBIT:				
Pre-IFRS 16 basis EBIT				
per above	12,443	16,677	29,120	
IFRS 16 impact per above	1,464	648	2,112	
Post-IFRS 16 basis EBIT	13,907	17,325	31,232	

6 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

(iii) An analysis of EBIT by segments (continued)

	EBIT (LBIT) ^(xv)			
	Six months ended 30 June 2023			
	Company and Subsidiaries HK\$ million	Associates and JV HK\$ million	Total HK\$ million	%
Ports and Related Services	3,258	1,092	4,350	16%
Retail	3,928	1,492	5,420	20%
Infrastructure	1,594	8,447	10,041	36%
Telecommunications				
CK Hutchison Group Telecom				
3 Group Europe				
EBITDA before the following				
non-cash items:				
Depreciation	10,104	156	10,260	
Amortisation of licence fees,	(5,441)	(128)	(5,569)	
customer acquisition and				
retention costs and				
other rights	(3,548)	-	(3,548)	
EBIT - 3 Group Europe	1,115	28	1,143	4%
Hutchison Telecommunications				
Hong Kong Holdings	41	8	49	-
Corporate and Others	(531)	(2)	(533)	-2%
	625	34	659	2%
Finance & Investments and Others	3,113	4,221	7,334	26%
EBIT	12,518	15,286	27,804	100%
Portion attributable to:				
Non-controlling interests of HPH Trust	-	242	242	
EBIT [^]	12,518 [^]	15,528 [^]	28,046 [^]	
Interest expenses and other finance costs	(4,462)	(5,295)	(9,757)	
Current tax	(1,573)	(1,719)	(3,292)	
Deferred tax	189	(458)	(269)	
Non-controlling interests	(3,151)	(234)	(3,385)	
	3,521	7,822	11,343	
IFRS 16 impact				
EBIT [^]	1,424 [^]	722 [^]	2,146 [^]	
Interest expenses and other finance costs	(1,225)	(753)	(1,978)	
Current tax	-	-	-	
Deferred tax	9	9	18	
Non-controlling interests	13	-	13	
	3,742	7,800	11,542	
[^] Reconciliation to Post-IFRS 16				
basis EBIT:				
Pre-IFRS 16 basis EBIT				
per above	12,518	15,528	28,046	
IFRS 16 impact per above	1,424	722	2,146	
Post-IFRS 16 basis EBIT	13,942	16,250	30,192	

6 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

(iv) An analysis of depreciation and amortisation expenses by segments

Depreciation and amortisation			
Six months ended 30 June 2025			
Company and Subsidiaries	Associates and JV	Total	
HK\$ million	HK\$ million	HK\$ million	
Ports and Related Services	1,467	744	2,211
Retail	1,290	504	1,794
Infrastructure	139	5,265	5,404
Telecommunications			
CK Hutchison Group Telecom			
3 Group Europe	9,189	890	10,079
Hutchison Telecommunications Hong Kong Holdings	543	19	562
Corporate and Others	1	-	1
	9,733	909	10,642
Finance & Investments and Others	105	4,355	4,460
	12,734	11,777	24,511
<i>Portion attributable to:</i>			
Non-controlling interests of HPH Trust	-	132	132
	12,734	11,909	24,643
IFRS 16 impact	7,128	2,183	9,311
	19,862	14,092	33,954

Depreciation and amortisation			
Six months ended 30 June 2024			
Company and Subsidiaries	Associates and JV	Total	
HK\$ million	HK\$ million	HK\$ million	
Ports and Related Services	1,435	718	2,153
Retail	1,234	422	1,656
Infrastructure	133	4,820	4,953
Telecommunications			
CK Hutchison Group Telecom			
3 Group Europe	9,169	181	9,350
Hutchison Telecommunications Hong Kong Holdings	538	21	559
Corporate and Others	1	-	1
	9,708	202	9,910
Finance & Investments and Others	262	4,424	4,686
	12,772	10,586	23,358
<i>Portion attributable to:</i>			
Non-controlling interests of HPH Trust	-	135	135
	12,772	10,721	23,493
IFRS 16 impact	7,054	2,055	9,109
	19,826	12,776	32,602

6 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

(iv) An analysis of depreciation and amortisation expenses by segments (continued)

	Depreciation and amortisation		
	Six months ended 30 June 2023		
	Company and Subsidiaries HK\$ million	Associates and JV HK\$ million	Total HK\$ million
Ports and Related Services	1,432	740	2,172
Retail	1,282	354	1,636
Infrastructure	144	4,496	4,640
Telecommunications			
CK Hutchison Group Telecom			
3 Group Europe	8,989	128	9,117
Hutchison Telecommunications Hong Kong Holdings	542	23	565
Corporate and Others	2	-	2
	9,533	151	9,684
Finance & Investments and Others	259	4,075	4,334
	12,650	9,816	22,466
<i>Portion attributable to:</i>			
Non-controlling interests of HPH Trust	-	136	136
	12,650	9,952	22,602
IFRS 16 impact	7,025	2,047	9,072
	19,675	11,999	31,674

(v) An analysis of capital expenditure by segments

	Capital expenditure ^(xxi)			
	Six months ended 30 June 2025			
	Fixed assets HK\$ million	Telecom- munications licences HK\$ million	Brand names and other rights HK\$ million	Total HK\$ million
Ports and Related Services	1,116	-	3	1,119
Retail	897	-	-	897
Infrastructure	130	-	2	132
Telecommunications				
CK Hutchison Group Telecom				
3 Group Europe	5,386	-	861	6,247
Hutchison				
Telecommunications	173	-	-	173
Hong Kong Holdings	1	-	-	1
Corporate and Others				
	5,560	-	861	6,421
Finance & Investments and Others	108	-	3	111
	7,811	-	869	8,680
IFRS 16 impact	(92)	-	-	(92)
	7,719	-	869	8,588

6 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

(v) An analysis of capital expenditure by segments (continued)

	Capital expenditure ^(xxi)			
	Six months ended 30 June 2024			
	Fixed assets	Telecom-munications licences	Brand names and other rights	Total
	HK\$ million	HK\$ million	HK\$ million	HK\$ million
Ports and Related Services	1,108	-	2	1,110
Retail	1,108	-	-	1,108
Infrastructure	247	-	-	247
Telecommunications				
CK Hutchison Group Telecom				
3 Group Europe	6,186	59	749	6,994
Hutchison Telecommunications				
Hong Kong Holdings	166	-	-	166
Corporate and Others	-	-	-	-
	6,352	59	749	7,160
Finance & Investments and Others	120	1	-	121
	8,935	60	751	9,746
IFRS 16 impact	(118)	-	-	(118)
	8,817	60	751	9,628

	Capital expenditure ^(xxi)			
	Six months ended 30 June 2023			
	Fixed assets	Telecom-munications licences	Brand names and other rights	Total
	HK\$ million	HK\$ million	HK\$ million	HK\$ million
Ports and Related Services	2,209	-	-	2,209
Retail	863	-	-	863
Infrastructure	160	-	2	162
Telecommunications				
CK Hutchison Group Telecom				
3 Group Europe	6,388	1,005	643	8,036
Hutchison Telecommunications				
Hong Kong Holdings	163	-	-	163
Corporate and Others	1	-	-	1
	6,552	1,005	643	8,200
Finance & Investments and Others	134	4	4	142
	9,918	1,009	649	11,576
IFRS 16 impact	(172)	-	-	(172)
	9,746	1,009	649	11,404

6 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

(vi) An analysis of total assets by segments

Total assets				
30 June 2025				
Segment assets ^(xix)	Deferred tax assets	Investments in associated companies and interests in joint ventures	Total assets	
HK\$ million	HK\$ million	HK\$ million	HK\$ million	
Ports and Related Services	73,963	492	23,240	97,695
Retail	205,054	1,722	19,992	226,768
Infrastructure	50,833	2	179,069	229,904
Telecommunications				
CK Hutchison Group Telecom				
3 Group Europe	220,993	3,282	43,555	267,830
Hutchison Telecommunications				
Hong Kong Holdings	14,898	1	98	14,997
Corporate and Others	40,930	-	-	40,930
	276,821	3,283	43,653	323,757
Finance & Investments and Others	117,324	66	90,003	207,393
	723,995	5,565	355,957	1,085,517
IFRS 16 impact	52,692	1,825	(2,448)	52,069
	776,687	7,390	353,509	1,137,586

Total assets				
31 December 2024				
Segment assets ^(xix)	Deferred tax assets	Investments in associated companies and interests in joint ventures	Total assets	
HK\$ million	HK\$ million	HK\$ million	HK\$ million	
Ports and Related Services	70,019	490	22,825	93,334
Retail	201,748	1,701	16,999	220,448
Infrastructure	54,777	1	168,113	222,891
Telecommunications				
CK Hutchison Group Telecom				
3 Group Europe	263,429	14,162	2,664	280,255
Hutchison Telecommunications				
Hong Kong Holdings	15,208	1	112	15,321
Corporate and Others	25,226	-	3	25,229
	303,863	14,163	2,779	320,805
Finance & Investments and Others	121,400	68	85,603	207,071
	751,807	16,423	296,319	1,064,549
IFRS 16 impact	48,532	1,717	(2,256)	47,993
	800,339	18,140	294,063	1,112,542

6 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

(vi) An analysis of total assets by segments (continued)

	Total assets			
	31 December 2023			
	Segment	Deferred	Investments	Total
	assets ^(xix)	tax	in associated	assets
	HK\$ million	assets	companies and	assets
		HK\$ million	interests in	HK\$ million
			joint ventures	
Ports and Related Services	75,587	609	21,519	97,715
Retail	201,155	1,802	17,233	220,190
Infrastructure	59,577	2	171,277	230,856
Telecommunications				
CK Hutchison Group Telecom				
3 Group Europe	275,196	16,858	2,628	294,682
Hutchison Telecommunications				
Hong Kong Holdings	15,776	2	109	15,887
Corporate and Others	26,995	-	1	26,996
	317,967	16,860	2,738	337,565
Finance & Investments				
and Others	131,868	64	89,124	221,056
	786,154	19,337	301,891	1,107,382
IFRS 16 impact	51,700	1,737	(1,916)	51,521
	837,854	21,074	299,975	1,158,903

	Total assets			
	1 January 2023			
	Segment	Deferred	Assets	Investments
	assets ^(xix)	tax	classified	in associated
	HK\$ million	assets	as held	companies and
		HK\$ million	for sale	interests in
			HK\$ million	joint ventures
				HK\$ million
Ports and Related Services	72,263	352	-	23,200
Retail	198,358	1,471	-	15,630
Infrastructure	65,516	3	-	165,138
Telecommunications				
CK Hutchison Group Telecom				
3 Group Europe	263,859	15,067	5,178	10
Hutchison Telecommunications				
Hong Kong Holdings	16,148	4	-	157
Corporate and Others	35,040	-	-	2
	315,047	15,071	5,178	169
Finance & Investments				
and Others	133,457	57	-	87,030
	784,641	16,954	5,178	291,167
IFRS 16 impact	49,919	1,555	918	(1,895)
	834,560	18,509	6,096	289,272
				1,148,437

6 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

(vii) An analysis of total liabilities by segments

Total liabilities				
30 June 2025				
Segment liabilities ^(xix) HK\$ million	Current & non-current borrowings ^(xx) and other non-current liabilities HK\$ million		Current & deferred tax liabilities HK\$ million	Total liabilities HK\$ million
Ports and Related Services	11,170	11,143	4,379	26,692
Retail	29,512	7,577	10,093	47,182
Infrastructure	7,628	21,093	561	29,282
Telecommunications				
CK Hutchison Group Telecom				
3 Group Europe	25,840	14,387	1,436	41,663
Hutchison Telecommunications				
Hong Kong Holdings	1,580	2,079	238	3,897
Corporate and Others	1,921	45,145	205	47,271
	29,341	61,611	1,879	92,831
Finance & Investments and Others	10,045	187,863	2,728	200,636
	87,696	289,287	19,640	396,623
IFRS 16 impact	66,621	(808)	(715)	65,098
	154,317	288,479	18,925	461,721

Total liabilities				
31 December 2024				
Segment liabilities ^(xix) HK\$ million	Current & non-current borrowings ^(xx) and other non-current liabilities HK\$ million		Current & deferred tax liabilities HK\$ million	Total liabilities HK\$ million
Ports and Related Services	11,044	10,385	4,531	25,960
Retail	28,340	6,626	10,369	45,335
Infrastructure	6,809	19,131	535	26,475
Telecommunications				
CK Hutchison Group Telecom				
3 Group Europe	28,865	14,883	3,622	47,370
Hutchison Telecommunications				
Hong Kong Holdings	1,657	2,118	198	3,973
Corporate and Others	865	44,914	46	45,825
	31,387	61,915	3,866	97,168
Finance & Investments and Others	9,714	191,885	2,739	204,338
	87,294	289,942	22,040	399,276
IFRS 16 impact	63,067	(1,695)	(698)	60,674
	150,361	288,247	21,342	459,950

6 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

(vii) An analysis of total liabilities by segments (continued)

	Total liabilities			
	31 December 2023			
	Segment liabilities ^(xix) HK\$ million	Current & non-current borrowings ^(xx) and other non-current liabilities HK\$ million	Current & deferred tax liabilities HK\$ million	Total liabilities HK\$ million
Ports and Related Services	11,591	14,867	4,535	30,993
Retail	27,748	7,056	10,900	45,704
Infrastructure	7,236	24,551	615	32,402
Telecommunications				
CK Hutchison Group Telecom				
3 Group Europe	32,856	16,319	3,935	53,110
Hutchison Telecommunications				
Hong Kong Holdings	1,835	2,249	123	4,207
Corporate and Others	1,105	44,428	26	45,559
	35,796	62,996	4,084	102,876
Finance & Investments and Others	8,642	198,493	4,462	211,597
	91,013	307,963	24,596	423,572
IFRS 16 impact	66,865	(1,225)	(858)	64,782
	157,878	306,738	23,738	488,354

	Total liabilities			
	1 January 2023			
	Segment liabilities ^(xix) HK\$ million	Current & non-current borrowings ^(xx) and other non-current liabilities HK\$ million	Liabilities directly associated with assets classified as held for sale HK\$ million	Total liabilities HK\$ million
Ports and Related Services	10,948	14,604	-	30,248
Retail	24,598	10,531	-	45,748
Infrastructure	7,338	28,416	-	36,310
Telecommunications				
CK Hutchison Group Telecom				
3 Group Europe	37,008	14,989	207	55,597
Hutchison Telecommunications				
Hong Kong Holdings	1,808	2,371	-	4,229
Corporate and Others	777	50,923	-	51,711
	39,593	68,283	207	111,537
Finance & Investments and Others	10,660	198,023	-	213,543
	93,137	319,857	207	437,386
IFRS 16 impact	64,781	(1,065)	920	63,742
	157,918	318,792	1,127	501,128

6 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

(viii) An analysis of revenue by geographical locations

	Revenue ^(xviii)			
	Six months ended 30 June 2025			
	Company and Subsidiaries HK\$ million	Associates and JV HK\$ million	Total HK\$ million	%
Hong Kong	13,942	2,143	16,085	7%
Mainland China	8,398	3,800	12,198	5%
The People's Republic of China	22,340	5,943	28,283	12%
Europe	79,278	48,540	127,818	53%
Canada	42	1,606	1,648	1%
Asia, Australia and Others	30,327	8,000	38,327	16%
	109,647	58,146	167,793	70%
Finance & Investments and Others	131,987	64,089	196,076	82%
	7,143	37,444	44,587	18%
	139,130	101,533	240,663 **	100%

	Revenue ^(xviii)			
	Six months ended 30 June 2024			
	Company and Subsidiaries HK\$ million	Associates and JV HK\$ million	Total HK\$ million	%
Hong Kong	14,016	2,255	16,271	7%
Mainland China	8,482	3,405	11,887	5%
The People's Republic of China	22,498	5,660	28,158	12%
Europe	77,539	39,767	117,306	50%
Canada	102	1,646	1,748	1%
Asia, Australia and Others	27,854	8,029	35,883	16%
	105,495	49,442	154,937	67%
Finance & Investments and Others	127,993	55,102	183,095	79%
	8,458	41,091	49,549	21%
	136,451	96,193	232,644 **	100%

	Revenue ^(xviii)			
	Six months ended 30 June 2023			
	Company and Subsidiaries HK\$ million	Associates and JV HK\$ million	Total HK\$ million	%
Hong Kong	14,768	2,184	16,952	8%
Mainland China	10,873	3,809	14,682	6%
The People's Republic of China	25,641	5,993	31,634	14%
Europe	73,664	37,232	110,896	50%
Canada	119	1,854	1,973	1%
Asia, Australia and Others	25,756	7,524	33,280	14%
	99,539	46,610	146,149	65%
Finance & Investments and Others	125,180	52,603	177,783	79%
	8,197	37,887	46,084	21%
	133,377	90,490	223,867 **	100%

** see note 6(b)(i) for reconciliation of segment revenue to revenue presented in the consolidated income statement.

6 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

(ix) An analysis of EBITDA by geographical locations

EBITDA (LBITDA) ^(xiv)				
Six months ended 30 June 2025				
Company and Subsidiaries	Associates and JV	Total		
HK\$ million	HK\$ million	HK\$ million		%
Hong Kong	395	819	1,214	3%
Mainland China	272	1,228	1,500	3%
The People's Republic of China	667	2,047	2,714	6%
Europe	5,994	13,034	19,028	43%
Canada	61	960	1,021	2%
Asia, Australia and Others	6,944	4,351	11,295	25%
	12,999	18,345	31,344	70%
Finance & Investments and Others	13,666	20,392	34,058	76%
	1,384	9,556	10,940	24%
	15,050	29,948	44,998 ^{##}	100%
EBITDA (LBITDA) ^(xiv)				
Six months ended 30 June 2024				
Company and Subsidiaries	Associates and JV	Total		
HK\$ million	HK\$ million	HK\$ million		%
Hong Kong	445	883	1,328	3%
Mainland China	301	1,077	1,378	3%
The People's Republic of China	746	1,960	2,706	6%
Europe	15,933	10,566	26,499	51%
Canada	99	975	1,074	2%
Asia, Australia and Others	6,925	4,234	11,159	20%
	22,957	15,775	38,732	73%
Finance & Investments and Others	23,703	17,735	41,438	79%
	1,512	9,251	10,763	21%
	25,215	26,986	52,201 ^{##}	100%
EBITDA (LBITDA) ^(xiv)				
Six months ended 30 June 2023				
Company and Subsidiaries	Associates and JV	Total		
HK\$ million	HK\$ million	HK\$ million		%
Hong Kong	657	823	1,480	3%
Mainland China	1,103	1,237	2,340	5%
The People's Republic of China	1,760	2,060	3,820	8%
Europe	14,036	9,858	23,894	48%
Canada	126	1,102	1,228	2%
Asia, Australia and Others	5,874	3,786	9,660	19%
	20,036	14,746	34,782	69%
Finance & Investments and Others	21,796	16,806	38,602	77%
	3,372	8,296	11,668	23%
	25,168	25,102	50,270 ^{##}	100%

^{##} see note 6(b)(ii) for reconciliation of segment EBITDA to EBITDA included in the consolidated income statement.

6 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

(x) An analysis of EBIT by geographical locations

EBIT (LBIT) ^(xv)				
Six months ended 30 June 2025				
Company and Subsidiaries	Associates and JV	Total		
HK\$ million	HK\$ million	HK\$ million		%
Hong Kong	(513)	349	(164)	-1%
Mainland China	(71)	844	773	4%
The People's Republic of China	(584)	1,193	609	3%
Europe	(4,226)	8,578	4,352	22%
Canada	60	623	683	3%
Asia, Australia and Others	5,787	2,576	8,363	41%
	1,621	11,777	13,398	66%
Finance & Investments and Others	1,037	12,970	14,007	69%
	1,279	5,201	6,480	31%
	2,316	18,171	20,487	@@ 100%
EBIT (LBIT) ^(xv)				
Six months ended 30 June 2024				
Company and Subsidiaries	Associates and JV	Total		
HK\$ million	HK\$ million	HK\$ million		%
Hong Kong	(275)	425	150	1%
Mainland China	(67)	702	635	2%
The People's Republic of China	(342)	1,127	785	3%
Europe	5,739	7,302	13,041	45%
Canada	99	637	736	3%
Asia, Australia and Others	5,697	2,507	8,204	28%
	11,535	10,446	21,981	76%
Finance & Investments and Others	11,193	11,573	22,766	79%
	1,250	4,827	6,077	21%
	12,443	16,400	28,843	@@ 100%
EBIT (LBIT) ^(xv)				
Six months ended 30 June 2023				
Company and Subsidiaries	Associates and JV	Total		
HK\$ million	HK\$ million	HK\$ million		%
Hong Kong	(106)	358	252	1%
Mainland China	648	851	1,499	5%
The People's Republic of China	542	1,209	1,751	6%
Europe	4,069	6,889	10,958	39%
Canada	126	768	894	3%
Asia, Australia and Others	4,668	2,199	6,867	26%
	8,863	9,856	18,719	68%
Finance & Investments and Others	9,405	11,065	20,470	74%
	3,113	4,221	7,334	26%
	12,518	15,286	27,804	@@ 100%

@@ see note 6(b)(iii) for reconciliation of segment EBIT to EBIT included in the consolidated income statement.

6 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

(xi) An analysis of capital expenditure by geographical locations

	Capital expenditure ^(xxi)			
	Six months ended 30 June 2025			
	Fixed assets HK\$ million	Telecom- munications licences HK\$ million	Brand names and other rights HK\$ million	Total HK\$ million
Hong Kong	316	-	-	316
Mainland China	81	-	-	81
The People's Republic of China	397	-	-	397
Europe	6,342	-	861	7,203
Asia, Australia and Others	964	-	8	972
	7,306	-	869	8,175
	7,703	-	869	8,572
Finance & Investments and Others	108	-	-	108
	7,811	-	869	8,680
IFRS 16 impact	(92)	-	-	(92)
	7,719	-	869	8,588

	Capital expenditure ^(xxi)			
	Six months ended 30 June 2024			
	Fixed assets HK\$ million	Telecom- munications licences HK\$ million	Brand names and other rights HK\$ million	Total HK\$ million
Hong Kong	352	-	-	352
Mainland China	191	-	-	191
The People's Republic of China	543	-	-	543
Europe	7,059	59	749	7,867
Asia, Australia and Others	1,213	-	2	1,215
	8,272	59	751	9,082
	8,815	59	751	9,625
Finance & Investments and Others	120	1	-	121
	8,935	60	751	9,746
IFRS 16 impact	(118)	-	-	(118)
	8,817	60	751	9,628

6 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

(xi) An analysis of capital expenditure by geographical locations (continued)

	Capital expenditure ^(xxi)			Total HK\$ million
	Fixed assets HK\$ million	Telecom- munications licences HK\$ million	Brand names and other rights HK\$ million	
Hong Kong	471	-	-	471
Mainland China	135	-	-	135
The People's Republic of China	606	-	-	606
Europe	7,146	1,005	643	8,794
Asia, Australia and Others	2,032	-	2	2,034
	9,178	1,005	645	10,828
	9,784	1,005	645	11,434
Finance & Investments and Others	134	4	4	142
	9,918	1,009	649	11,576
IFRS 16 impact	(172)	-	-	(172)
	9,746	1,009	649	11,404

(xii) An analysis of total assets by geographical locations

	Total assets			Total assets HK\$ million
	Segment assets ^(xix) HK\$ million	Deferred tax assets HK\$ million	Investments in associated companies and interests in joint ventures HK\$ million	
Hong Kong	41,401	288	8,839	50,528
Mainland China	27,081	477	15,123	42,681
The People's Republic of China	68,482	765	23,962	93,209
Europe	416,070	3,998	173,498	593,566
Canada	4,788	-	11,221	16,009
Asia, Australia and Others	117,331	736	57,273	175,340
	538,189	4,734	241,992	784,915
	606,671	5,499	265,954	878,124
Finance & Investments and Others	117,324	66	90,003	207,393
	723,995	5,565	355,957	1,085,517
IFRS 16 impact	52,692	1,825	(2,448)	52,069
	776,687	7,390	353,509	1,137,586

6 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

(xii) An analysis of total assets by geographical locations (continued)

	Total assets			
	31 December 2024			
	Segment assets ^(xix)	Deferred tax assets	Investments in associated companies and interests in joint ventures	Total assets
	HK\$ million	HK\$ million	HK\$ million	HK\$ million
Hong Kong	47,825	287	10,631	58,743
Mainland China	29,076	570	15,298	44,944
The People's Republic of China	76,901	857	25,929	103,687
Europe	432,453	14,787	119,130	566,370
Canada	4,969	1	10,980	15,950
Asia, Australia and Others	116,084	710	54,677	171,471
	553,506	15,498	184,787	753,791
	630,407	16,355	210,716	857,478
Finance & Investments and Others	121,400	68	85,603	207,071
	751,807	16,423	296,319	1,064,549
IFRS 16 impact	48,532	1,717	(2,256)	47,993
	800,339	18,140	294,063	1,112,542
	Total assets			
	31 December 2023			
	Segment assets ^(xix)	Deferred tax assets	Investments in associated companies and interests in joint ventures	Total assets
	HK\$ million	HK\$ million	HK\$ million	HK\$ million
Hong Kong	48,053	161	10,656	58,870
Mainland China	33,223	688	15,184	49,095
The People's Republic of China	81,276	849	25,840	107,965
Europe	444,041	17,614	117,538	579,193
Canada	4,333	2	12,329	16,664
Asia, Australia and Others	124,636	808	57,060	182,504
	573,010	18,424	186,927	778,361
	654,286	19,273	212,767	886,326
Finance & Investments and Others	131,868	64	89,124	221,056
	786,154	19,337	301,891	1,107,382
IFRS 16 impact	51,700	1,737	(1,916)	51,521
	837,854	21,074	299,975	1,158,903

6 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

(xii) An analysis of total assets by geographical locations (continued)

Total assets					
1 January 2023					
	Segment assets ^(xix) HK\$ million	Deferred tax assets HK\$ million	Assets classified as held for sale HK\$ million	Investments in associated companies and interests in joint ventures HK\$ million	Total assets HK\$ million
Hong Kong	52,247	79	-	10,708	63,034
Mainland China	37,850	765	-	17,209	55,824
The People's Republic of China	90,097	844	-	27,917	118,858
Europe	420,785	15,512	5,178	106,525	548,000
Canada	4,169	3	-	12,238	16,410
Asia, Australia and Others	136,133	538	-	57,457	194,128
	561,087	16,053	5,178	176,220	758,538
	651,184	16,897	5,178	204,137	877,396
Finance & Investments and Others	133,457	57	-	87,030	220,544
	784,641	16,954	5,178	291,167	1,097,940
IFRS 16 impact	49,919	1,555	918	(1,895)	50,497
	834,560	18,509	6,096	289,272	1,148,437

6 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

- (xiii) An analysis of results (EBITDA and EBIT) before losses from major transaction activities and other one-off items by segments and geographical locations

The Group's EBITDA and EBIT for the six months ended 30 June 2025 included the losses attributable to shareholders from the disposal of interests in the Group's telecommunications business in the United Kingdom (the "UK") that completed in May 2025 of HK\$9,915 million and related impact of HK\$1,007 million, totalling HK\$10,922 million (see note 6(b)(xvi)).

An analysis by segments of EBITDA before losses from major transaction activities and other one-off items:

	EBITDA (LBITDA) ^(xiv)			
	Six months ended 30 June 2025			
	Company and Subsidiaries HK\$ million	Associates and JV HK\$ million	Total HK\$ million	%
EBITDA before one-off items				
Ports and Related Services	6,684	2,035	8,719	16%
Retail	5,402	2,572	7,974	14%
Infrastructure	767	14,798	15,565	28%
Telecommunications				
CK Hutchison Group Telecom				
3 Group Europe	10,847	969	11,816	21%
Hutchison Telecommunications				
Hong Kong Holdings	621	25	646	1%
Corporate and Others	705	(7)	698	1%
	12,173	987	13,160	23%
Finance & Investments and Others	946	9,556	10,502	19%
	25,972	29,948	55,920	100%
One-off items				
Loss from disposal of telecommunications business in UK and related impact ^(xvi)	(10,922)	-	(10,922)	
	15,050	29,948	44,998	##
	EBITDA (LBITDA) ^(xiv)			
	Six months ended 30 June 2024			
	Company and Subsidiaries HK\$ million	Associates and JV HK\$ million	Total HK\$ million	%
EBITDA before one-off items				
Ports and Related Services	6,183	1,755	7,938	15%
Retail	4,874	2,215	7,089	14%
Infrastructure	1,144	13,535	14,679	28%
Telecommunications				
CK Hutchison Group Telecom				
3 Group Europe	10,828	215	11,043	21%
Hutchison Telecommunications				
Hong Kong Holdings	591	28	619	1%
Corporate and Others	83	(13)	70	-
	11,502	230	11,732	22%
Finance & Investments and Others	1,512	9,251	10,763	21%
	25,215	26,986	52,201	100%
One-off items	-	-	-	
	25,215	26,986	52,201	##

see note 6(b)(ii) for reconciliation of segment EBITDA to EBITDA included in the consolidated income statement.

6 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

(xiii) An analysis of results (EBITDA and EBIT) before losses from major transaction activities and other one-off items by segments and geographical locations (continued)

An analysis by segments of EBITDA before losses from major transaction activities and other one-off items (continued):

	EBITDA (LBITDA) ^(xiv)			
	Six months ended 30 June 2023			
	Company and Subsidiaries HK\$ million	Associates and JV HK\$ million	Total HK\$ million	%
EBITDA before one-off items				
Ports and Related Services	4,690	1,832	6,522	13%
Retail	5,210	1,846	7,056	14%
Infrastructure	1,738	12,943	14,681	29%
Telecommunications				
CK Hutchison Group Telecom				
3 Group Europe	10,104	156	10,260	21%
Hutchison Telecommunications				
Hong Kong Holdings	583	31	614	1%
Corporate and Others	(529)	(2)	(531)	-1%
	10,158	185	10,343	21%
Finance & Investments and Others ^(xvii)	3,372	8,296	11,668	23%
	25,168	25,102	50,270	100%
One-off items	-	-	-	
	25,168	25,102	50,270	^{##}

An analysis by geographical locations of EBITDA before losses from major transaction activities and other one-off items:

	EBITDA (LBITDA) ^(xiv)			
	Six months ended 30 June 2025			
	Company and Subsidiaries HK\$ million	Associates and JV HK\$ million	Total HK\$ million	%
EBITDA before one-off items				
Hong Kong	395	819	1,214	2%
Mainland China	272	1,228	1,500	3%
The People's Republic of China	667	2,047	2,714	5%
Europe	17,354	13,034	30,388	54%
Canada	61	960	1,021	2%
Asia, Australia and Others	6,944	4,351	11,295	20%
	24,359	18,345	42,704	76%
	25,026	20,392	45,418	81%
Finance & Investments and Others	946	9,556	10,502	19%
	25,972	29,948	55,920	100%
One-off items				
Loss from disposal of telecommunications business in UK and related impact ^(xvi)	(10,922)	-	(10,922)	
	15,050	29,948	44,998	^{##}

^{##} see note 6(b)(ii) for reconciliation of segment EBITDA to EBITDA included in the consolidated income statement.

6 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

- (xiii) An analysis of results (EBITDA and EBIT) before losses from major transaction activities and other one-off items by segments and geographical locations (continued)

An analysis by geographical locations of EBITDA before losses from major transaction activities and other one-off items (continued):

	EBITDA (LBITDA) ^(xiv)			
	Six months ended 30 June 2024			
	Company and Subsidiaries HK\$ million	Associates and JV HK\$ million	Total HK\$ million	%
EBITDA before one-off items				
Hong Kong	445	883	1,328	3%
Mainland China	301	1,077	1,378	3%
The People's Republic of China	746	1,960	2,706	6%
Europe	15,933	10,566	26,499	51%
Canada	99	975	1,074	2%
Asia, Australia and Others	6,925	4,234	11,159	20%
	22,957	15,775	38,732	73%
Finance & Investments and Others	23,703	17,735	41,438	79%
	1,512	9,251	10,763	21%
	25,215	26,986	52,201	100%
One-off items	-	-	-	
	25,215	26,986	52,201	##
	EBITDA (LBITDA) ^(xiv)			
	Six months ended 30 June 2023			
	Company and Subsidiaries HK\$ million	Associates and JV HK\$ million	Total HK\$ million	%
EBITDA before one-off items				
Hong Kong	657	823	1,480	3%
Mainland China	1,103	1,237	2,340	5%
The People's Republic of China	1,760	2,060	3,820	8%
Europe	14,036	9,858	23,894	48%
Canada	126	1,102	1,228	2%
Asia, Australia and Others	5,874	3,786	9,660	19%
	20,036	14,746	34,782	69%
	21,796	16,806	38,602	77%
Finance & Investments and Others ^(xvii)	3,372	8,296	11,668	23%
	25,168	25,102	50,270	100%
One-off items	-	-	-	
	25,168	25,102	50,270	##

see note 6(b)(ii) for reconciliation of segment EBITDA to EBITDA included in the consolidated income statement.

6 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

- (xiii) An analysis of results (EBITDA and EBIT) before losses from major transaction activities and other one-off items by segments and geographical locations (continued)

An analysis by segments of EBIT before losses from major transaction activities and other one-off items:

	EBIT (LBIT) ^(xv)			
	Six months ended 30 June 2025			
	Company and Subsidiaries HK\$ million	Associates and JV HK\$ million	Total HK\$ million	%
EBIT before one-off items				
Ports and Related Services	5,217	1,291	6,508	21%
Retail	4,112	2,068	6,180	20%
Infrastructure	628	9,533	10,161	32%
Telecommunications				
CK Hutchison Group Telecom				
3 Group Europe	1,658	79	1,737	6%
Hutchison Telecommunications				
Hong Kong Holdings	78	6	84	-
Corporate and Others	704	(7)	697	2%
	2,440	78	2,518	8%
Finance & Investments and Others	841	5,201	6,042	19%
	13,238	18,171	31,409	100%
One-off items				
Loss from disposal of telecommunications business in UK and related impact ^(xvi)	(10,922)	-	(10,922)	
	2,316	18,171	20,487	@@
	EBIT (LBIT) ^(xv)			
	Six months ended 30 June 2024			
	Company and Subsidiaries HK\$ million	Associates and JV HK\$ million	Total HK\$ million	%
EBIT before one-off items				
Ports and Related Services	4,748	1,037	5,785	20%
Retail	3,640	1,793	5,433	19%
Infrastructure	1,011	8,715	9,726	34%
Telecommunications				
CK Hutchison Group Telecom				
3 Group Europe	1,659	34	1,693	6%
Hutchison Telecommunications				
Hong Kong Holdings	53	7	60	-
Corporate and Others	82	(13)	69	-
	1,794	28	1,822	6%
Finance & Investments and Others	1,250	4,827	6,077	21%
	12,443	16,400	28,843	100%
One-off items	-	-	-	
	12,443	16,400	28,843	@@

@@ see note 6(b)(iii) for reconciliation of segment EBIT to EBIT included in the consolidated income statement.

6 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

(xiii) An analysis of results (EBITDA and EBIT) before losses from major transaction activities and other one-off items by segments and geographical locations (continued)

An analysis by segments of EBIT before losses from major transaction activities and other one-off items (continued):

	EBIT (LBIT) ^(xv)			
	Six months ended 30 June 2023			
	Company and Subsidiaries HK\$ million	Associates and JV HK\$ million	Total HK\$ million	%
EBIT before one-off items				
Ports and Related Services	3,258	1,092	4,350	16%
Retail	3,928	1,492	5,420	20%
Infrastructure	1,594	8,447	10,041	36%
Telecommunications				
CK Hutchison Group Telecom				
3 Group Europe	1,115	28	1,143	4%
Hutchison Telecommunications				
Hong Kong Holdings	41	8	49	-
Corporate and Others	(531)	(2)	(533)	-2%
	625	34	659	2%
Finance & Investments and Others ^(xvii)	3,113	4,221	7,334	26%
	12,518	15,286	27,804	100%
One-off items	-	-	-	
	12,518	15,286	27,804	@@

An analysis by geographical locations of EBIT before losses from major transaction activities and other one-off items:

	EBIT (LBIT) ^(xv)			
	Six months ended 30 June 2025			
	Company and Subsidiaries HK\$ million	Associates and JV HK\$ million	Total HK\$ million	%
EBIT before one-off items				
Hong Kong	(513)	349	(164)	-1%
Mainland China	(71)	844	773	2%
The People's Republic of China	(584)	1,193	609	1%
Europe	7,134	8,578	15,712	51%
Canada	60	623	683	2%
Asia, Australia and Others	5,787	2,576	8,363	27%
	12,981	11,777	24,758	80%
	12,397	12,970	25,367	81%
Finance & Investments and Others	841	5,201	6,042	19%
	13,238	18,171	31,409	100%
One-off items				
Loss from disposal of telecommunications business in UK and related impact ^(xvi)	(10,922)	-	(10,922)	
	2,316	18,171	20,487	@@

@@ see note 6(b)(iii) for reconciliation of segment EBIT to EBIT included in the consolidated income statement.

6 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

- (xiii) An analysis of results (EBITDA and EBIT) before losses from major transaction activities and other one-off items by segments and geographical locations (continued)

An analysis by geographical locations of EBIT before losses from major transaction activities and other one-off items (continued):

	EBIT (LBIT) ^(xv)			
	Six months ended 30 June 2024			
	Company and Subsidiaries HK\$ million	Associates and JV HK\$ million	Total HK\$ million	%
EBIT before one-off items				
Hong Kong	(275)	425	150	1%
Mainland China	(67)	702	635	2%
The People's Republic of China	(342)	1,127	785	3%
Europe	5,739	7,302	13,041	45%
Canada	99	637	736	3%
Asia, Australia and Others	5,697	2,507	8,204	28%
	11,535	10,446	21,981	76%
	11,193	11,573	22,766	79%
Finance & Investments and Others	1,250	4,827	6,077	21%
	12,443	16,400	28,843	100%
One-off items	-	-	-	
	12,443	16,400	28,843	@@
	EBIT (LBIT) ^(xv)			
	Six months ended 30 June 2023			
	Company and Subsidiaries HK\$ million	Associates and JV HK\$ million	Total HK\$ million	%
EBIT before one-off items				
Hong Kong	(106)	358	252	1%
Mainland China	648	851	1,499	5%
The People's Republic of China	542	1,209	1,751	6%
Europe	4,069	6,889	10,958	39%
Canada	126	768	894	3%
Asia, Australia and Others	4,668	2,199	6,867	26%
	8,863	9,856	18,719	68%
	9,405	11,065	20,470	74%
Finance & Investments and Others ^(xvii)	3,113	4,221	7,334	26%
	12,518	15,286	27,804	100%
One-off items	-	-	-	
	12,518	15,286	27,804	@@

@@ see note 6(b)(iii) for reconciliation of segment EBIT to EBIT included in the consolidated income statement.

6 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 IFRS 8. EBITDA (LBITDA) is not a measure of cash liquidity or financial performance under IFRS 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 IFRS.
- (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 IFRS 8. EBIT (LBIT) is not a measure of financial performance under IFRS 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 IFRS.
- (xvi) The merger transaction to combine the Group's and Vodafone Group's respective telecommunications operations in the UK was completed on 31 May 2025. Immediately following completion 3UK and its subsidiaries have ceased as subsidiaries of the Group and have been de-consolidated from the consolidated financial statements of the Company, and the combined business, named VodafoneThree, is 51% owned by Vodafone and 49% by the Group. This transaction is accounted for in these consolidated financial statements as a disposal of the Group's entire interest in 3UK and concurrently an acquisition of a 49% interest in the combined business which is accounted for as an associated company (see note 17). Included in the balance of the current period is the profit and loss effects arising from the disposal of 3UK, including loss on disposal of HK\$9,915 million (HK\$9,462 million at Post-IFRS 16 basis) and related impacts of HK\$1,007 million (HK\$1,007 million at Post-IFRS 16 basis) such as legal and professional fees arising from the merger transaction. These amounts are at the EBITDA and EBIT levels. In the consolidated income statement, these amounts are reported under the Post-IFRS 16 basis, the loss on disposal of HK\$9,462 million is reported in "Other expenses and losses" (see note 7) and the related impacts of HK\$732 million, HK\$258 million and HK\$17 million are included in legal and professional fees, staff costs and office and general administrative expenses and others (see note 7), respectively.
- (xvii) The 30 June 2023 comparative period balance included a gain on disposal of financial instruments of HK\$1,829 million. On 14 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 had 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-IFRS 16 basis) in the comparative period. In the comparative period, this gain was reported under "Finance & Investments and Others" in the segment results and under "Other income and gains" in the consolidated income statement.

6 Operating segment information (continued)

(b) Segment results, assets and liabilities (continued)

(xviii) 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.

(xix) 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 6(b)(vi) and 6(b)(vii) for reconciliation of segment assets and segment liabilities from Pre-IFRS 16 basis to Post-IFRS 16 basis.

Geographical analysis of the Group's non-current assets (based on Post-IFRS 16 basis) other than financial instruments, deferred tax assets and post-employment benefit assets is as follows:

	30 June 2025 HK\$ million	31 December 2024 HK\$ million	31 December 2023 HK\$ million	1 January 2023 HK\$ million
Hong Kong	66,014	73,423	72,857	76,195
Mainland China	53,626	54,341	57,362	63,398
The People's Republic of China	119,640	127,764	130,219	139,593
Europe	543,672	513,988	523,476	487,612
Canada	62,337	59,958	62,643	59,262
Asia, Australia and Others	192,077	185,897	197,955	193,888
	798,086	759,843	784,074	740,762
	917,726	887,607	914,293	880,355

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).

(xx) Current and non-current borrowings comprise bank and other debts and interest bearing loans from non-controlling shareholders.

(xxi) For the purpose of segmental information analysis, expenditures incurred for leases are not regarded as capital expenditures.

6 Operating segment information (continued)

(c) Reconciliation from Pre-IFRS 16 basis metrics to Post-IFRS 16 basis metrics

(i) Consolidated Income Statement

	Six months ended 30 June 2025		
	Pre-IFRS 16 basis HK\$ million	Effect on adoption of IFRS 16 HK\$ million	Post-IFRS 16 basis HK\$ million
Revenue	139,130	-	139,130
Cost of inventories sold	(53,636)	14	(53,622)
Staff costs	(21,727)	-	(21,727)
Expensed customer acquisition and retention costs	(6,290)	162	(6,128)
Depreciation and amortisation	(12,734)	(7,128)	(19,862)
Other expenses and losses	(42,861)	8,418	(34,443)
Other income and gains	434	453	887
Share of profits less losses of:			
Associated companies	4,741	(15)	4,726
Joint ventures	5,211	(90)	5,121
	12,268	1,814	14,082
Interest expenses and other finance costs	(4,830)	(1,491)	(6,321)
Profit before tax	7,438	323	7,761
Current tax charge	(1,944)	-	(1,944)
Deferred tax charge	(1,414)	52	(1,362)
Profit after tax	4,080	375	4,455
Profit attributable to non-controlling interests	(3,640)	37	(3,603)
Profit attributable to ordinary shareholders	440	412	852
Earnings per share for profit attributable to ordinary shareholders	HK\$ 0.11	HK\$ 0.11	HK\$ 0.22

6 Operating segment information (continued)

(c) Reconciliation from Pre-IFRS 16 basis metrics to Post-IFRS 16 basis metrics (continued)

(i) Consolidated Income Statement (continued)

	Six months ended 30 June 2024		
	Pre-IFRS 16 basis HK\$ million	Effect on adoption of IFRS 16 HK\$ million	Post-IFRS 16 basis HK\$ million
Revenue	136,451	-	136,451
Cost of inventories sold	(50,837)	14	(50,823)
Staff costs	(20,539)	-	(20,539)
Expensed customer acquisition and retention costs	(7,663)	192	(7,471)
Depreciation and amortisation	(12,772)	(7,054)	(19,826)
Other expenses and losses	(32,613)	8,262	(24,351)
Other income and gains	416	50	466
Share of profits less losses of:			
Associated companies	3,938	(30)	3,908
Joint ventures	4,745	(112)	4,633
	21,126	1,322	22,448
Interest expenses and other finance costs	(5,342)	(1,288)	(6,630)
Profit before tax	15,784	34	15,818
Current tax charge	(2,063)	-	(2,063)
Deferred tax charge	(197)	(1)	(198)
Profit after tax	13,524	33	13,557
Profit attributable to non-controlling interests and holders of perpetual capital securities	(3,332)	(20)	(3,352)
Profit attributable to ordinary shareholders	10,192	13	10,205
Earnings per share for profit attributable to ordinary shareholders	HK\$ 2.66	-	HK\$ 2.66

6 Operating segment information (continued)

(c) Reconciliation from Pre-IFRS 16 basis metrics to Post-IFRS 16 basis metrics (continued)

(i) Consolidated Income Statement (continued)

	Six months ended 30 June 2023		
	Pre-IFRS 16 basis HK\$ million	Effect on adoption of IFRS 16 HK\$ million	Post-IFRS 16 basis HK\$ million
Revenue	133,377	-	133,377
Cost of inventories sold	(51,139)	18	(51,121)
Staff costs	(19,445)	-	(19,445)
Expensed customer acquisition and retention costs	(7,199)	194	(7,005)
Depreciation and amortisation	(12,650)	(7,025)	(19,675)
Other expenses and losses	(32,560)	8,237	(24,323)
Other income and gains	2,134	-	2,134
Share of profits less losses of:			
Associated companies	4,100	(20)	4,080
Joint ventures	3,722	(2)	3,720
	20,340	1,402	21,742
Interest expenses and other finance costs	(4,462)	(1,225)	(5,687)
Profit before tax	15,878	177	16,055
Current tax charge	(1,573)	-	(1,573)
Deferred tax credit	189	9	198
Profit after tax	14,494	186	14,680
Profit attributable to non-controlling interests and holders of perpetual capital securities	(3,151)	13	(3,138)
Profit attributable to ordinary shareholders	11,343	199	11,542
Earnings per share for profit attributable to ordinary shareholders	HK\$ 2.96	HK\$ 0.05	HK\$ 3.01

6 Operating segment information (continued)

(c) Reconciliation from Pre-IFRS 16 basis metrics to Post-IFRS 16 basis metrics (continued)

(ii) Consolidated Statement of Comprehensive Income

	Six months ended 30 June 2025		
	Pre-IFRS 16 basis HK\$ million	Effect on adoption of IFRS 16 HK\$ million	Post-IFRS 16 basis HK\$ million
Profit after tax	4,080	375	4,455
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	219	-	219
Remeasurement of defined benefit obligations	(105)	-	(105)
Share of other comprehensive income of associated companies	31	-	31
Share of other comprehensive income of joint ventures	196	-	196
Tax relating to components of other comprehensive income (losses) that will not be reclassified to profit or loss	(38)	-	(38)
	303	-	303
Items that may be reclassified to profit or loss			
Changes in fair value of debt instruments at fair value through other comprehensive income	113	-	113
Exchange gains on translation of foreign operations	24,428	(654)	23,774
Reserves reclassified to profit or loss	(6,480)	-	(6,480)
Losses on cash flow hedges	(17)	-	(17)
Losses on net investment hedges	(3,700)	-	(3,700)
Share of other comprehensive income of associated companies	4,668	(19)	4,649
Share of other comprehensive income of joint ventures	9,227	(68)	9,159
Tax relating to components of other comprehensive income (losses) that may be reclassified to profit or loss	1	-	1
	28,240	(741)	27,499
Other comprehensive income, net of tax	28,543	(741)	27,802
Total comprehensive income	32,623	(366)	32,257
Total comprehensive income attributable to non-controlling interests	(7,133)	293	(6,840)
Total comprehensive income attributable to ordinary shareholders	25,490	(73)	25,417

6 Operating segment information (continued)

(c) Reconciliation from Pre-IFRS 16 basis metrics to Post-IFRS 16 basis metrics (continued)

(ii) Consolidated Statement of Comprehensive Income (continued)

	Six months ended 30 June 2024		
	Pre-IFRS 16 basis HK\$ million	Effect on adoption of IFRS 16 HK\$ million	Post-IFRS 16 basis HK\$ million
Profit after tax	13,524	33	13,557
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	(377)	-	(377)
Remeasurement of defined benefit obligations	498	-	498
Share of other comprehensive income (losses) of associated companies	(116)	-	(116)
Share of other comprehensive income (losses) of joint ventures	(910)	-	(910)
Tax relating to components of other comprehensive income (losses) that will not be reclassified to profit or loss	(112)	-	(112)
	(1,017)	-	(1,017)
Items that may be reclassified to profit or loss			
Changes in fair value of debt instruments at fair value through other comprehensive income	19	-	19
Exchange losses on translation of foreign operations	(4,843)	467	(4,376)
Losses on cash flow hedges	(27)	-	(27)
Gains on net investment hedges	635	-	635
Share of other comprehensive income (losses) of associated companies	(2,081)	(60)	(2,141)
Share of other comprehensive income (losses) of joint ventures	(2,346)	10	(2,336)
Tax relating to components of other comprehensive income (losses) that may be reclassified to profit or loss	2	-	2
	(8,641)	417	(8,224)
Other comprehensive income (losses), net of tax	(9,658)	417	(9,241)
Total comprehensive income	3,866	450	4,316
Total comprehensive income attributable to non-controlling interests and holders of perpetual capital securities	(1,941)	(171)	(2,112)
Total comprehensive income attributable to ordinary shareholders	1,925	279	2,204

6 Operating segment information (continued)

(c) Reconciliation from Pre-IFRS 16 basis metrics to Post-IFRS 16 basis metrics (continued)

(ii) Consolidated Statement of Comprehensive Income (continued)

	Six months ended 30 June 2023		
	Pre-IFRS 16 basis HK\$ million	Effect on adoption of IFRS 16 HK\$ million	Post-IFRS 16 basis HK\$ million
Profit after tax	14,494	186	14,680
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	605	-	605
Remeasurement of defined benefit obligations	101	-	101
Share of other comprehensive income (losses) of associated companies	(539)	-	(539)
Share of other comprehensive income of joint ventures	94	-	94
Tax relating to components of other comprehensive income (losses) that will not be reclassified to profit or loss	(36)	-	(36)
	225	-	225
Items that may be reclassified to profit or loss			
Changes in fair value of debt instruments at fair value through other comprehensive income	(4)	-	(4)
Exchange gains on translation of foreign operations	9,211	(270)	8,941
Losses on cash flow hedges	(1,145)	-	(1,145)
Losses on net investment hedges	(1,378)	-	(1,378)
Reclassification adjustments for hedging gains included in profit or loss	(1,735)	-	(1,735)
Share of other comprehensive income of associated companies	2,594	(7)	2,587
Share of other comprehensive income of joint ventures	4,203	(22)	4,181
Tax relating to components of other comprehensive income (losses) that may be reclassified to profit or loss	(1)	-	(1)
	11,745	(299)	11,446
Other comprehensive income, net of tax	11,970	(299)	11,671
Total comprehensive income	26,464	(113)	26,351
Total comprehensive income attributable to non-controlling interests and holders of perpetual capital securities	(4,410)	86	(4,324)
Total comprehensive income attributable to ordinary shareholders	22,054	(27)	22,027

6 Operating segment information (continued)

(c) Reconciliation from Pre-IFRS 16 basis metrics to Post-IFRS 16 basis metrics (continued)

(iii) Consolidated Statement of Financial Position

	30 June 2025		
	Pre-IFRS 16 basis HK\$ million	Effect on adoption of IFRS 16 HK\$ million	Post-IFRS 16 basis HK\$ million
Non-current assets			
Fixed assets	97,280	(881)	96,399
Right-of-use assets	-	60,547	60,547
Leasehold land	5,554	(5,554)	-
Telecommunications licences	48,930	-	48,930
Brand names and other rights	77,712	-	77,712
Goodwill	273,906	-	273,906
Associated companies	186,021	(892)	185,129
Interests in joint ventures	169,936	(1,556)	168,380
Deferred tax assets	5,565	1,825	7,390
Liquid funds and other listed investments	7,655	-	7,655
Other non-current assets	12,172	631	12,803
	884,731	54,120	938,851
Current assets			
Cash and cash equivalents	129,613	-	129,613
Inventories	27,228	-	27,228
Trade receivables and other current assets	43,945	(2,051)	41,894
	200,786	(2,051)	198,735
Current liabilities			
Bank and other debts	19,092	(31)	19,061
Current tax liabilities	1,633	(1)	1,632
Lease liabilities	-	14,036	14,036
Trade payables and other current liabilities	84,407	(1,546)	82,861
	105,132	12,458	117,590
Net current assets	95,654	(14,509)	81,145
Total assets less current liabilities	980,385	39,611	1,019,996
Non-current liabilities			
Bank and other debts	235,962	(68)	235,894
Interest bearing loans from non-controlling shareholders	3,932	-	3,932
Lease liabilities	-	54,131	54,131
Deferred tax liabilities	18,007	(714)	17,293
Pension obligations	3,289	-	3,289
Other non-current liabilities	30,301	(709)	29,592
	291,491	52,640	344,131
Net assets	688,894	(13,029)	675,865
Capital and reserves			
Share capital	3,830	-	3,830
Share premium	242,972	-	242,972
Reserves	317,050	(9,062)	307,988
Total ordinary shareholders' funds	563,852	(9,062)	554,790
Non-controlling interests	125,042	(3,967)	121,075
Total equity	688,894	(13,029)	675,865

6 Operating segment information (continued)

(c) Reconciliation from Pre-IFRS 16 basis metrics to Post-IFRS 16 basis metrics (continued)

(iii) Consolidated Statement of Financial Position (continued)

	31 December 2024		
	Pre-IFRS 16 basis HK\$ million	Effect on adoption of IFRS 16 HK\$ million	Post-IFRS 16 basis HK\$ million
Non-current assets			
Fixed assets	113,994	(2,217)	111,777
Right-of-use assets	-	57,589	57,589
Leasehold land	5,443	(5,443)	-
Telecommunications licences	63,869	-	63,869
Brand names and other rights	79,241	-	79,241
Goodwill	267,325	-	267,325
Associated companies	140,713	(858)	139,855
Interests in joint ventures	155,606	(1,398)	154,208
Deferred tax assets	16,423	1,717	18,140
Liquid funds and other listed investments	8,142	-	8,142
Other non-current assets	19,589	614	20,203
	870,345	50,004	920,349
Current assets			
Cash and cash equivalents	121,303	-	121,303
Inventories	24,923	-	24,923
Trade receivables and other current assets	47,978	(2,011)	45,967
	194,204	(2,011)	192,193
Current liabilities			
Bank and other debts	31,427	(471)	30,956
Interest bearing loan from a non-controlling shareholder	1,874	-	1,874
Current tax liabilities	3,431	(63)	3,368
Lease liabilities	-	12,142	12,142
Trade payables and other current liabilities	84,097	(1,452)	82,645
	120,829	10,156	130,985
Net current assets	73,375	(12,167)	61,208
Total assets less current liabilities	943,720	37,837	981,557
Non-current liabilities			
Bank and other debts	226,021	(585)	225,436
Interest bearing loans from non-controlling shareholders	1,597	-	1,597
Lease liabilities	-	52,377	52,377
Deferred tax liabilities	18,609	(635)	17,974
Pension obligations	3,197	-	3,197
Other non-current liabilities	29,023	(639)	28,384
	278,447	50,518	328,965
Net assets	665,273	(12,681)	652,592
Capital and reserves			
Share capital	3,830	-	3,830
Share premium	242,972	-	242,972
Reserves	296,847	(8,934)	287,913
Total ordinary shareholders' funds	543,649	(8,934)	534,715
Non-controlling interests	121,624	(3,747)	117,877
Total equity	665,273	(12,681)	652,592

6 Operating segment information (continued)

(c) Reconciliation from Pre-IFRS 16 basis metrics to Post-IFRS 16 basis metrics (continued)

(iii) Consolidated Statement of Financial Position (continued)

	31 December 2023		
	Pre-IFRS 16 basis HK\$ million	Effect on adoption of IFRS 16 HK\$ million	Post-IFRS 16 basis HK\$ million
Non-current assets			
Fixed assets	121,957	(2,131)	119,826
Right-of-use assets	-	61,198	61,198
Leasehold land	5,958	(5,958)	-
Telecommunications licences	64,264	-	64,264
Brand names and other rights	83,396	-	83,396
Goodwill	271,136	-	271,136
Associated companies	144,375	(737)	143,638
Interests in joint ventures	157,516	(1,179)	156,337
Deferred tax assets	19,337	1,737	21,074
Liquid funds and other listed investments	15,786	-	15,786
Other non-current assets	19,356	506	19,862
	903,081	53,436	956,517
Current assets			
Cash and cash equivalents	127,323	-	127,323
Inventories	24,473	-	24,473
Trade receivables and other current assets	52,505	(1,915)	50,590
	204,301	(1,915)	202,386
Current liabilities			
Bank and other debts	58,785	(461)	58,324
Current tax liabilities	4,215	(49)	4,166
Lease liabilities	-	13,616	13,616
Trade payables and other current liabilities	87,477	(1,058)	86,419
	150,477	12,048	162,525
Net current assets	53,824	(13,963)	39,861
Total assets less current liabilities	956,905	39,473	996,378
Non-current liabilities			
Bank and other debts	214,362	(764)	213,598
Interest bearing loans from non-controlling shareholders	3,245	-	3,245
Lease liabilities	-	54,307	54,307
Deferred tax liabilities	20,381	(809)	19,572
Pension obligations	3,536	-	3,536
Other non-current liabilities	31,571	-	31,571
	273,095	52,734	325,829
Net assets	683,810	(13,261)	670,549
Capital and reserves			
Share capital	3,830	-	3,830
Share premium	242,972	-	242,972
Reserves	306,629	(9,396)	297,233
Total ordinary shareholders' funds	553,431	(9,396)	544,035
Perpetual capital securities	4,566	-	4,566
Non-controlling interests	125,813	(3,865)	121,948
Total equity	683,810	(13,261)	670,549

6 Operating segment information (continued)

(c) Reconciliation from Pre-IFRS 16 basis metrics to Post-IFRS 16 basis metrics (continued)

(iii) Consolidated Statement of Financial Position (continued)

	1 January 2023		
	Pre-IFRS 16 basis HK\$ million	Effect on adoption of IFRS 16 HK\$ million	Post-IFRS 16 basis HK\$ million
Non-current assets			
Fixed assets	114,564	(1,914)	112,650
Right-of-use assets	-	59,337	59,337
Leasehold land	6,129	(6,129)	-
Telecommunications licences	60,689	-	60,689
Brand names and other rights	83,694	-	83,694
Goodwill	268,008	-	268,008
Associated companies	141,475	(764)	140,711
Interests in joint ventures	149,692	(1,131)	148,561
Deferred tax assets	16,954	1,555	18,509
Liquid funds and other listed investments	16,103	-	16,103
Other non-current assets	15,358	542	15,900
	872,666	51,496	924,162
Current assets			
Cash and cash equivalents	138,085	-	138,085
Inventories	23,283	-	23,283
Trade receivables and other current assets	58,728	(1,917)	56,811
	220,096	(1,917)	218,179
Assets classified as held for sale	5,178	918	6,096
	225,274	(999)	224,275
Current liabilities			
Bank and other debts	70,430	(300)	70,130
Current tax liabilities	4,040	(39)	4,001
Lease liabilities	-	12,128	12,128
Trade payables and other current liabilities	90,407	(1,278)	89,129
	164,877	10,511	175,388
Liabilities directly associated with assets classified as held for sale	207	920	1,127
	165,084	11,431	176,515
Net current assets	60,190	(12,430)	47,760
Total assets less current liabilities	932,856	39,066	971,922
Non-current liabilities			
Bank and other debts	214,963	(767)	214,196
Interest bearing loans from non-controlling shareholders	2,567	-	2,567
Lease liabilities	-	53,931	53,931
Deferred tax liabilities	20,145	(855)	19,290
Pension obligations	2,730	-	2,730
Other non-current liabilities	31,897	2	31,899
	272,302	52,311	324,613
Net assets	660,554	(13,245)	647,309
Capital and reserves			
Share capital	3,830	-	3,830
Share premium	242,972	-	242,972
Reserves	286,167	(9,456)	276,711
Total ordinary shareholders' funds	532,969	(9,456)	523,513
Perpetual capital securities	4,561	-	4,561
Non-controlling interests	123,024	(3,789)	119,235
Total equity	660,554	(13,245)	647,309

6 Operating segment information (continued)

(c) Reconciliation from Pre-IFRS 16 basis metrics to Post-IFRS 16 basis metrics (continued)

(iv) Consolidated Statement of Cash Flows

	Six months ended 30 June 2025		
	Pre-IFRS 16 basis HK\$ million	Effect on adoption of IFRS 16 HK\$ million	Post-IFRS 16 basis HK\$ million
	(A)		(B)
Operating activities			
Cash generated from operating activities before interest expenses and other finance costs, tax paid and changes in working capital	28,350	8,568	36,918
Interest expenses and other finance costs paid (net of capitalisation)	(4,761)	(1,491)	(6,252)
Tax paid	(2,792)	-	(2,792)
Funds from operations (Funds from operations under (B) is before principal elements of lease payments)	20,797	7,077	27,874
Changes in working capital	2,463	624	3,087
Net cash from operating activities	23,260	7,701	30,961
Investing activities			
Purchase of fixed assets	(7,811)	92	(7,719)
Additions to brand names and other rights	(869)	-	(869)
Additions to unlisted investments	(59)	-	(59)
Repayments of loans from associated companies and joint ventures	317	-	317
Purchase of and advances to associated companies and joint ventures	(492)	-	(492)
Proceeds from disposal of fixed assets	21	-	21
Proceeds from disposal of subsidiary companies, net of cash disposed	14,902	-	14,902
Proceeds from partial disposal / disposal of associated companies and joint ventures	926	-	926
Proceeds from disposal of other unlisted investments	14	-	14
Cash flows from investing activities before additions to / disposal of liquid funds and other listed investments	6,949	92	7,041
Disposal of liquid funds and other listed investments	926	-	926
Additions to liquid funds and other listed investments	(88)	-	(88)
Cash flows from investing activities	7,787	92	7,879
Net cash inflow before financing activities	31,047	7,793	38,840
Financing activities			
New borrowings	25,922	(90)	25,832
Repayment of borrowings	(39,769)	253	(39,516)
Principal elements of lease payments	-	(7,956)	(7,956)
Net loans to non-controlling shareholders	(8)	-	(8)
Issue of equity securities by subsidiary companies to non-controlling shareholders	56	-	56
Payments to acquire additional interests in subsidiary companies	(223)	-	(223)
Dividends paid to ordinary shareholders	(5,799)	-	(5,799)
Dividends paid to non-controlling interests	(2,916)	-	(2,916)
Cash flows used in financing activities	(22,737)	(7,793)	(30,530)
Increase in cash and cash equivalents	8,310	-	8,310
Cash and cash equivalents at 1 January	121,303	-	121,303
Cash and cash equivalents at 30 June	129,613	-	129,613
Analysis of cash, liquid funds and other listed investments at 30 June			
Cash and cash equivalents, as above	129,613	-	129,613
Liquid funds and other listed investments	7,655	-	7,655
Total cash, liquid funds and other listed investments	137,268	-	137,268
Total principal amount of bank and other debts and unamortised fair value adjustments arising from acquisitions	256,589	(99)	256,490
Interest bearing loans from non-controlling shareholders	3,932	-	3,932
Net debt	123,253	(99)	123,154
Interest bearing loans from non-controlling shareholders	(3,932)	-	(3,932)
Net debt (excluding interest bearing loans from non-controlling shareholders)	119,321	(99)	119,222

6 Operating segment information (continued)

(c) Reconciliation from Pre-IFRS 16 basis metrics to Post-IFRS 16 basis metrics (continued)

(iv) Consolidated Statement of Cash Flows (continued)

	Six months ended 30 June 2024		
	Pre-IFRS 16 basis HK\$ million	Effect on adoption of IFRS 16 HK\$ million	Post-IFRS 16 basis HK\$ million
	(A)		(B)
Operating activities			
Cash generated from operating activities before interest expenses and other finance costs, tax paid and changes in working capital	28,746	8,289	37,035
Interest expenses and other finance costs paid (net of capitalisation)	(5,279)	(1,288)	(6,567)
Tax paid	(2,274)	-	(2,274)
Funds from operations (Funds from operations under (B) is before principal elements of lease payments)	21,193	7,001	28,194
Changes in working capital	(5,346)	117	(5,229)
Net cash from operating activities	15,847	7,118	22,965
Investing activities			
Purchase of fixed assets	(8,935)	118	(8,817)
Additions to telecommunications licences	(60)	-	(60)
Additions to brand names and other rights	(751)	-	(751)
Purchase of subsidiary companies, net of cash acquired	(10)	-	(10)
Additions to unlisted investments	(22)	-	(22)
Repayments of loans from associated companies and joint ventures	350	-	350
Purchase of and advances to associated companies and joint ventures	(1,604)	-	(1,604)
Proceeds from disposal of fixed assets	115	-	115
Proceeds from disposal of subsidiary companies, net of cash disposed	333	-	333
Proceeds from partial disposal / disposal of associated companies and joint ventures	179	-	179
Proceeds from disposal of other unlisted investments	262	-	262
Cash flows used in investing activities before additions to / disposal of liquid funds and other listed investments	(10,143)	118	(10,025)
Disposal of liquid funds and other listed investments	3,297	-	3,297
Additions to liquid funds and other listed investments	(75)	-	(75)
Cash flows used in investing activities	(6,921)	118	(6,803)
Net cash inflow before financing activities	8,926	7,236	16,162
Financing activities			
New borrowings	32,448	(107)	32,341
Repayment of borrowings	(20,058)	241	(19,817)
Principal elements of lease payments	-	(7,370)	(7,370)
Net loans to non-controlling shareholders	(21)	-	(21)
Issue of equity securities by subsidiary companies to non-controlling shareholders	27	-	27
Redemption of perpetual capital securities	(4,180)	-	(4,180)
Dividends paid to ordinary shareholders	(6,798)	-	(6,798)
Dividends paid to non-controlling interests	(5,906)	-	(5,906)
Distributions paid on perpetual capital securities	(162)	-	(162)
Cash flows used in financing activities	(4,650)	(7,236)	(11,886)
Increase in cash and cash equivalents	4,276	-	4,276
Cash and cash equivalents at 1 January	127,323	-	127,323
Cash and cash equivalents at 30 June	131,599	-	131,599
Analysis of cash, liquid funds and other listed investments at 30 June			
Cash and cash equivalents, as above	131,599	-	131,599
Liquid funds and other listed investments	11,477	-	11,477
Total cash, liquid funds and other listed investments	143,076	-	143,076
Total principal amount of bank and other debts and unamortised fair value adjustments arising from acquisitions	280,835	(1,092)	279,743
Interest bearing loans from non-controlling shareholders	3,141	-	3,141
Net debt	140,900	(1,092)	139,808
Interest bearing loans from non-controlling shareholders	(3,141)	-	(3,141)
Net debt (excluding interest bearing loans from non-controlling shareholders)	137,759	(1,092)	136,667

6 Operating segment information (continued)

(c) Reconciliation from Pre-IFRS 16 basis metrics to Post-IFRS 16 basis metrics (continued)

(iv) Consolidated Statement of Cash Flows (continued)

	Six months ended 30 June 2023		
	Pre-IFRS 16 basis HK\$ million	Effect on adoption of IFRS 16 HK\$ million	Post-IFRS 16 basis HK\$ million
	(A)		(B)
Operating activities			
Cash generated from operating activities before interest expenses and other finance costs, tax paid and changes in working capital	27,137	8,416	35,553
Interest expenses and other finance costs paid (net of capitalisation)	(4,396)	(1,225)	(5,621)
Tax paid	(1,760)	-	(1,760)
Funds from operations (Funds from operations under (B) is before principal elements of lease payments)	20,981	7,191	28,172
Changes in working capital	(7,140)	159	(6,981)
Net cash from operating activities	13,841	7,350	21,191
Investing activities			
Purchase of fixed assets	(9,918)	172	(9,746)
Additions to telecommunications licences	(1,009)	-	(1,009)
Additions to brand names and other rights	(649)	-	(649)
Purchase of subsidiary companies, net of cash acquired	(79)	-	(79)
Additions to unlisted investments	(39)	-	(39)
Repayments of loans from associated companies and joint ventures	2,241	-	2,241
Purchase of and advances to associated companies and joint ventures	(95)	-	(95)
Proceeds from disposal of fixed assets	19	-	19
Proceeds from disposal of subsidiary companies, net of cash disposed	2,563	-	2,563
Proceeds from disposal of joint ventures	723	-	723
Proceeds from disposal of other unlisted investments	74	-	74
Cash flows used in investing activities before additions to / disposal of liquid funds and other listed investments	(6,169)	172	(5,997)
Disposal of liquid funds and other listed investments	15	-	15
Additions to liquid funds and other listed investments	(65)	-	(65)
Cash flows used in investing activities	(6,219)	172	(6,047)
Net cash inflow before financing activities	7,622	7,522	15,144
Financing activities			
New borrowings	38,294	(172)	38,122
Repayment of borrowings	(44,162)	150	(44,012)
Principal elements of lease payments	-	(7,500)	(7,500)
Net loans to non-controlling shareholders	(30)	-	(30)
Dividends paid to ordinary shareholders	(7,989)	-	(7,989)
Dividends paid to non-controlling interests	(2,913)	-	(2,913)
Distributions paid on perpetual capital securities	(167)	-	(167)
Cash flows used in financing activities	(16,967)	(7,522)	(24,489)
Decrease in cash and cash equivalents	(9,345)	-	(9,345)
Cash and cash equivalents at 1 January	138,085	-	138,085
Cash and cash equivalents at 30 June	128,740	-	128,740
Analysis of cash, liquid funds and other listed investments at 30 June			
Cash and cash equivalents, as above	128,740	-	128,740
Liquid funds and other listed investments	17,995	-	17,995
Total cash, liquid funds and other listed investments	146,735	-	146,735
Total principal amount of bank and other debts and unamortised fair value adjustments arising from acquisitions	285,928	(1,162)	284,766
Interest bearing loans from non-controlling shareholders	2,549	-	2,549
Net debt	141,742	(1,162)	140,580
Interest bearing loans from non-controlling shareholders	(2,549)	-	(2,549)
Net debt (excluding interest bearing loans from non-controlling shareholders)	139,193	(1,162)	138,031

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.

	Six months ended 30 June		
	2025	2024	2023
	HK\$ million	HK\$ million	HK\$ million
Cost of goods sold: ^(a)			
included in “Cost of inventories sold”	53,622	50,823	51,121
included in “Expensed customer acquisition and retention costs”	3,195	4,413	4,311
	56,817	55,236	55,432
Depreciation and amortisation: ^(b)			
Fixed assets (see note 12)	8,403	8,554	8,489
Right-of-use assets (see note 13(b))	7,413	7,330	7,293
Telecommunications licences (see note 14)	463	444	477
Brand names and other rights (see note 15)	1,608	1,586	1,626
Customer acquisition and retention costs (see note 21(a))	1,975	1,912	1,790
	19,862	19,826	19,675
Other expenses and losses: ^(c)			
Cost of providing services	14,921	15,066	14,597
Office and general administrative expenses and others	4,714	4,272	4,719
Expenses relating to short-term leases (see note 13(b))	351	468	217
Expenses relating to leases of low-value assets that are not short-term leases (see note 13(b))	179	262	275
Expenses relating to variable lease payments not included in lease liabilities (see note 13(b))	1,096	1,041	1,180
Advertising and promotion expenses	2,183	2,292	2,321
Legal and professional fees	1,510	937	944
Loss on disposal of fixed assets	24	-	70
Loss on disposal of subsidiary companies ^(d)	9,462	-	-
Loss on disposal of associated companies and joint ventures	3	13	-
	34,443	24,351	24,323
Other income and gains:			
Gains on disposal of subsidiary companies (see note 32(d))	-	364	74
Gains on disposals of associated companies and joint ventures	-	-	226
A gain on disposal of financial instruments (see note 6(b)(xvii))	-	-	1,829
Gains on note buybacks	883	-	-
Others	4	102	5
	887	466	2,134

(a) The Group’s cost of goods sold for the period amounted to HK\$53,622 million (30 June 2024: HK\$50,823 million; 30 June 2023: HK\$51,121 million), comprising: Retail segment of HK\$48,685 million (30 June 2024: HK\$45,437 million; 30 June 2023: HK\$45,188 million), Infrastructure segment of HK\$642 million (30 June 2024: HK\$716 million; 30 June 2023: HK\$918 million), Telecommunications segment of HK\$962 million (30 June 2024: HK\$940 million; 30 June 2023: HK\$1,054 million) and Finance & Investments and Others segment of HK\$3,333 million (30 June 2024: HK\$3,730 million; 30 June 2023: HK\$3,961 million).

(b) See note 6(b)(iv) for contribution by segments.

7 Presentation of cost of goods sold, depreciation and amortisation, other expenses and losses and other income and gains (continued)

- (c) The Group incurred service provision costs of HK\$14,921 million (30 June 2024: HK\$15,066 million; 30 June 2023: HK\$14,597 million), comprising: (i) telecommunication network related costs of HK\$9,533 million (30 June 2024: HK\$9,640 million; 30 June 2023: HK\$9,510 million), (ii) repair and maintenance of HK\$2,116 million (30 June 2024: HK\$2,129 million; 30 June 2023: HK\$2,051 million) and (iii) other costs of HK\$3,272 million (30 June 2024: HK\$3,297 million; 30 June 2023: HK\$3,036 million). By segment, these costs were allocated as: Ports and Related Services: HK\$3,525 million (30 June 2024: HK\$3,283 million; 30 June 2023: HK\$3,069 million), Retail: HK\$147 million (30 June 2024: HK\$157 million; 30 June 2023: HK\$144 million), Infrastructure: HK\$383 million (30 June 2024: HK\$566 million; 30 June 2023: HK\$587 million), Telecommunications: HK\$10,624 million (30 June 2024: HK\$10,813 million; 30 June 2023: HK\$10,578 million) and Finance & Investments and Others: HK\$242 million (30 June 2024: HK\$247 million; 30 June 2023: HK\$219 million).
- (d) The merger transaction to combine the Group's and Vodafone Group's respective telecommunications operations in the UK was completed on 31 May 2025. Immediately following completion, 3UK and its subsidiaries have ceased as subsidiaries of the Group and have been de-consolidated from the consolidated financial statements of the Company and the combined business, named VodafoneThree, is 51% owned by Vodafone and 49% by the Group.

This transaction is accounted for in these consolidated financial statements as a disposal of the Group's entire interest in 3UK and concurrently an acquisition of a 49% interest in the combined business. The loss on disposal of subsidiary companies for the current period reported above represents the loss on de-recognition of 3UK and its subsidiaries from the consolidated financial statements of the Company.

8 Interest expenses and other finance costs

	Six months ended 30 June		
	2025	2024	2023
	HK\$ million	HK\$ million	HK\$ million
Bank loans and overdrafts	1,818	2,433	1,937
Other loans	1	2	2
Notes and bonds	2,805	2,723	2,408
Interest bearing loans from non-controlling shareholders	74	83	52
Other finance costs	55	26	78
Amortisation of loan facilities fees and premiums or discounts relating to debts	119	117	119
Other non-cash interest adjustments ^(a)	(50)	(54)	(53)
	4,822	5,330	4,543
Less: interest capitalised	(13)	(11)	(100)
Interest on lease liabilities (see note 13(b))	1,512	1,311	1,244
	6,321	6,630	5,687

- (a) Other non-cash interest adjustments represent amortisation of acquisition-date fair value adjustments relating to debts of HK\$161 million (30 June 2024: HK\$171 million; 30 June 2023: HK\$170 million) net with accretion expense associated with an increase in the present value of certain obligations over time.

9 Tax

	Six months ended 30 June		
	2025	2024	2023
	HK\$ million	HK\$ million	HK\$ million
Current tax charge			
Hong Kong	70	18	25
Outside Hong Kong	1,874	2,045	1,548
	1,944	2,063	1,573
Deferred tax charge (credit)			
Hong Kong	(1)	(6)	7
Outside Hong Kong	1,363	204	(205)
	1,362	198	(198)
	3,306	2,261	1,375

The Group's profits are taxed at different rates depending on the country or territory in which the profits arise.

Hong Kong profits tax has been provided for at the rate of 16.5% (30 June 2024: 16.5%; 30 June 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 Group is within the scope of the Pillar Two Model Rules published by the Organisation for Economic Co-operation and Development. Pillar Two legislation has been enacted and is in effect in certain jurisdictions where the Group operates, as of 30 June 2025. Based on the Group's assessment for the six-month period ended 30 June 2025 and the information currently available, the overall impact of Pillar Two rules on the Group's income tax position - including current tax - is not material. The Group will continue to monitor developments in Pillar Two legislation across relevant jurisdictions and assess the potential future impact on its financial statements.

Furthermore, in accordance with the IAS 12, the Group applies the mandatory exception from recognising and disclosing deferred tax assets and liabilities related to Pillar Two income taxes.

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\$852 million (30 June 2024: HK\$10,205 million; 30 June 2023: HK\$11,542 million) and 3,830,044,500 shares in issue during the six months ended 30 June 2025 (30 June 2024: 3,830,044,500 shares; 30 June 2023: 3,830,044,500 shares).

The Company and its subsidiary companies do not have a share option scheme or other dilutive potential ordinary shares as at 30 June 2025, 30 June 2024 and 30 June 2023. Certain of the Company's associated companies have employee share options outstanding as at 30 June 2025, 30 June 2024 and 30 June 2023. The employee share options of these associated companies outstanding as at 30 June 2025, 30 June 2024 and 30 June 2023 did not have a dilutive effect on earnings per share.

11 Distributions and dividends

(a) Distribution paid on perpetual capital securities

	Six months ended 30 June		
	2025	2024	2023
	HK\$ million	HK\$ million	HK\$ million
Distribution paid on perpetual capital securities	-	162	167

(b) Dividends

	Six months ended 30 June		
	2025	2024	2023
	HK\$ million	HK\$ million	HK\$ million
Interim dividend, declared of HK\$0.710 per share (30 June 2024: HK\$0.688 per share; 30 June 2023: HK\$0.756 per share)	2,719	2,635	2,896

In addition, final dividend in respect of the year 2024 of HK\$1.514 per share totalling HK\$5,799 million (2023: HK\$1.775 per share totalling HK\$6,798 million; 2022: HK\$2.086 per share totalling HK\$7,989 million) was approved and paid during the current period.

12 Fixed assets

	Land and buildings HK\$ million	Telecom- munications network assets HK\$ million	Other assets HK\$ million	Total HK\$ million
At 1 January 2023				
Cost	28,981	70,505	88,835	188,321
Accumulated depreciation and impairment	(7,210)	(30,943)	(37,518)	(75,671)
	21,771	39,562	51,317	112,650
At 31 December 2023				
Cost	30,939	82,238	98,779	211,956
Accumulated depreciation and impairment	(8,366)	(39,701)	(44,063)	(92,130)
	22,573	42,537	54,716	119,826
At 31 December 2024				
Cost	31,124	82,209	94,310	207,643
Accumulated depreciation and impairment	(8,927)	(43,028)	(43,911)	(95,866)
	22,197	39,181	50,399	111,777
Six months ended 30 June 2025				
Net book value at 1 January 2025	22,197	39,181	50,399	111,777
Additions	226	1,393	6,100	7,719
Disposals	(1)	(6)	(34)	(41)
Relating to subsidiaries disposed (see note 32(d))	(205)	(4,611)	(19,512)	(24,328)
Depreciation charge for the period	(564)	(3,973)	(3,866)	(8,403)
Transfer between categories	(110)	2,609	(2,499)	-
Exchange translation differences	1,355	4,464	3,856	9,675
	22,898	39,057	34,444	96,399
Net book value at 30 June 2025	22,898	39,057	34,444	96,399
At 30 June 2025				
Cost	32,202	78,395	75,023	185,620
Accumulated depreciation and impairment	(9,304)	(39,338)	(40,579)	(89,221)
	22,898	39,057	34,444	96,399

13 Leases

(a) Group as a lessee - amounts recognised in the consolidated statement of financial position

	30 June 2025 HK\$ million	31 December 2024 HK\$ million	31 December 2023 HK\$ million	1 January 2023 HK\$ million
Right-of-use assets				
Container terminals	16,531	14,818	15,312	15,225
Retail stores	20,820	19,924	20,653	20,715
Telecommunications network infrastructure sites	13,384	12,956	14,688	13,085
Leasehold land	5,554	5,443	5,958	6,129
Other assets	4,258	4,448	4,587	4,183
	60,547	57,589	61,198	59,337
Lease liabilities				
Current	14,036	12,142	13,616	12,128
Non-current	54,131	52,377	54,307	53,931
	68,167	64,519	67,923	66,059

Additions to the right-of-use assets and lease liabilities during the period ended 30 June 2025 were HK\$7,574 million (30 June 2024: HK\$3,229 million; 30 June 2023: HK\$5,858 million) and HK\$7,570 million (30 June 2024: HK\$3,220 million; 30 June 2023: HK\$5,858 million), respectively.

(b) Group as a lessee - additional disclosures

	Six months ended 30 June 2025 HK\$ million	2024 HK\$ million	2023 HK\$ million
Depreciation charge of right-of-use assets (included in "Depreciation and amortisation")	7,413	7,330	7,293
Interest on lease liabilities (included in "Interest expenses and other finance costs")	1,512	1,311	1,244
Expenses relating to short-term leases (included in "Other expenses and losses")	351	468	217
Expenses relating to leases of low-value assets that are not short-term leases (included in "Other expenses and losses")	179	262	275
Expenses relating to variable lease payments not included in lease liabilities (included in "Other expenses and losses")	1,096	1,041	1,180

14 Telecommunications licences

	HK\$ million
At 1 January 2023	
Cost	67,054
Accumulated amortisation and impairment	(6,365)
	60,689
At 31 December 2023	
Cost	71,396
Accumulated amortisation and impairment	(7,132)
	64,264
At 31 December 2024	
Cost	71,600
Accumulated amortisation and impairment	(7,731)
	63,869
Six months ended 30 June 2025	
Net book value at 1 January 2025	63,869
Amortisation for the period	(463)
Relating to subsidiaries disposed (see note 32(d))	(21,121)
Exchange translation differences	6,645
	48,930
Net book value at 30 June 2025	48,930
At 30 June 2025	
Cost	57,779
Accumulated amortisation and impairment	(8,849)
	48,930

The Group's telecommunications licences in Italy with a carrying value of HK\$39,236 million (31 December 2024: UK and Italy of HK\$19,737 million and HK\$31,704 million respectively; 31 December 2023: UK and Italy of HK\$19,914 million and HK\$33,781 million respectively; 1 January 2023: UK and Italy of HK\$18,924 million and HK\$32,527 million respectively) are considered to have an indefinite useful life. These telecommunications licences have been allocated to the Telecommunications segment.

15 Brand names and other rights

	Brand names HK\$ million	Other rights HK\$ million	Total HK\$ million
At 1 January 2023			
Cost	66,985	31,825	98,810
Accumulated amortisation and impairment	(86)	(15,030)	(15,116)
	66,899	16,795	83,694
At 31 December 2023			
Cost	68,148	34,120	102,268
Accumulated amortisation and impairment	(94)	(18,778)	(18,872)
	68,054	15,342	83,396
At 31 December 2024			
Cost	66,661	32,660	99,321
Accumulated amortisation and impairment	(102)	(19,978)	(20,080)
	66,559	12,682	79,241
Six months ended 30 June 2025			
Net book value at 1 January 2025	66,559	12,682	79,241
Additions	-	869	869
Amortisation for the period	(5)	(1,603)	(1,608)
Relating to subsidiaries disposed (see note 32(d))	(5,212)	(71)	(5,283)
Exchange translation differences	3,182	1,311	4,493
	64,524	13,188	77,712
Net book value at 30 June 2025	64,524	13,188	77,712
At 30 June 2025			
Cost	64,635	37,209	101,844
Accumulated amortisation and impairment	(111)	(24,021)	(24,132)
	64,524	13,188	77,712

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 30 June 2025 of HK\$50,400 million (31 December 2024: HK\$49,181 million; 31 December 2023: HK\$49,730 million; 1 January 2023: HK\$49,294 million) and HK\$13,977 million (31 December 2024: HK\$17,235 million; 31 December 2023: HK\$18,156 million; 1 January 2023: HK\$17,424 million) has been allocated 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 30 June 2025, the carrying value of these rights amounted to HK\$8,954 million (31 December 2024: HK\$8,423 million; 31 December 2023: HK\$9,773 million; 1 January 2023: HK\$10,433 million) and HK\$4,234 million (31 December 2024: HK\$4,259 million; 31 December 2023: HK\$5,569 million; 1 January 2023: HK\$6,362 million) respectively.

16 Goodwill

	HK\$ million
At 1 January 2023	
Cost	293,070
Accumulated impairment	(25,062)
	268,008
At 31 December 2023	
Cost	297,159
Accumulated impairment	(26,023)
	271,136
At 31 December 2024	
Cost	291,757
Accumulated impairment	(24,432)
	267,325
Six months ended 30 June 2025	
Net book value at 1 January 2025	267,325
Relating to subsidiaries disposed (see note 32(d))	(3,528)
Exchange translation differences	10,109
	273,906
Net book value at 30 June 2025	273,906
At 30 June 2025	
Cost	301,397
Accumulated impairment	(27,491)
	273,906

As at 30 June 2025, the carrying amount of goodwill has been mainly allocated to Telecommunications segment of HK\$87,666 million (31 December 2024: HK\$81,085 million; 31 December 2023: HK\$84,897 million; 1 January 2023: HK\$81,771 million), Retail segment of HK\$114,095 million (31 December 2024: HK\$114,095 million; 31 December 2023: HK\$114,099 million; 1 January 2023: HK\$114,098 million), and Infrastructure segment of HK\$39,129 million (31 December 2024: HK\$39,129 million; 31 December 2023: HK\$39,123 million; 1 January 2023: HK\$39,123 million).

17 Associated companies

	30 June 2025 HK\$ million	31 December 2024 HK\$ million	31 December 2023 HK\$ million	1 January 2023 HK\$ million
Unlisted shares	51,959	11,193	9,071	9,071
Listed shares, Hong Kong	62,919	62,919	62,919	62,919
Listed shares, outside Hong Kong	79,593	80,612	80,837	81,012
Share of undistributed post acquisition reserves	(9,713)	(16,005)	(12,081)	(15,264)
	184,758	138,719	140,746	137,738
Amounts due from (net with amounts due to) associated companies ^(a)	371	1,136	2,892	2,973
	185,129	139,855	143,638	140,711

The current period balance includes an addition of a 49% interest in VodafoneThree which the Group received following the completion of the merger transaction to combine the Group's and Vodafone Group's respective telecommunications operations in the UK on 31 May 2025. The value of the Group's 49% interest in VodafoneThree was determined at HK\$40,766 million, based on the average valuation of five independent mid-point valuation analyses (see note 32(d)).

The market value of the above listed investments at 30 June 2025 was HK\$110,764 million (31 December 2024: HK\$111,361 million; 31 December 2023: HK\$112,390 million; 1 January 2023: HK\$117,220 million), inclusive of HK\$32,705 million (31 December 2024: HK\$37,292 million; 31 December 2023: HK\$41,370 million; 1 January 2023: HK\$47,735 million) and HK\$38,682 million (31 December 2024: HK\$41,598 million; 31 December 2023: HK\$34,614 million; 1 January 2023: HK\$32,811 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 35.

(a) Amounts due from (net with amounts due to) associated companies

	30 June 2025 HK\$ million	31 December 2024 HK\$ million	31 December 2023 HK\$ million	1 January 2023 HK\$ million
Amounts due from associated companies ⁽ⁱ⁾				
Interest free	2,143	428	410	398
Interest bearing at fixed rates ⁽ⁱⁱ⁾	741	839	2,618	2,739
Interest bearing at floating rates ⁽ⁱⁱⁱ⁾	408	404	407	405
	3,292	1,671	3,435	3,542
Amounts due to associated companies ^(iv)				
Interest free	2,921	535	543	569
Amounts due from (net with amounts due to) associated companies	371	1,136	2,892	2,973

- (i) At 30 June 2025, 31 December 2024, 31 December 2023 and 1 January 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 30 June 2025, HK\$741 million (31 December 2024: HK\$839 million; 31 December 2023: HK\$2,618 million; 1 January 2023: HK\$2,739 million) bear interests at fixed rates ranging from approximately 4.7% to 11.2% (31 December 2024: 4.7% to 11.2%; 31 December 2023: 4.7% to 11.2%; 1 January 2023: 4.7% to 11.2%) per annum.
- (iii) At 30 June 2025, HK\$408 million (31 December 2024: HK\$404 million; 31 December 2023: HK\$407 million; 1 January 2023: HK\$405 million) bear interests at floating rates ranging from approximately 4.1% to 5.1% (31 December 2024: 5.0% to 5.8%; 31 December 2023: 6.0% to 6.4%; 1 January 2023: 3.4% to 4.1%) per annum with reference to Euro Interbank Offered Rate ("EURIBOR") and Hong Kong Interbank Offered Rate ("HIBOR"), where applicable.
- (iv) At 30 June 2025, 31 December 2024, 31 December 2023 and 1 January 2023, the amounts due to associated companies are unsecured and have no fixed terms of repayment.

18 Interests in joint ventures

	30 June 2025 HK\$ million	31 December 2024 HK\$ million	31 December 2023 HK\$ million	1 January 2023 HK\$ million
Unlisted shares	133,682	133,389	127,116	118,039
Share of undistributed post acquisition reserves	16,938	4,136	7,154	1,049
	150,620	137,525	134,270	119,088
Amounts due from (net with amounts due to) joint ventures ^(a)	17,760	16,683	22,067	29,473
	168,380	154,208	156,337	148,561

There are no material contingent liabilities relating to the Group's interests in the joint ventures, save for those disclosed in note 35.

(a) Amounts due from (net with amounts due to) joint ventures

	30 June 2025 HK\$ million	31 December 2024 HK\$ million	31 December 2023 HK\$ million	1 January 2023 HK\$ million
Amounts due from joint ventures ⁽ⁱ⁾				
Interest free	2,412	2,525	2,239	2,764
Interest bearing at fixed rates ⁽ⁱⁱ⁾	6,480	5,972	7,972	9,650
Interest bearing at floating rates ⁽ⁱⁱⁱ⁾	9,085	8,456	12,166	17,378
	17,977	16,953	22,377	29,792
Amounts due to joint ventures ^(iv)				
Interest free	217	270	310	319
Amounts due from (net with amounts due to) joint ventures	17,760	16,683	22,067	29,473

- (i) At 30 June 2025, 31 December 2024, 31 December 2023 and 1 January 2023, the amounts due from joint ventures are unsecured and have no fixed terms of repayment except for HK\$182 million which are repayable within one year (31 December 2024: HK\$322 million which are repayable within one year; 31 December 2023: HK\$32 million which are repayable within one to two years; 1 January 2023: HK\$1,650 million which are repayable within one to three 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 30 June 2025, HK\$6,480 million (31 December 2024: HK\$5,972 million; 31 December 2023: HK\$7,972 million; 1 January 2023: HK\$9,650 million) bear interests at fixed rates ranging from approximately 4.2% to 10.0% (31 December 2024: 4.2% to 10.0%; 31 December 2023: 4.4% to 11.0%; 1 January 2023: 4.4% to 11.0%) per annum.
- (iii) At 30 June 2025, HK\$9,085 million (31 December 2024: HK\$8,456 million; 31 December 2023: HK\$12,166 million; 1 January 2023: HK\$17,378 million) bear interests at floating rates ranging from approximately 3.4% to 7.1% (31 December 2024: 3.7% to 7.7%; 31 December 2023: 4.1% to 8.3%; 1 January 2023: 4.9% to 14.1%) per annum with reference to Australian Bank Bill Swap Reference Rate, EURIBOR, HIBOR and Sterling Overnight Index Average Rate, where applicable.
- (iv) At 30 June 2025, 31 December 2024, 31 December 2023 and 1 January 2023, the amounts due to joint ventures are unsecured and have no fixed terms of repayment.

19 Deferred tax

	30 June 2025	31 December 2024	31 December 2023	1 January 2023
	HK\$ million	HK\$ million	HK\$ million	HK\$ million
Deferred tax assets	7,390	18,140	21,074	18,509
Deferred tax liabilities	17,293	17,974	19,572	19,290
Net deferred tax assets (liabilities)	(9,903)	166	1,502	(781)

Movements in net deferred tax assets (liabilities) are summarised as follows:

	30 June 2025	31 December 2024	31 December 2023	1 January 2023
	HK\$ million	HK\$ million	HK\$ million	HK\$ million
At 1 January	166	1,502	(781)	3,805
Relating to subsidiaries acquired	-	(354)	3	-
Relating to subsidiaries disposed (see note 32(d))	(9,429)	35	-	(33)
Transfer to current tax	40	(15)	6	(10)
Net credit (charge) to other comprehensive income	(37)	(85)	380	(267)
Net credit (charge) to the consolidated income statement				
Tax losses	(975)	(1,184)	1,617	337
Accelerated depreciation allowances	(200)	(1,005)	(62)	(24)
Fair value adjustments arising from acquisitions	(228)	(154)	(551)	(249)
Withholding tax on undistributed profits	(36)	49	(48)	(520)
Other temporary differences	77	1,766	160	(2,383)
Exchange translation differences	719	(389)	778	(1,437)
At period / year end	(9,903)	166	1,502	(781)

Analysis of net deferred tax assets (liabilities):

	30 June 2025	31 December 2024	31 December 2023	1 January 2023
	HK\$ million	HK\$ million	HK\$ million	HK\$ million
Tax losses	4,787	15,289	16,865	14,703
Accelerated depreciation allowances	(3,091)	(3,365)	(2,425)	(2,555)
Fair value adjustments arising from acquisitions	(13,863)	(12,492)	(12,268)	(11,625)
Revaluation of investment properties and other investments	28	24	20	16
Withholding tax on undistributed profits	(787)	(842)	(912)	(875)
Other temporary differences	3,023	1,552	222	(445)
	(9,903)	166	1,502	(781)

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 30 June 2025, the Group has recognised accumulated deferred tax assets amounting to HK\$7,390 million (31 December 2024: HK\$18,140 million; 31 December 2023: HK\$21,074 million; 1 January 2023: HK\$18,509 million) of which HK\$3,336 million (31 December 2024: HK\$14,269 million; 31 December 2023: HK\$16,973 million; 1 January 2023: HK\$15,191 million) relates to 3 Group Europe.

Note 43(b)(v) contains information about the estimates, assumptions and judgements relating to the recognition of deferred tax assets for unutilised tax losses carried forward.

19 Deferred tax (continued)

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 30 June 2025 were HK\$606,387 million (31 December 2024: HK\$502,204 million; 31 December 2023: HK\$531,915 million; 1 January 2023: HK\$504,116 million) and HK\$25,421 million (31 December 2024: HK\$25,794 million; 31 December 2023: HK\$27,472 million; 1 January 2023: HK\$21,289 million), respectively, totalling HK\$631,808 million (31 December 2024: HK\$527,998 million; 31 December 2023: HK\$559,387 million; 1 January 2023: HK\$525,405 million). The amounts included balances that are subject to agreement by relevant tax authorities.

20 Liquid funds and other listed investments

	30 June 2025 HK\$ million	31 December 2024 HK\$ million	31 December 2023 HK\$ million	1 January 2023 HK\$ million
Financial assets at amortised cost				
Managed funds - cash and cash equivalents, outside Hong Kong ^(c)	47	34	50	40
Financial assets at fair value through other comprehensive income ("FVOCI") ^(d)				
Listed equity securities, Hong Kong ^(e)	589	536	608	608
Listed equity securities, outside Hong Kong ^(e)	6	747	8,589	9,096
Managed funds - listed debt securities, outside Hong Kong ^{(b) (f)}	7,013	6,825	6,539	6,359
	7,608	8,108	15,736	16,063
	7,655	8,142	15,786	16,103

20 Liquid funds and other listed investments (continued)

- (a) At 30 June 2025, liquid funds and other listed investments totalling HK\$7,655 million (31 December 2024: HK\$8,142 million; 31 December 2023: HK\$15,786 million; 1 January 2023: HK\$16,103 million) are denominated in the following currencies:

	30 June 2025		31 December 2024	
	Financial assets at amortised cost Percentage	Financial assets at FVOCI Percentage	Financial assets at amortised cost Percentage	Financial assets at FVOCI Percentage
HK dollar	-	8%	-	7%
US dollar	100%	92%	100%	84%
Other currencies	-	-	-	9%
	100%	100%	100%	100%

	31 December 2023		1 January 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	-	4%	-	4%
US dollar	100%	42%	60%	39%
Other currencies	-	54%	40%	57%
	100%	100%	100%	100%

20 Liquid funds and other listed investments (continued)

- (b) At 30 June 2025, listed debt securities totalling HK\$7,013 million (31 December 2024: HK\$6,825 million; 31 December 2023: HK\$6,539 million; 1 January 2023: HK\$6,359 million) presented above are analysed as follows:

	30 June 2025	31 December 2024	31 December 2023	1 January 2023
	Financial assets at FVOCI	Financial assets at FVOCI	Financial assets at FVOCI	Financial assets at FVOCI
	Percentage	Percentage	Percentage	Percentage
Credit ratings				
Aaa / AAA	15%	15%	14%	12%
Aa1 / AA+	85%	85%	86%	87%
Other investment grades	-	-	-	1%
	100%	100%	100%	100%
Sectorial				
US Treasury notes	77%	74%	72%	73%
Government and government guaranteed notes	18%	22%	25%	23%
Others	5%	4%	3%	4%
	100%	100%	100%	100%
Weighted average maturity	2.8 years	1.1 years	1.8 years	2.6 years
Weighted average effective yield	3.59%	2.73%	1.61%	1.54%

- (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 fair value through other comprehensive income. For the comparative balances as at 31 December 2024, 31 December 2023 and 1 January 2023, the Group had collar agreements with banks to hedge fair values of certain of these listed equity securities (31 December 2024: fair value surplus of HK\$14 million was included in current assets; 31 December 2023: fair value deficits of HK\$297 million and HK\$59 million were included in current and non-current liabilities, respectively; 1 January 2023: fair value surplus of HK\$216 million was included in listed equity securities, outside Hong Kong).
- (f) “Managed funds - listed debt securities” comprised predominately US Treasury notes and government and government guaranteed notes. All (31 December 2024: All; 31 December 2023: All; 1 January 2023: 99%) of the carrying amount of these assets at 30 June 2025 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

	30 June 2025 HK\$ million	31 December 2024 HK\$ million	31 December 2023 HK\$ million	1 January 2023 HK\$ million
Investment properties	389	389	408	408
Customer acquisition and retention costs ^(a)	3,855	4,231	4,290	3,660
Contract assets	1,598	3,202	3,826	2,095
Unlisted investments				
Financial assets at FVOCI - equity securities ^(b)	1,944	1,933	2,189	2,451
Financial assets at fair value through profit or loss - equity securities	392	366	369	417
Financial assets at fair value through profit or loss - debt securities	312	414	604	555
Pension assets (see note 28)	2,535	2,239	1,428	1,311
Derivative financial instruments				
Cash flow hedges				
Interest rate swaps	-	-	52	84
Cross currency interest rate swaps	-	227	150	132
Other contracts	-	-	-	3,081
Net investment hedges - Cross currency swaps	897	1,281	572	1,164
Other non-current assets ^(c)	881	5,921	5,974	542
	12,803	20,203	19,862	15,900

- (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 period's consolidated income statement of HK\$1,975 million (30 June 2024: HK\$1,912 million; 30 June 2023: HK\$1,790 million). Further, there was no impairment loss in relation to the cost capitalised. The Group applies the practical expedient in paragraph 94 of IFRS 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 mainly represents lease receivables of HK\$881 million (31 December 2024: HK\$875 million; 31 December 2023: HK\$507 million; 1 January 2023: HK\$542 million). The remaining balances of comparative years are mainly prepayments of telecommunications annual licences fee of 3UK.

22 Cash and cash equivalents

	30 June 2025 HK\$ million	31 December 2024 HK\$ million	31 December 2023 HK\$ million	1 January 2023 HK\$ million
Cash at bank and in hand	31,883	26,734	34,000	27,769
Short term bank deposits	97,730	94,569	93,323	110,316
	129,613	121,303	127,323	138,085

The carrying amounts of cash and cash equivalents approximate their fair values.

23 Trade receivables and other current assets

	30 June 2025 HK\$ million	31 December 2024 HK\$ million	31 December 2023 HK\$ million	1 January 2023 HK\$ million
Trade receivables ^(a)	18,375	18,825	20,264	18,650
Less: loss allowance provision	(3,382)	(3,498)	(3,967)	(3,705)
	14,993	15,327	16,297	14,945
Other current assets				
Derivative financial instruments				
Fair value hedges - collar agreements	-	14	-	-
Cash flow hedges				
Interest rate swaps	-	7	-	153
Cross currency interest rate swaps	-	-	-	622
Forward foreign exchange contracts	-	5	-	1
Other contracts	1	1	26	167
Net investment hedges				
Cross currency interest rate swaps	-	-	-	112
Forward foreign exchange contracts	7	436	201	44
Cross currency swaps	-	79	336	9
Contract assets ^(b)	2,040	3,919	3,754	4,219
Prepayments	12,662	13,908	16,361	22,978
Other receivables ^(c)	12,093	12,169	13,491	13,433
Current tax receivables	98	102	124	128
	41,894	45,967	50,590	56,811

- (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.

At the end of the period / year, the ageing analysis of the trade receivables presented based on the invoice date, is as follows:

	30 June 2025 HK\$ million	31 December 2024 HK\$ million	31 December 2023 HK\$ million	1 January 2023 HK\$ million
Less than 31 days	11,362	11,532	11,996	10,609
Within 31 to 60 days	1,474	1,655	1,874	1,704
Within 61 to 180 days	1,335	1,504	1,523	1,681
Over 180 days	4,204	4,134	4,871	4,656
	18,375	18,825	20,264	18,650

23 Trade receivables and other current assets (continued)

The Group applies the simplified approach to provide for expected credit losses prescribed by IFRS 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.

30 June 2025			
	Gross carrying amount HK\$ million	Loss allowance provision HK\$ million	Expected loss rate Percentage
Not past due	9,272	88	1%
Past due less than 31 days	3,214	46	1%
Past due within 31 to 60 days	760	33	4%
Past due within 61 to 180 days	1,046	95	9%
Past due over 180 days	4,083	3,120	76%
	18,375	3,382	
31 December 2024			
	Gross carrying amount HK\$ million	Loss allowance provision HK\$ million	Expected loss rate Percentage
Not past due	9,674	106	1%
Past due less than 31 days	3,114	81	3%
Past due within 31 to 60 days	817	29	4%
Past due within 61 to 180 days	1,215	229	19%
Past due over 180 days	4,005	3,053	76%
	18,825	3,498	
31 December 2023			
	Gross carrying amount HK\$ million	Loss allowance provision HK\$ million	Expected loss rate Percentage
Not past due	9,965	89	1%
Past due less than 31 days	3,501	67	2%
Past due within 31 to 60 days	787	70	9%
Past due within 61 to 180 days	1,291	380	29%
Past due over 180 days	4,720	3,361	71%
	20,264	3,967	

23 Trade receivables and other current assets (continued)

	1 January 2023		
	Gross carrying amount HK\$ million	Loss allowance provision HK\$ million	Expected loss rate Percentage
Not past due	9,169	95	1%
Past due less than 31 days	2,918	82	3%
Past due within 31 to 60 days	782	79	10%
Past due within 61 to 180 days	1,312	384	29%
Past due over 180 days	4,469	3,065	69%
	18,650	3,705	

- (b) As at 30 June 2025, contract assets of HK\$2,040 million (31 December 2024: HK\$3,919 million; 31 December 2023: HK\$3,754 million; 1 January 2023: HK\$4,219 million) and HK\$1,598 million (31 December 2024: HK\$3,202 million; 31 December 2023: HK\$3,826 million; 1 January 2023: HK\$2,095 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\$1,370 million (31 December 2024: HK\$1,926 million; 31 December 2023: HK\$1,637 million; 1 January 2023: HK\$1,525 million). The Group measures the loss allowance for its contract assets at an amount equal to the lifetime expected credit losses.

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.

24 Bank and other debts

30 June 2025			
	Current portion HK\$ million	Non-current portion HK\$ million	Total HK\$ million
Principal amounts			
Bank loans	6,086	87,125	93,211
Other loans	4	70	74
Notes and bonds	13,010	148,393	161,403
	19,100	235,588	254,688
Unamortised fair value adjustments arising from acquisitions	-	1,802	1,802
Subtotal before the following items	19,100	237,390	256,490
Unamortised loan facilities fees and premiums or discounts related to debts	(39)	(1,496)	(1,535)
	19,061	235,894	254,955
31 December 2024			
	Current portion HK\$ million	Non-current portion HK\$ million	Total HK\$ million
Principal amounts			
Bank loans	24,896	62,944	87,840
Other loans	4	64	68
Notes and bonds	6,068	162,072	168,140
	30,968	225,080	256,048
Unamortised fair value adjustments arising from acquisitions	-	1,955	1,955
Subtotal before the following items	30,968	227,035	258,003
Unamortised loan facilities fees and premiums or discounts related to debts	(12)	(1,599)	(1,611)
	30,956	225,436	256,392

24 Bank and other debts (continued)

31 December 2023			
	Current portion HK\$ million	Non-current portion HK\$ million	Total HK\$ million
Principal amounts			
Bank loans	24,484	65,036	89,520
Other loans	154	72	226
Notes and bonds	33,755	147,900	181,655
	58,393	213,008	271,401
Unamortised fair value adjustments arising from acquisitions	18	2,275	2,293
Subtotal before the following items	58,411	215,283	273,694
Unamortised loan facilities fees and premiums or discounts related to debts	(87)	(1,685)	(1,772)
	58,324	213,598	271,922
1 January 2023			
	Current portion HK\$ million	Non-current portion HK\$ million	Total HK\$ million
Principal amounts			
Bank loans	40,697	53,806	94,503
Other loans	4	225	229
Notes and bonds	29,505	159,370	188,875
	70,206	213,401	283,607
Unamortised fair value adjustments arising from acquisitions	-	2,623	2,623
Subtotal before the following items	70,206	216,024	286,230
Unamortised loan facilities fees and premiums or discounts related to debts	(76)	(1,828)	(1,904)
	70,130	214,196	284,326

24 Bank and other debts (continued)

Details of the bank and other debts by principal amounts are as follows:

	30 June 2025		
	Current portion HK\$ million	Non-current portion HK\$ million	Total HK\$ million
Bank loans	6,086	87,125	93,211
Other loans	4	70	74
Notes and bonds			
HK\$260 million notes, 4% due 2027	-	260	260
US\$500 million notes, 1.5% due 2026	3,900	-	3,900
US\$500 million notes, 2.75% due 2026	-	3,900	3,900
US\$309 million notes - Series C, 7.5% due 2027	-	2,410	2,410
US\$500 million notes, 3.25% due 2027	-	3,900	3,900
US\$800 million notes, 3.5% due 2027	-	6,240	6,240
US\$1,250 million notes, 4.75% due 2028	-	9,750	9,750
US\$491 million notes, 2.75% due 2029	-	3,829	3,829
US\$750 million notes, 3.625% due 2029	-	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\$705 million notes, 2.5% due 2030	-	5,500	5,500
US\$786 million notes, 2.5% due 2031	-	6,127	6,127
US\$1,039 million notes, 7.45% due 2033	-	8,107	8,107
US\$1,250 million notes, 4.875% due 2033	-	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
US\$647 million notes, 3.125% due 2041	-	5,044	5,044
US\$741 million notes, 3.375% due 2049	-	5,777	5,777
US\$694 million notes, 3.375% due 2050	-	5,410	5,410
EUR1,000 million notes, 0.75% due 2026	9,110	-	9,110
EUR650 million notes, 2% due 2028	-	5,922	5,922
EUR1,000 million notes, 1.125% due 2028	-	9,110	9,110
EUR500 million notes, 0.75% due 2029	-	4,555	4,555
EUR500 million notes, 2% due 2030	-	4,555	4,555
EUR750 million notes, 1.5% due 2031	-	6,833	6,833
EUR500 million notes, 1% due 2033	-	4,555	4,555
GBP303 million notes, 5.625% due 2026	-	3,236	3,236
GBP223 million notes, 2% due 2027	-	2,387	2,387
GBP92 million notes, 2.625% due 2034	-	980	980
JPY15,000 million notes, 2.6% due 2027	-	810	810
	13,010	148,393	161,403
	19,100	235,588	254,688

24 Bank and other debts (continued)

Details of the bank and other debts by principal amounts are as follows (continued):

	31 December 2024		
	Current portion HK\$ million	Non-current portion HK\$ million	Total HK\$ million
Bank loans	24,896	62,944	87,840
Other loans	4	64	68
Notes and bonds			
HK\$260 million notes, 4% due 2027	-	260	260
US\$500 million notes, 1.5% due 2026	-	3,900	3,900
US\$500 million notes, 2.75% due 2026	-	3,900	3,900
US\$309 million notes - Series C, 7.5% due 2027	-	2,410	2,410
US\$500 million notes, 3.25% due 2027	-	3,900	3,900
US\$800 million notes, 3.5% due 2027	-	6,240	6,240
US\$1,250 million notes, 4.75% due 2028	-	9,750	9,750
US\$500 million notes, 2.75% due 2029	-	3,900	3,900
US\$750 million notes, 3.625% due 2029	-	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
US\$850 million notes, 2.5% due 2031	-	6,630	6,630
US\$1,039 million notes, 7.45% due 2033	-	8,107	8,107
US\$1,250 million notes, 4.875% due 2033	-	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
US\$650 million notes, 3.125% due 2041	-	5,070	5,070
US\$750 million notes, 3.375% due 2049	-	5,850	5,850
US\$750 million notes, 3.375% due 2050	-	5,850	5,850
EUR750 million notes, 1.25% due 2025	6,068	-	6,068
EUR1,000 million notes, 0.75% due 2026	-	8,090	8,090
EUR650 million notes, 2% due 2028	-	5,258	5,258
EUR1,000 million notes, 1.125% due 2028	-	8,090	8,090
EUR500 million notes, 0.75% due 2029	-	4,045	4,045
EUR500 million notes, 2% due 2030	-	4,045	4,045
EUR750 million notes, 1.5% due 2031	-	6,068	6,068
EUR500 million notes, 1% due 2033	-	4,045	4,045
GBP303 million notes, 5.625% due 2026	-	2,981	2,981
GBP500 million notes, 2% due 2027	-	4,920	4,920
GBP300 million notes, 2.625% due 2034	-	2,952	2,952
JPY15,000 million notes, 2.6% due 2027	-	765	765
	6,068	162,072	168,140
	30,968	225,080	256,048

24 Bank and other debts (continued)

Details of the bank and other debts by principal amounts are as follows (continued):

	31 December 2023		
	Current portion HK\$ million	Non-current portion HK\$ million	Total HK\$ million
Bank loans	24,484	65,036	89,520
Other loans	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
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
US\$500 million notes, 2.75% due 2026	-	3,900	3,900
US\$309 million notes - Series C, 7.5% due 2027	-	2,410	2,410
US\$500 million notes, 3.25% due 2027	-	3,900	3,900
US\$800 million notes, 3.5% due 2027	-	6,240	6,240
US\$1,250 million notes, 4.75% due 2028	-	9,750	9,750
US\$500 million notes, 2.75% due 2029	-	3,900	3,900
US\$750 million notes, 3.625% due 2029	-	5,850	5,850
US\$750 million notes, 2.5% due 2030	-	5,850	5,850
US\$850 million notes, 2.5% due 2031	-	6,630	6,630
US\$1,039 million notes, 7.45% due 2033	-	8,107	8,107
US\$1,250 million notes, 4.875% due 2033	-	9,750	9,750
US\$25 million notes - Series D, 6.988% due 2037	-	196	196
US\$650 million notes, 3.125% due 2041	-	5,070	5,070
US\$750 million notes, 3.375% due 2049	-	5,850	5,850
US\$750 million notes, 3.375% due 2050	-	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	-	6,465	6,465
EUR1,000 million notes, 0.75% due 2026	-	8,620	8,620
EUR650 million notes, 2% due 2028	-	5,603	5,603
EUR1,000 million notes, 1.125% due 2028	-	8,620	8,620
EUR500 million notes, 0.75% due 2029	-	4,310	4,310
EUR500 million notes, 2% due 2030	-	4,310	4,310
EUR750 million notes, 1.5% due 2031	-	6,465	6,465
EUR500 million notes, 1% due 2033	-	4,310	4,310
GBP303 million notes, 5.625% due 2026	-	3,010	3,010
GBP500 million notes, 2% due 2027	-	4,970	4,970
GBP300 million notes, 2.625% due 2034	-	2,982	2,982
JPY15,000 million notes, 2.6% due 2027	-	822	822
	33,755	147,900	181,655
	58,393	213,008	271,401

[^] HIBOR represents the Hong Kong Interbank Offered Rate

24 Bank and other debts (continued)

Details of the bank and other debts by principal amounts are as follows (continued):

	1 January 2023		
	Current portion HK\$ million	Non-current portion HK\$ million	Total HK\$ million
Bank loans	40,697	53,806	94,503
Other loans	4	225	229
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
US\$750 million notes, 2.75% due 2023	5,850	-	5,850
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
US\$500 million notes, 2.75% due 2026	-	3,900	3,900
US\$309 million notes - Series C, 7.5% due 2027	-	2,410	2,410
US\$500 million notes, 3.25% due 2027	-	3,900	3,900
US\$800 million notes, 3.5% due 2027	-	6,240	6,240
US\$500 million notes, 2.75% due 2029	-	3,900	3,900
US\$750 million notes, 3.625% due 2029	-	5,850	5,850
US\$750 million notes, 2.5% due 2030	-	5,850	5,850
US\$850 million notes, 2.5% due 2031	-	6,630	6,630
US\$1,039 million notes, 7.45% due 2033	-	8,107	8,107
US\$25 million notes - Series D, 6.988% due 2037	-	196	196
US\$650 million notes, 3.125% due 2041	-	5,070	5,070
US\$750 million notes, 3.375% due 2049	-	5,850	5,850
US\$750 million notes, 3.375% due 2050	-	5,850	5,850
EUR1,350 million notes, 1.25% due 2023	11,205	-	11,205
EUR1,500 million notes, 0.375% due 2023	12,450	-	12,450
EUR600 million bonds, 1% due 2024	-	4,980	4,980
EUR1,000 million notes, 0.875% due 2024	-	8,300	8,300
EUR750 million notes, 1.25% due 2025	-	6,225	6,225
EUR1,000 million notes, 0.75% due 2026	-	8,300	8,300
EUR650 million notes, 2% due 2028	-	5,395	5,395
EUR1,000 million notes, 1.125% due 2028	-	8,300	8,300
EUR500 million notes, 0.75% due 2029	-	4,150	4,150
EUR500 million notes, 2% due 2030	-	4,150	4,150
EUR750 million notes, 1.5% due 2031	-	6,225	6,225
EUR500 million notes, 1% due 2033	-	4,150	4,150
GBP303 million notes, 5.625% due 2026	-	2,866	2,866
GBP500 million notes, 2% due 2027	-	4,730	4,730
GBP300 million notes, 2.625% due 2034	-	2,837	2,837
JPY15,000 million notes, 2.6% due 2027	-	886	886
	29,505	159,370	188,875
	70,206	213,401	283,607

[^] HIBOR represents the Hong Kong Interbank Offered Rate

24 Bank and other debts (continued)

Further analysis of the principal amount of bank and other debts are set out below:

(a) By secured and unsecured borrowings

30 June 2025			
	Current portion HK\$ million	Non-current portion HK\$ million	Total HK\$ million
Secured borrowings	1	1,492	1,493
Unsecured borrowings	19,099	234,096	253,195
	19,100	235,588	254,688
31 December 2024			
	Current portion HK\$ million	Non-current portion HK\$ million	Total HK\$ million
Secured borrowings	1,389	1	1,390
Unsecured borrowings	29,579	225,079	254,658
	30,968	225,080	256,048
31 December 2023			
	Current portion HK\$ million	Non-current portion HK\$ million	Total HK\$ million
Secured borrowings	1	1,558	1,559
Unsecured borrowings	58,392	211,450	269,842
	58,393	213,008	271,401
1 January 2023			
	Current portion HK\$ million	Non-current portion HK\$ million	Total HK\$ million
Secured borrowings	1	1,524	1,525
Unsecured borrowings	70,205	211,877	282,082
	70,206	213,401	283,607

24 Bank and other debts (continued)

Further analysis of the principal amount of bank and other debts are set out below (continued):

(b) By borrowings at fixed and floating interest rate

30 June 2025			
	Current portion HK\$ million	Non-current portion HK\$ million	Total HK\$ million
Borrowings at fixed rate	13,014	148,462	161,476
Borrowings at floating rate	6,086	87,126	93,212
	19,100	235,588	254,688
31 December 2024			
	Current portion HK\$ million	Non-current portion HK\$ million	Total HK\$ million
Borrowings at fixed rate	6,071	162,136	168,207
Borrowings at floating rate	24,897	62,944	87,841
	30,968	225,080	256,048
31 December 2023			
	Current portion HK\$ million	Non-current portion HK\$ million	Total HK\$ million
Borrowings at fixed rate	31,496	147,972	179,468
Borrowings at floating rate	26,897	65,036	91,933
	58,393	213,008	271,401
1 January 2023			
	Current portion HK\$ million	Non-current portion HK\$ million	Total HK\$ million
Borrowings at fixed rate	29,509	157,183	186,692
Borrowings at floating rate	40,697	56,218	96,915
	70,206	213,401	283,607

24 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 (adjusted for the effect of hedging transactions)

30 June 2025			
	Current portion HK\$ million	Non-current portion HK\$ million	Total HK\$ million
Borrowings at fixed rate	13,014	154,756	167,770
Borrowings at floating rate	6,086	80,832	86,918
	19,100	235,588	254,688
31 December 2024			
	Current portion HK\$ million	Non-current portion HK\$ million	Total HK\$ million
Borrowings at fixed rate	9,200	162,136	171,336
Borrowings at floating rate	21,768	62,944	84,712
	30,968	225,080	256,048
31 December 2023			
	Current portion HK\$ million	Non-current portion HK\$ million	Total HK\$ million
Borrowings at fixed rate	31,496	151,433	182,929
Borrowings at floating rate	26,897	61,575	88,472
	58,393	213,008	271,401
1 January 2023			
	Current portion HK\$ million	Non-current portion HK\$ million	Total HK\$ million
Borrowings at fixed rate	47,449	160,603	208,052
Borrowings at floating rate	22,757	52,798	75,555
	70,206	213,401	283,607

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 30 June 2025, the notional amount of the outstanding interest rate swap agreements amounted to HK\$6,294 million (31 December 2024: interest rate swap agreements of HK\$3,129 million; 31 December 2023: interest rate swap agreements of HK\$3,461 million; 1 January 2023: interest rate swap agreements and cross currency interest rate swap agreements of HK\$11,220 million and HK\$10,140 million respectively).

24 Bank and other debts (continued)

Further analysis of the principal amount of bank and other debts are set out below (continued):

(d) By currency

30 June 2025			
	Current portion Percentage	Non-current portion Percentage	Total Percentage
US dollar	2%	43%	45%
Euro	5%	27%	32%
HK dollar	-	12%	12%
British Pound	-	3%	3%
Other currencies	-	8%	8%
	7%	93%	100%
31 December 2024			
	Current portion Percentage	Non-current portion Percentage	Total Percentage
US dollar	7%	44%	51%
Euro	2%	28%	30%
HK dollar	-	6%	6%
British Pound	-	5%	5%
Other currencies	3%	5%	8%
	12%	88%	100%
31 December 2023			
	Current portion Percentage	Non-current portion Percentage	Total Percentage
US dollar	8%	41%	49%
Euro	11%	22%	33%
HK dollar	1%	4%	5%
British Pound	1%	4%	5%
Other currencies	1%	7%	8%
	22%	78%	100%
1 January 2023			
	Current portion Percentage	Non-current portion Percentage	Total Percentage
US dollar	9%	40%	49%
Euro	12%	23%	35%
HK dollar	1%	1%	2%
British Pound	1%	4%	5%
Other currencies	2%	7%	9%
	25%	75%	100%

24 Bank and other debts (continued)

Further analysis of the principal amount of bank and other debts are set out below (continued):

(e) By currency (adjusted for the effect of hedging transactions)

30 June 2025			
	Current portion Percentage	Non-current portion Percentage	Total Percentage
US dollar	2%	43%	45%
Euro	5%	27%	32%
HK dollar	-	12%	12%
British Pound	-	3%	3%
Other currencies	-	8%	8%
	7%	93%	100%
31 December 2024			
	Current portion Percentage	Non-current portion Percentage	Total Percentage
US dollar	7%	44%	51%
Euro	2%	30%	32%
HK dollar	-	6%	6%
British Pound	-	3%	3%
Other currencies	3%	5%	8%
	12%	88%	100%
31 December 2023			
	Current portion Percentage	Non-current portion Percentage	Total Percentage
US dollar	8%	41%	49%
Euro	11%	23%	34%
HK dollar	1%	4%	5%
British Pound	1%	3%	4%
Other currencies	1%	7%	8%
	22%	78%	100%
1 January 2023			
	Current portion Percentage	Non-current portion Percentage	Total Percentage
US dollar	4%	39%	43%
Euro	17%	25%	42%
HK dollar	1%	1%	2%
British Pound	1%	3%	4%
Other currencies	2%	7%	9%
	25%	75%	100%

For the comparative years, the Group had currency swap agreements with banks to swap US dollar or British Pound principal amount of borrowings (31 December 2024: British Pound principal amount of borrowings equivalent to HK\$4,920 million; 31 December 2023: British Pound principal amount of borrowings equivalent to HK\$4,970 million; 1 January 2023: US dollar principal amount of borrowings equivalent to HK\$15,990 million and British Pound principal amount of borrowings equivalent to HK\$4,730 million) to Euro principal amount of borrowings to reflect currency exposures of its underlying businesses. For the comparative amount at 1 January 2023, the Hong Kong dollar equivalent amount of HK\$15,990 million mentioned in the preceding sentence includes the Hong Kong dollar equivalent amount of HK\$10,140 million disclosed under item (c) above.

25 Trade payables and other current liabilities

	30 June 2025 HK\$ million	31 December 2024 HK\$ million	31 December 2023 HK\$ million	1 January 2023 HK\$ million
Trade payables ^(a)	22,602	21,861	23,017	21,356
Other current liabilities				
Derivative financial instruments				
Fair value hedges - collar agreements	-	-	297	-
Cash flow hedges				
Forward foreign exchange contracts	8	-	2	2
Other contracts	2	5	113	151
Net investment hedges				
Forward foreign exchange contracts	1,411	155	1,072	891
Cross currency swaps	737	238	-	-
Other derivative financial instruments	-	-	-	795
Interest free loans from non-controlling shareholders	349	349	438	472
Contract liabilities	5,203	5,500	5,948	6,027
Obligations for telecommunications licences and other rights	970	861	621	680
Provisions (see note 26)	1,289	1,161	1,552	1,341
Expenses and other accruals	31,508	33,411	36,471	35,995
Other payables	18,782	19,104	16,888	21,419
	82,861	82,645	86,419	89,129

(a) At the end of the period / year, the ageing analysis of the trade payables is as follows:

	30 June 2025 HK\$ million	31 December 2024 HK\$ million	31 December 2023 HK\$ million	1 January 2023 HK\$ million
Less than 31 days	14,698	14,782	15,763	13,566
Within 31 to 60 days	4,253	3,825	3,361	2,912
Within 61 to 90 days	1,805	1,308	1,333	1,427
Over 90 days	1,846	1,946	2,560	3,451
	22,602	21,861	23,017	21,356

26 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	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
Additions	-	49	76	95	220
Interest accretion	-	-	21	-	21
Utilisations	(215)	-	(31)	(95)	(341)
Write back	-	(11)	-	(26)	(37)
Relating to subsidiaries disposed	-	(7)	(440)	-	(447)
Exchange translation differences	1,069	8	100	145	1,322
At 30 June 2025	16,168	133	1,095	1,374	18,770

Provisions are analysed as:

	30 June 2025 HK\$ million	31 December 2024 HK\$ million	31 December 2023 HK\$ million	1 January 2023 HK\$ million
Current portion (see note 25)	1,289	1,161	1,552	1,341
Non-current portion (see note 29)	17,481	16,871	18,499	19,777
	18,770	18,032	20,051	21,118

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.

27 Interest bearing loans from non-controlling shareholders

At 30 June 2025, 31 December 2024 and 31 December 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. At 1 January 2023, these loans mainly bear interest at rates at EURIBOR + 2.0% and Stockholm Interbank Offered Rate + 0.7% per annum. The carrying amounts of the borrowings approximate their fair values.

28 Pension obligations

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. The Group's major defined benefit plans are in Hong Kong, the United Kingdom and the Netherlands.

The amounts recognised in the consolidated statement of financial position are as follows:

	30 June 2025 HK\$ million	31 December 2024 HK\$ million	31 December 2023 HK\$ million	1 January 2023 HK\$ million
Defined benefit assets (see note 21)	2,535	2,239	1,428	1,311
Defined benefit liabilities	3,289	3,197	3,536	2,730
Net defined benefit liabilities	754	958	2,108	1,419

The amounts recognised in the consolidated statement of financial position are determined as follows:

Present value of defined benefit obligations	18,228	16,585	17,965	15,163
Fair value of plan assets	17,477	15,630	15,860	13,750
	751	955	2,105	1,413
Restrictions on assets recognised	3	3	3	6
Net defined benefit liabilities	754	958	2,108	1,419

29 Other non-current liabilities

	30 June 2025 HK\$ million	31 December 2024 HK\$ million	31 December 2023 HK\$ million	1 January 2023 HK\$ million
Derivative financial instruments				
Fair value hedges - collar agreements	-	-	59	-
Cash flow hedges				
Interest rate swaps	40	-	-	-
Other contracts	-	-	1	-
Net investment hedges				
Cross currency swaps	456	2	465	314
Other derivative financial instruments	148	91	-	-
Obligations for telecommunications licences and other rights	3,010	3,122	3,994	3,309
Other non-current liabilities	6,291	6,132	6,387	6,333
Liabilities relating to the economic benefits agreements	2,166	2,166	2,166	2,166
Provisions (see note 26)	17,481	16,871	18,499	19,777
	29,592	28,384	31,571	31,899

30 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, 31 December 2024 and 30 June 2025	3,830,044,500	3,830	242,972	246,802

(b) Perpetual capital securities

	30 June 2025 HK\$ million	31 December 2024 HK\$ million	31 December 2023 HK\$ million	1 January 2023 HK\$ million
EUR500 million issued in 2018	-	-	4,566	4,561

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.

(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 30 June 2025, total equity amounted to HK\$675,865 million (31 December 2024: HK\$652,592 million; 31 December 2023: HK\$670,549 million; 1 January 2023: HK\$647,309 million), and consolidated net debt of the Group, excluding loans from non-controlling shareholders which are viewed as quasi equity, was HK\$119,222 million (31 December 2024: HK\$128,558 million; 31 December 2023: HK\$130,585 million; 1 January 2023: HK\$132,042 million). The Group's net debt to net total capital ratio decreased to 14.9% from 16.4% 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:

	30 June 2025	31 December 2024	31 December 2023	1 January 2023
A1 - excluding interest-bearing loans from non-controlling shareholders from debt	14.9%	16.4%	16.2%	16.9%
A2 - as in A1 above and investments in listed subsidiaries and associated companies marked to market value	16.3%	17.5%	18.0%	18.4%
B1 - including interest-bearing loans from non-controlling shareholders as debt	15.4%	16.8%	16.6%	17.2%
B2 - as in B1 above and investments in listed subsidiaries and associated companies marked to market value	16.9%	18.0%	18.4%	18.8%

(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.

31 Reserves

	Retained profit HK\$ million	Exchange reserve HK\$ million	Hedging reserve HK\$ million	Others HK\$ million	Total HK\$ million
At 1 January 2023	617,240	-	5,332	(345,861)	276,711
At 31 December 2023	629,309	10,604	2,618	(345,298)	297,233
At 31 December 2024	636,053	(6,019)	2,611	(344,732)	287,913
At 30 June 2025	630,444	18,401	2,369	(343,226)	307,988

31 Reserves (continued)

	Six months ended 30 June 2025				
	Attributable to ordinary shareholders				Total
	Retained profit HK\$ million	Exchange reserve HK\$ million	Hedging reserve HK\$ million	Others ^(a) HK\$ million	
At 1 January 2025	636,053	(6,019)	2,611	(344,732)	287,913
Profit for the period	852	-	-	-	852
Other comprehensive income (losses)					
Changes in fair value of equity instruments at fair value through other comprehensive income	-	-	-	195	195
Changes in fair value of debt instruments at fair value through other comprehensive income	-	-	-	113	113
Remeasurement of defined benefit obligations	(79)	-	-	-	(79)
Exchange gains on translation of foreign operations	-	22,188	-	-	22,188
Reserves reclassified to profit or loss	-	(6,520)	40	-	(6,480)
Losses on cash flow hedges	-	-	(6)	-	(6)
Losses on net investment hedges	-	(2,800)	-	-	(2,800)
Share of other comprehensive income (losses) of associated companies	56	4,425	(186)	(17)	4,278
Share of other comprehensive income (losses) of joint ventures	147	7,127	(91)	2	7,185
Tax relating to components of other comprehensive income (losses)	(30)	-	1	-	(29)
Other comprehensive income (losses), net of tax	94	24,420	(242)	293	24,565
Transfer of net losses on disposal of equity securities at FVOCI to retained profit	(756)	-	-	756	-
Transactions with owners in their capacity as owners:					
Dividends paid relating to 2024	(5,799)	-	-	-	(5,799)
Relating to purchase of non-controlling interests	-	-	-	457	457
At 30 June 2025	630,444	18,401	2,369	(343,226)	307,988

31 Reserves (continued)

	Six months ended 30 June 2024				
	Attributable to ordinary shareholders				Total HK\$ million
	Retained profit HK\$ million	Exchange reserve HK\$ million	Hedging reserve HK\$ million	Others ^(a) HK\$ million	
At 1 January 2024	629,309	10,604	2,618	(345,298)	297,233
Profit for the period	10,205	-	-	-	10,205
Other comprehensive income (losses)					
Changes in fair value of equity instruments at fair value through other comprehensive income	-	-	-	(377)	(377)
Changes in fair value of debt instruments at fair value through other comprehensive income	-	-	-	19	19
Remeasurement of defined benefit obligations	397	-	-	-	397
Exchange losses on translation of foreign operations	-	(3,678)	-	-	(3,678)
Losses on cash flow hedges	-	-	(24)	-	(24)
Gains on net investment hedges	-	481	-	-	481
Losses in other reserves related to subsidiaries disposed during the period transferred directly to retained profit	(24)	-	-	24	-
Share of other comprehensive income (losses) of associated companies	(150)	(2,052)	80	10	(2,112)
Share of other comprehensive income (losses) of joint ventures	(694)	(2,199)	272	-	(2,621)
Tax relating to components of other comprehensive income (losses)	(88)	-	2	-	(86)
Other comprehensive income (losses), net of tax	(559)	(7,448)	330	(324)	(8,001)
Transfer of net losses on disposal of equity securities at FVOCI to retained profit	(80)	-	-	80	-
Transactions with owners in their capacity as owners: Dividends paid relating to 2023	(6,798)	-	-	-	(6,798)
At 30 June 2024	632,077	3,156	2,948	(345,542)	292,639

31 Reserves (continued)

	Six months ended 30 June 2023				
	Attributable to ordinary shareholders				Total HK\$ million
	Retained profit HK\$ million	Exchange reserve HK\$ million	Hedging reserve HK\$ million	Others ^(a) HK\$ million	
At 1 January 2023	617,240	-	5,332	(345,861)	276,711
Profit for the period	11,542	-	-	-	11,542
Other comprehensive income (losses)					
Changes in fair value of equity instruments at fair value through other comprehensive income	-	-	-	605	605
Changes in fair value of debt instruments at fair value through other comprehensive income	-	-	-	(4)	(4)
Remeasurement of defined benefit obligations	85	-	-	-	85
Exchange gains on translation of foreign operations	-	8,655	-	-	8,655
Losses on cash flow hedges	-	-	(1,132)	-	(1,132)
Losses on net investment hedges	-	(1,095)	-	-	(1,095)
Reclassification adjustments for hedging gains included in profit or loss	-	-	(1,735)	-	(1,735)
Share of other comprehensive income (losses) of associated companies	20	2,208	156	(562)	1,822
Share of other comprehensive income of joint ventures	67	2,720	525	2	3,314
Tax relating to components of other comprehensive income (losses)	(29)	-	(1)	-	(30)
Other comprehensive income (losses), net of tax	143	12,488	(2,187)	41	10,485
Impact of hyperinflation	(21)	-	-	-	(21)
Transfer of gain on disposal of equity securities at FVOCI to retained profit	13	-	-	(13)	-
Transactions with owners in their capacity as owners:					
Dividends paid relating to 2022	(7,989)	-	-	-	(7,989)
Recognition of put option liabilities arising from business combinations	-	-	-	(148)	(148)
Relating to purchase of non-controlling interests	-	-	-	(34)	(34)
At 30 June 2023	620,928	12,488	3,145	(346,015)	290,546

(a) Other reserves comprise revaluation reserve and other capital reserves.

Revaluation reserve deficit amounted to HK\$1,470 million as at 30 June 2025 (1 January 2025: HK\$2,526 million; 30 June 2024: HK\$3,025 million; 1 January 2024: HK\$2,835 million; 30 June 2023: HK\$2,896 million; 1 January 2023: HK\$3,472 million). This reserve includes surplus (deficit) arising from market value revaluations of listed debt securities and listed equity securities.

Other capital reserves deficit amounted to HK\$341,756 million as at 30 June 2025 (1 January 2025: HK\$342,206 million; 30 June 2024: HK\$342,517 million; 1 January 2024: HK\$342,463 million; 30 June 2023: HK\$343,119 million; 1 January 2023: HK\$342,389 million). This includes a deficit of HK\$341,336 million relating to the fair value of shares of Cheung Kong (Holdings) Limited (the Group's former holding company), which were cancelled as part of the 2015 reorganisation.

31 Reserves (continued)

(b) Set out below are before and after related tax effects of other comprehensive income (losses) for the periods:

Six months ended 30 June 2025			
	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	219	-	219
Changes in fair value of debt instruments at fair value through other comprehensive income	113	-	113
Remeasurement of defined benefit obligations	(105)	(38)	(143)
Exchange gains on translation of foreign operations	23,774	-	23,774
Reserves reclassified to profit or loss	(6,480)	-	(6,480)
Losses on cash flow hedges	(17)	1	(16)
Losses on net investment hedges	(3,700)	-	(3,700)
Share of other comprehensive income of associated companies	4,680	-	4,680
Share of other comprehensive income of joint ventures	9,355	-	9,355
	27,839	(37)	27,802
Six months ended 30 June 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	(377)	-	(377)
Changes in fair value of debt instruments at fair value through other comprehensive income	19	-	19
Remeasurement of defined benefit obligations	498	(112)	386
Exchange losses on translation of foreign operations	(4,376)	-	(4,376)
Losses on cash flow hedges	(27)	2	(25)
Gains on net investment hedges	635	-	635
Share of other comprehensive income (losses) of associated companies	(2,257)	-	(2,257)
Share of other comprehensive income (losses) of joint ventures	(3,246)	-	(3,246)
	(9,131)	(110)	(9,241)
Six months ended 30 June 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	605	-	605
Changes in fair value of debt instruments at fair value through other comprehensive income	(4)	-	(4)
Remeasurement of defined benefit obligations	101	(36)	65
Exchange gains on translation of foreign operations	8,941	-	8,941
Losses on cash flow hedges	(1,145)	(1)	(1,146)
Losses on net investment hedges	(1,378)	-	(1,378)
Reclassification adjustments for hedging gains included in profit or loss	(1,735)	-	(1,735)
Share of other comprehensive income of associated companies	2,048	-	2,048
Share of other comprehensive income of joint ventures	4,275	-	4,275
	11,708	(37)	11,671

32 Notes to condensed 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

	Six months ended 30 June		
	2025	2024	2023
	HK\$ million	HK\$ million	HK\$ million
Profit after tax	4,455	13,557	14,680
Less: share of profits less losses of			
Associated companies	(4,726)	(3,908)	(4,080)
Joint ventures	(5,121)	(4,633)	(3,720)
	(5,392)	5,016	6,880
Adjustments for:			
Current tax charge	1,944	2,063	1,573
Deferred tax charge (credit)	1,362	198	(198)
Interest expenses and other finance costs	6,321	6,630	5,687
Depreciation and amortisation	19,862	19,826	19,675
	24,097	33,733	33,617
EBITDA of Company and subsidiaries ⁽ⁱ⁾	24,097	33,733	33,617
Dividends received from associated companies and joint ventures	4,981	5,707	6,057
Losses (gains) on disposal of fixed assets	20	(24)	70
Losses (gains) on disposals of associated companies and joint ventures (see note 7)	3	13	(226)
Losses (gains) on disposal of subsidiaries (see note 32(d))			
3 UK	9,462	-	-
Italian network business	-	-	(74)
Ports business	-	(364)	-
A gain on disposal of financial instruments (see note 6(b)(xvii))	-	-	(1,829)
Gains on disposal of unlisted investments	-	(78)	-
Customer acquisition and retention costs capitalised in the period	(2,004)	(1,947)	(2,085)
Other non-cash items	359	(5)	23
	36,918	37,035	35,553

(i) Reconciliation of EBITDA:

	Six months ended 30 June		
	2025	2024	2023
	HK\$ million	HK\$ million	HK\$ million
EBITDA of Company and subsidiaries	24,097	33,733	33,617
Share of EBITDA of associated companies and joint ventures			
Share of profits less losses of:			
Associated companies	4,726	3,908	4,080
Joint ventures	5,121	4,633	3,720
Adjustments for:			
Depreciation and amortisation	14,092	12,776	11,999
Interest expenses and other finance costs	5,721	5,303	6,048
Current tax charge	2,550	2,288	1,719
Deferred tax charge	849	936	449
Non-controlling interests	277	257	234
	33,336	30,101	28,249
EBITDA (see note 6(b)(ii))	57,433	63,834	61,866

32 Notes to condensed consolidated statement of cash flows (continued)

(b) Changes in working capital

	Six months ended 30 June		
	2025	2024	2023
	HK\$ million	HK\$ million	HK\$ million
Increase in inventories	(901)	(1,400)	(1,079)
Decrease (increase) in trade receivables and other current assets	1,058	1,211	(843)
Decrease in trade payables and other current liabilities	(3,448)	(4,547)	(7,570)
Other non-cash items	6,378	(493)	2,511
	3,087	(5,229)	(6,981)

(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 periods:

	Six months ended 30 June		
	2025	2024	2023
	HK\$ million	HK\$ million	HK\$ million
Purchase consideration transferred:			
Cash and cash equivalents paid	-	10	87
Fair value			
Fixed assets	-	4	5
Brand names and other rights	-	-	9
Deferred tax assets	-	-	3
Cash and cash equivalents	-	-	8
Trade receivables and other current assets	-	-	29
Trade payables and other current liabilities and current tax liabilities	-	-	(31)
Bank and other debts	-	-	(2)
Pension obligations	-	-	(1)
Net identifiable assets acquired	-	4	20
Non-controlling interests	-	-	(8)
	-	4	12
Goodwill	-	6	75
Total consideration	-	10	87
Net cash outflow arising from acquisition:			
Cash and cash equivalents paid	-	10	87
Cash and cash equivalents acquired	-	-	(8)
Total net cash outflow	-	10	79

The assets acquired and liabilities assumed are recognised at the acquisition date fair value and are recorded at the consolidation level.

For the comparative periods ended 30 June 2024 and 2023, the contributions to the Group's revenue and profit before tax from these subsidiaries acquired during the period since the respective date of acquisition were not material. The acquisition related costs were not material.

32 Notes to condensed consolidated statement of cash flows (continued)

(d) Disposal of subsidiary companies

On 31 May 2025, the Group completed the merger of its UK telecommunications operations, **3 UK**, with Vodafone Group's corresponding UK operations to form the combined entity, VodafoneThree. As a result of the transaction, **3 UK** and its subsidiaries ceased to be subsidiaries of the Group and were de-consolidated from the Group's financial statements. The Group now holds a 49% interest in VodafoneThree, which is accounted for as an associated company under the equity method, while Vodafone has a 51% ownership stake.

This transaction has been accounted for as a disposal of the Group's entire interest in **3 UK**, coupled with the concurrent acquisition of a 49% stake in VodafoneThree. The fair value of the Group's 49% interest in VodafoneThree was determined to be HK\$40,766 million, derived from the average of five independent mid-point valuation analyses. The fair value assessment incorporated comparable companies analysis (using EBITDA after leases ("EBITDAaL") and adjusted free cash flow) and discounted cash flow ("DCF") analysis, based on the combined business's forward-looking financial plan, including projections for revenue, operating costs, capital expenditures, and terminal value. The five valuations yielded the following estimated fair values for the Group's 49% interest: HK\$35.8 billion, HK\$38.5 billion, HK\$39.4 billion, HK\$44.1 billion and HK\$46.1 billion, with the final fair value reflecting the average of these outcomes.

Comparative period ended 30 June 2024's disposal of subsidiary company 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 following the disposal. Comparative period ended 30 June 2023's disposal of subsidiary company mainly related to the disposal of Zefiro Net S.r.l., which became a 50% owned joint venture accordingly.

	Six months ended 30 June		
	2025	2024	2023
	HK\$ million	HK\$ million	HK\$ million
Total considerations	54,582	1,200	5,126
Cash and cash equivalents received	15,142	464	2,563
Closing cash and working capital adjustments and others	(1,326)	-	-
The portion of the consideration consisting of cash and cash equivalents	13,816	464	2,563
Cash and cash equivalents received, net with cash and cash equivalents in the subsidiaries over which control was lost	14,902	333	2,563
Net assets other than cash or cash equivalents in the subsidiaries over which control was lost	70,284	705	5,052
Cash and cash equivalents in the subsidiaries over which control was lost	240	131	-
Net assets in the subsidiaries over which control was lost	70,524	836	5,052
Disposal gain (loss) before reclassification of exchange differences	(15,942)	364	74
Reserves reclassified to profit or loss	6,480	-	-
Disposal gain (loss)	(9,462)	364	74

32 Notes to condensed consolidated statement of cash flows (continued)

(d) Disposal of subsidiary companies (continued)

	Six months ended 30 June		
	2025	2024	2023
	HK\$ million	HK\$ million	HK\$ million
Analysis of assets and liabilities over which control was lost:			
Fixed assets	24,328	4,713	-
Right-of-use assets	5,394	730	-
Telecommunications licences	21,121	-	-
Goodwill	3,528	-	-
Brand names and other rights	5,283	-	-
Deferred tax assets	9,429	-	-
Other non-current assets	6,136	-	-
Trade receivables and other current assets	7,824	91	-
Inventories	384	43	-
Cash and cash equivalents	240	131	-
Assets classified as held for sale	-	-	6,202
Trade payables and other current liabilities and current tax liabilities	(7,233)	(513)	-
Bank and other debts	-	(2,824)	-
Leases liabilities	(5,133)	(820)	-
Loans from non-controlling shareholders	-	(92)	-
Deferred tax liabilities	-	(35)	-
Pension obligations	-	(45)	-
Other non-current liabilities	(777)	-	-
Liabilities directly associated with assets classified as held for sale	-	-	(1,150)
Non-controlling interests	-	(543)	-
Net assets disposed	70,524	836	5,052

Cash flows of 3 UK disposed of during the current period:

	Six months ended 30 June 2025 HK\$ million
Net cash outflow from operating activities	(7,210)
Net cash outflow from investing activities	(1,898)
Net cash inflow from financing activities	8,341

Cash flows of subsidiary companies disposed of during the comparative periods are not material for the comparative periods.

32 Notes to condensed 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	Lease liabilities	Interest bearing loans from non- controlling shareholders	Interest free loans from non- controlling shareholders	Liabilities relating to the economic benefits agreements	Total
	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million
At 1 January 2025	256,392	64,519	3,471	349	2,166	326,897
Financing cash flows						
New borrowings	25,832	-	-	-	-	25,832
Repayment of borrowings	(39,516)	-	-	-	-	(39,516)
Principal elements of lease payments	-	(7,956)	-	-	-	(7,956)
Net loans to non-controlling shareholders	-	-	(8)	-	-	(8)
Other changes						
Amortisation of loan facilities fees and premiums or discounts relating to debts (see note 8)	119	-	-	-	-	119
Amortisation of bank and other debts' fair value adjustments arising from acquisitions (see note 8(a))	(161)	-	-	-	-	(161)
Increase in lease liabilities from entering into new leases during the period (see note 13(a))	-	7,570	-	-	-	7,570
Interest on lease liabilities (see note 8)	-	1,512	-	-	-	1,512
Interest element of lease liabilities paid (included in "net cash from operating activities")	-	(1,524)	-	-	-	(1,524)
Remeasurement / write off of lease liabilities	-	3,507	-	-	-	3,507
Relating to subsidiaries disposed (see note 32(d))	-	(5,133)	-	-	-	(5,133)
Exchange translation differences	12,289	5,672	469	-	-	18,430
At 30 June 2025	254,955	68,167	3,932	349	2,166	329,569
At 1 January 2024	271,922	67,923	3,245	438	2,166	345,694
Financing cash flows						
New borrowings	32,341	-	-	-	-	32,341
Repayment of borrowings	(19,817)	-	-	-	-	(19,817)
Principal elements of lease payments	-	(7,370)	-	-	-	(7,370)
Net loans to non-controlling shareholders	-	-	(2)	(19)	-	(21)
Other changes						
Amortisation of loan facilities fees and premiums or discounts relating to debts (see note 8)	117	-	-	-	-	117
Amortisation of bank and other debts' fair value adjustments arising from acquisitions (see note 8(a))	(171)	-	-	-	-	(171)
Increase in lease liabilities from entering into new leases during the period (see note 13(a))	-	3,220	-	-	-	3,220
Interest on lease liabilities (see note 8)	-	1,311	-	-	-	1,311
Interest element of lease liabilities paid (included in "net cash from operating activities")	-	(1,320)	-	-	-	(1,320)
Remeasurement / write off of lease liabilities	-	3,349	-	-	-	3,349
Relating to subsidiaries disposed (see note 32(d))	(2,824)	(820)	-	(92)	-	(3,736)
Exchange translation differences	(3,551)	(2,187)	(102)	-	-	(5,840)
At 30 June 2024	278,017	64,106	3,141	327	2,166	347,757

32 Notes to condensed consolidated statement of cash flows (continued)

(e) Changes in liabilities arising from financing activities (continued)

The following table sets out an analysis of the cash flows and non-cash flows changes in liabilities arising from financing activities (continued):

	Bank and other debts	Lease liabilities	Interest bearing loans from non- controlling shareholders	Interest free loans from non- controlling shareholders	Liabilities relating to the economic benefits agreements	Total
	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million
At 1 January 2023	284,326	66,059	2,567	472	2,166	355,590
Financing cash flows						
New borrowings	38,122	-	-	-	-	38,122
Repayment of borrowings	(44,012)	-	-	-	-	(44,012)
Principal elements of lease payments	-	(7,500)	-	-	-	(7,500)
Net loans from (to) non-controlling shareholders	-	-	4	(34)	-	(30)
Other changes						
Amortisation of loan facilities fees and premiums or discounts relating to debts (see note 8)	119	-	-	-	-	119
Amortisation of bank and other debts' fair value adjustments arising from acquisitions (see note 8(a))	(170)	-	-	-	-	(170)
Increase in lease liabilities from entering into new leases during the period (see note 13(a))	-	5,858	-	-	-	5,858
Interest on lease liabilities (see note 8)	-	1,244	-	-	-	1,244
Interest element of lease liabilities paid (included in "net cash from operating activities")	-	(1,187)	-	-	-	(1,187)
Remeasurement / write off of lease liabilities	-	3,026	-	-	-	3,026
Relating to subsidiaries acquired (see note 32(c))	2	-	-	-	-	2
Exchange translation differences	4,457	1,585	(22)	-	-	6,020
At 30 June 2023	282,844	69,085	2,549	438	2,166	357,082

33 Share-based payments

The Company and its subsidiary companies do not have share option scheme as at 30 June 2025, 31 December 2024, 31 December 2023 and 1 January 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 period and comparative years are not material to the Group's results.

34 Pledge of assets

At 30 June 2025, assets of the Group totalling HK\$1,603 million (31 December 2024: HK\$1,449 million; 31 December 2023: HK\$1,533 million; 1 January 2023: HK\$1,442 million) were pledged as security for bank and other debts.

35 Contingent liabilities and guarantees

At 30 June 2025, the Company and its subsidiaries provide guarantees in respect of bank and other borrowing facilities to its associated companies and joint ventures of HK\$10,697 million (31 December 2024: HK\$10,753 million; 31 December 2023: HK\$4,560 million; 1 January 2023: HK\$4,856 million).

The amount utilised by its associated companies and joint ventures are as follows:

	30 June 2025	31 December 2024	31 December 2023	1 January 2023
	HK\$ million	HK\$ million	HK\$ million	HK\$ million
To associated companies	8,083	8,444	3,661	3,527
To joint ventures	1,092	-	-	1,096

At 30 June 2025, the Group had provided performance and other guarantees of HK\$5,533 million (31 December 2024: HK\$4,860 million; 31 December 2023: HK\$4,115 million; 1 January 2023: HK\$5,033 million).

36 Commitments

The Group's outstanding commitments contracted for at 30 June 2025, where material, not provided for in the consolidated financial statements at 30 June 2025 are as follows:

Capital commitments

- (a) Ports and Related Services: HK\$367 million (31 December 2024: HK\$235 million; 31 December 2023: HK\$462 million; 1 January 2023: HK\$582 million)
- (b) 3 Group Europe: HK\$166 million (31 December 2024: HK\$155 million; 31 December 2023: HK\$181 million; 1 January 2023: HK\$183 million)
- (c) Telecommunications, Hong Kong and Asia: HK\$803 million (31 December 2024: HK\$769 million; 31 December 2023: HK\$149 million; 1 January 2023: HK\$308 million)

37 Related parties transactions

Saved as disclosed elsewhere in these financial statements, transactions between the Group and other related parties during the period 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 period other than the emoluments paid to them (being the key management personnel compensation).

38 Legal proceedings

As at 30 June 2025, 31 December 2024, 31 December 2023 and 1 January 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.

39 Fair value measurements

(a) 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:

			30 June 2025	
		Classification under	Carrying	Fair
	Note	IFRS 9	amounts	values
			HK\$ million	HK\$ million
Financial assets				
Liquid funds and other listed investments				
Cash and cash equivalents (included in				
Managed funds)	20	Amortised cost	47	47
Listed equity securities, Hong Kong	20	FVOCI	589	589
Listed equity securities, outside				
Hong Kong	20	FVOCI	6	6
Listed debt securities				
(included in Managed funds)	20	FVOCI	7,013	7,013
Unlisted investments				
Unlisted equity securities	21	FVOCI	1,944	1,944
Unlisted equity securities	21	Fair value through	392	392
		profit or loss ("FVPL")		
Unlisted debt securities	21	FVPL	312	312
Derivative financial instruments				
Cash flow hedges - other contracts	23	Fair value - hedges	1	1
Net investment hedges				
Forward foreign exchange contracts	23	Fair value - hedges	7	7
Cross currency swaps	21	Fair value - hedges	897	897
Lease receivables	21	Amortised cost	881	881
Cash and cash equivalents	22	Amortised cost	129,613	129,613
Trade receivables	23	Amortised cost	14,993	14,993
Other receivables	23	Amortised cost	12,093	12,093
Amounts due from associated companies	17	Amortised cost	3,292	3,292
Amounts due from joint ventures	18	Amortised cost	17,977	17,977
			190,057	190,057
Financial liabilities				
Bank and other debts ⁽ⁱ⁾	24	Amortised cost	254,955	246,040
Trade payables	25	Amortised cost	22,602	22,602
Derivative financial instruments				
Cash flow hedges				
Interest rate swaps	29	Fair value - hedges	40	40
Forward foreign exchange contracts	25	Fair value - hedges	8	8
Other contracts	25	Fair value - hedges	2	2
Net investment hedges				
Forward foreign exchange contracts	25	Fair value - hedges	1,411	1,411
Cross currency swaps	25 & 29	Fair value - hedges	1,193	1,193
Other derivative financial instruments	29	FVPL	148	148
Interest free loans from non-controlling				
shareholders	25	Amortised cost	349	349
Expenses and other accruals	25	Amortised cost	31,508	31,508
Other payables	25	Amortised cost	18,782	18,782
Lease liabilities	13	Amortised cost	68,167	68,167
Interest bearing loans from				
non-controlling shareholders		Amortised cost	3,932	3,932
Obligations for telecommunications licences				
and other rights	25 & 29	Amortised cost	3,980	3,980
Liabilities relating to the economic benefits				
agreements	29	Amortised cost	2,166	2,166
Amounts due to associated companies	17	Amortised cost	2,921	2,921
Amounts due to joint ventures	18	Amortised cost	217	217
			412,381	403,466

- (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.

39 Fair value measurements (continued)

(a) Carrying amounts and fair values of financial assets and financial liabilities (continued)

		30 June 2025	
		Carrying amounts	Fair values
		HK\$ million	HK\$ million
Representing:			
Financial assets measured at			
Amortised cost		178,896	178,896
FVOCI		9,552	9,552
FVPL		704	704
Fair value - hedges		905	905
		190,057	190,057
Financial liabilities measured at			
Amortised cost		409,579	400,664
FVPL		148	148
Fair value - hedges		2,654	2,654
		412,381	403,466

39 Fair value measurements (continued)

(a) Carrying amounts and fair values of financial assets and financial liabilities (continued)

The fair values of financial assets and financial liabilities, together with the carrying amounts in the consolidated statement of financial position, are as follows (continued):

			31 December 2024	
		Classification under	Carrying	Fair
	Note	IFRS 9	amounts	values
			HK\$ million	HK\$ million
Financial assets				
Liquid funds and other listed investments				
Cash and cash equivalents (included in				
Managed funds)	20	Amortised cost	34	34
Listed equity securities, Hong Kong	20	FVOCI	536	536
Listed equity securities, outside				
Hong Kong	20	FVOCI	747	747
Listed debt securities				
(included in Managed funds)	20	FVOCI	6,825	6,825
Unlisted investments				
Unlisted equity securities	21	FVOCI	1,933	1,933
Unlisted equity securities	21	FVPL	366	366
Unlisted debt securities	21	FVPL	414	414
Derivative financial instruments				
Fair value hedges - collar agreements	23	Fair value - hedges	14	14
Cash flow hedges				
Interest rate swaps	23	Fair value - hedges	7	7
Cross currency interest rate swaps	21	Fair value - hedges	227	227
Forward foreign exchange contracts	23	Fair value - hedges	5	5
Other contracts	23	Fair value - hedges	1	1
Net investment hedges				
Forward foreign exchange contracts	23	Fair value - hedges	436	436
Cross currency swaps	21 & 23	Fair value - hedges	1,360	1,360
Lease receivables	21	Amortised cost	875	875
Cash and cash equivalents	22	Amortised cost	121,303	121,303
Trade receivables	23	Amortised cost	15,327	15,327
Other receivables	23	Amortised cost	12,169	12,169
Amounts due from associated companies	17	Amortised cost	1,671	1,671
Amounts due from joint ventures	18	Amortised cost	16,953	16,953
			181,203	181,203
Financial liabilities				
Bank and other debts ⁽ⁱ⁾	24	Amortised cost	256,392	239,786
Trade payables	25	Amortised cost	21,861	21,861
Derivative financial instruments				
Cash flow hedges				
Other contracts	25	Fair value - hedges	5	5
Net investment hedges				
Forward foreign exchange contracts	25	Fair value - hedges	155	155
Cross currency swaps	25 & 29	Fair value - hedges	240	240
Other derivative financial instruments	29	FVPL	91	91
Interest free loans from non-controlling				
shareholders	25	Amortised cost	349	349
Expenses and other accruals	25	Amortised cost	33,411	33,411
Other payables	25	Amortised cost	19,104	19,104
Lease liabilities	13	Amortised cost	64,519	64,519
Interest bearing loans from				
non-controlling shareholders		Amortised cost	3,471	3,471
Obligations for telecommunications licences				
and other rights	25 & 29	Amortised cost	3,983	3,983
Liabilities relating to the economic benefits				
agreements	29	Amortised cost	2,166	2,166
Amounts due to associated companies	17	Amortised cost	535	535
Amounts due to joint ventures	18	Amortised cost	270	270
			406,552	389,946

(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.

39 Fair value measurements (continued)

(a) Carrying amounts and fair values of financial assets and financial liabilities (continued)

		31 December 2024	
		Carrying amounts	Fair values
		HK\$ million	HK\$ million
Representing:			
Financial assets measured at			
Amortised cost		168,332	168,332
FVOCI		10,041	10,041
FVPL		780	780
Fair value - hedges		2,050	2,050
		181,203	181,203
Financial liabilities measured at			
Amortised cost		406,061	389,455
FVPL		91	91
Fair value - hedges		400	400
		406,552	389,946

39 Fair value measurements (continued)

(a) Carrying amounts and fair values of financial assets and financial liabilities (continued)

The fair values of financial assets and financial liabilities, together with the carrying amounts in the consolidated statement of financial position, are as follows (continued):

			31 December 2023	
		Classification under	Carrying	Fair
	Note	IFRS 9	amounts	values
			HK\$ million	HK\$ million
Financial assets				
Liquid funds and other listed investments				
Cash and cash equivalents (included in				
Managed funds)	20	Amortised cost	50	50
Listed equity securities, Hong Kong	20	FVOCI	608	608
Listed equity securities, outside				
Hong Kong	20	FVOCI	8,589	8,589
Listed debt securities				
(included in Managed funds)	20	FVOCI	6,539	6,539
Unlisted investments				
Unlisted equity securities	21	FVOCI	2,189	2,189
Unlisted equity securities	21	FVPL	369	369
Unlisted debt securities	21	FVPL	604	604
Derivative financial instruments				
Cash flow hedges				
Interest rate swaps	21	Fair value - hedges	52	52
Cross currency interest rate swaps	21	Fair value - hedges	150	150
Other contracts	23	Fair value - hedges	26	26
Net investment hedges				
Forward foreign exchange contracts	23	Fair value - hedges	201	201
Cross currency swaps	21 & 23	Fair value - hedges	908	908
Lease receivables	21	Amortised cost	507	507
Cash and cash equivalents	22	Amortised cost	127,323	127,323
Trade receivables	23	Amortised cost	16,297	16,297
Other receivables	23	Amortised cost	13,491	13,491
Amounts due from associated companies	17	Amortised cost	3,435	3,435
Amounts due from joint ventures	18	Amortised cost	22,377	22,377
			203,715	203,715
Financial liabilities				
Bank and other debts ⁽ⁱ⁾	24	Amortised cost	271,922	258,853
Trade payables	25	Amortised cost	23,017	23,017
Derivative financial instruments				
Fair value hedges - collar agreements	25 & 29	Fair value - hedges	356	356
Cash flow hedges				
Forward foreign exchange contracts	25	Fair value - hedges	2	2
Other contracts	25 & 29	Fair value - hedges	114	114
Net investment hedges				
Forward foreign exchange contracts	25	Fair value - hedges	1,072	1,072
Cross currency swaps	29	Fair value - hedges	465	465
Interest free loans from non-controlling				
shareholders	25	Amortised cost	438	438
Expenses and other accruals	25	Amortised cost	36,471	36,471
Other payables	25	Amortised cost	16,888	16,888
Lease liabilities	13	Amortised cost	67,923	67,923
Interest bearing loans from				
non-controlling shareholders		Amortised cost	3,245	3,245
Obligations for telecommunications licences				
and other rights	25 & 29	Amortised cost	4,615	4,615
Liabilities relating to the economic benefits				
agreements	29	Amortised cost	2,166	2,166
Amounts due to associated companies	17	Amortised cost	543	543
Amounts due to joint ventures	18	Amortised cost	310	310
			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.

39 Fair value measurements (continued)

(a) Carrying amounts and fair values of financial assets and financial liabilities (continued)

		31 December 2023	
		Carrying amounts	Fair values
		HK\$ million	HK\$ million
Representing:			
Financial assets measured at			
Amortised cost		183,480	183,480
FVOCI		17,925	17,925
FVPL		973	973
Fair value - hedges		1,337	1,337
		203,715	203,715
Financial liabilities measured at			
Amortised cost		427,538	414,469
Fair value - hedges		2,009	2,009
		429,547	416,478

39 Fair value measurements (continued)

(a) Carrying amounts and fair values of financial assets and financial liabilities (continued)

The fair values of financial assets and financial liabilities, together with the carrying amounts in the consolidated statement of financial position, are as follows (continued):

			1 January 2023	
		Classification under	Carrying	Fair
	Note	IFRS 9	amounts	values
			HK\$ million	HK\$ million
Financial assets				
Liquid funds and other listed investments				
Cash and cash equivalents (included in				
Managed funds)	20	Amortised cost	40	40
Listed equity securities, Hong Kong	20	FVOCI	608	608
Listed equity securities, outside				
Hong Kong	20	FVOCI	8,880	8,880
Fair value hedges - collar agreements	20	Fair value - hedges	216	216
Listed debt securities				
(included in Managed funds)	20	FVOCI	6,359	6,359
Unlisted investments				
Unlisted equity securities	21	FVOCI	2,451	2,451
Unlisted equity securities	21	FVPL	417	417
Unlisted debt securities	21	FVPL	555	555
Derivative financial instruments				
Cash flow hedges				
Interest rate swaps	21 & 23	Fair value - hedges	237	237
Cross currency interest rate swaps	21 & 23	Fair value - hedges	754	754
Forward foreign exchange contracts	23	Fair value - hedges	1	1
Other contracts	21 & 23	Fair value - hedges	3,248	3,248
Net investment hedges				
Cross currency interest rate swaps	23	Fair value - hedges	112	112
Forward foreign exchange contracts	23	Fair value - hedges	44	44
Cross currency swaps	21 & 23	Fair value - hedges	1,173	1,173
Lease receivables	21	Amortised cost	542	542
Cash and cash equivalents	22	Amortised cost	138,085	138,085
Trade receivables	23	Amortised cost	14,945	14,945
Other receivables	23	Amortised cost	13,433	13,433
Amounts due from associated companies	17	Amortised cost	3,542	3,542
Amounts due from joint ventures	18	Amortised cost	29,792	29,792
			225,434	225,434
Financial liabilities				
Bank and other debts ⁽ⁱ⁾	24	Amortised cost	284,326	265,418
Trade payables	25	Amortised cost	21,356	21,356
Derivative financial instruments				
Cash flow hedges				
Forward foreign exchange contracts	25	Fair value - hedges	2	2
Other contracts	25	Fair value - hedges	151	151
Net investment hedges				
Forward foreign exchange contracts	25	Fair value - hedges	891	891
Cross currency swaps	29	Fair value - hedges	314	314
Other derivative financial instruments	25	FVPL	795	795
Interest free loans from non-controlling				
shareholders	25	Amortised cost	472	472
Expenses and other accruals	25	Amortised cost	35,995	35,995
Other payables	25	Amortised cost	21,419	21,419
Lease liabilities	13	Amortised cost	66,059	66,059
Interest bearing loans from				
non-controlling shareholders		Amortised cost	2,567	2,567
Obligations for telecommunications licences				
and other rights	25 & 29	Amortised cost	3,989	3,989
Liabilities relating to the economic benefits				
agreements	29	Amortised cost	2,166	2,166
Amounts due to associated companies	17	Amortised cost	569	569
Amounts due to joint ventures	18	Amortised cost	319	319
			441,390	422,482

- (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.

39 Fair value measurements (continued)

(a) Carrying amounts and fair values of financial assets and financial liabilities (continued)

		1 January 2023	
		Carrying amounts	Fair values
		HK\$ million	HK\$ million
Representing:			
Financial assets measured at			
Amortised cost		200,379	200,379
FVOCI		18,298	18,298
FVPL		972	972
Fair value - hedges		5,785	5,785
		225,434	225,434
Financial liabilities measured at			
Amortised cost		439,237	420,329
FVPL		795	795
Fair value - hedges		1,358	1,358
		441,390	422,482

39 Fair value measurements (continued)

(b) 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).

		30 June 2025			
	Note	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	589	-	-	589
Listed equity securities, outside Hong Kong	20	6	-	-	6
Listed debt securities (included in Managed funds)	20	7,013	-	-	7,013
Unlisted investments					
Unlisted equity securities - FVOCI	21	-	-	1,944	1,944
Unlisted equity securities - FVPL	21	-	46	346	392
Unlisted debt securities	21	-	-	312	312
Derivative financial instruments					
Cash flow hedges - other contracts	23	-	1	-	1
Net investment hedges					
Forward foreign exchange contracts	23	-	7	-	7
Cross currency swaps	21	-	897	-	897
		7,608	951	2,602	11,161
Financial liabilities					
Derivative financial instruments					
Cash flow hedges					
Interest rate swaps	29	-	40	-	40
Forward foreign exchange contracts	25	-	8	-	8
Other contracts	25	-	2	-	2
Net investment hedges					
Forward foreign exchange contracts	25	-	1,411	-	1,411
Cross currency swaps	25 & 29	-	1,193	-	1,193
Other derivative financial instruments	29	-	148	-	148
		-	2,802	-	2,802

39 Fair value measurements (continued)

(b) Financial assets and financial liabilities measured at fair value (continued)

Fair value hierarchy (continued)

		31 December 2024			
	Note	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
Listed equity securities, outside Hong Kong	20	747	-	-	747
Listed debt securities (included in Managed funds)	20	6,825	-	-	6,825
Unlisted investments					
Unlisted equity securities - FVOCI	21	-	-	1,933	1,933
Unlisted equity securities - FVPL	21	-	46	320	366
Unlisted debt securities	21	-	-	414	414
Derivative financial instruments					
Fair value hedges - collar agreements	23	-	-	14	14
Cash flow hedges					
Interest rate swaps	23	-	7	-	7
Cross currency interest rate swaps	21	-	227	-	227
Forward foreign exchange contracts	23	-	5	-	5
Other contracts	23	-	1	-	1
Net investment hedges					
Forward foreign exchange contracts	23	-	436	-	436
Cross currency swaps	21 & 23	-	1,360	-	1,360
		8,108	2,082	2,681	12,871
Financial liabilities					
Derivative financial instruments					
Cash flow hedges					
Other contracts	25	-	5	-	5
Net investment hedges					
Forward foreign exchange contracts	25	-	155	-	155
Cross currency swaps	25 & 29	-	240	-	240
Other derivative financial instruments	29	-	91	-	91
		-	491	-	491

39 Fair value measurements (continued)

(b) Financial assets and financial liabilities measured at fair value (continued)

Fair value hierarchy (continued)

		31 December 2023			
		Level 1	Level 2	Level 3	Total
	Note	HK\$ million	HK\$ million	HK\$ million	HK\$ million
Financial assets					
Liquid funds and other listed investments					
Listed equity securities, Hong Kong	20	608	-	-	608
Listed equity securities, outside Hong Kong	20	8,589	-	-	8,589
Listed debt securities (included in Managed funds)	20	6,539	-	-	6,539
Unlisted investments					
Unlisted equity securities - FVOCI	21	-	-	2,189	2,189
Unlisted equity securities - FVPL	21	-	46	323	369
Unlisted debt securities	21	-	-	604	604
Derivative financial instruments					
Cash flow hedges					
Interest rate swaps	21	-	52	-	52
Cross currency interest rate swaps	21	-	150	-	150
Other contracts	23	-	26	-	26
Net investment hedges					
Forward foreign exchange contracts	23	-	201	-	201
Cross currency swaps	21 & 23	-	908	-	908
		15,736	1,383	3,116	20,235
Financial liabilities					
Derivative financial instruments					
Fair value hedges - collar agreement	25 & 29	-	-	356	356
Cash flow hedges					
Forward foreign exchange contracts	25	-	2	-	2
Other contracts	25 & 29	-	114	-	114
Net investment hedges					
Forward foreign exchange contracts	25	-	1,072	-	1,072
Cross currency swaps	29	-	465	-	465
		-	1,653	356	2,009

39 Fair value measurements (continued)

(b) Financial assets and financial liabilities measured at fair value (continued)

Fair value hierarchy (continued)

		1 January 2023			
	Note	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	608	-	-	608
Listed equity securities, outside Hong Kong	20	8,880	-	-	8,880
Fair value hedges - collar agreement	20	-	-	216	216
Listed debt securities (included in Managed funds)	20	6,359	-	-	6,359
Unlisted investments					
Unlisted equity securities - FVOCI	21	-	-	2,451	2,451
Unlisted equity securities - FVPL	21	-	46	371	417
Unlisted debt securities	21	-	-	555	555
Derivative financial instruments					
Cash flow hedges					
Interest rate swaps	21 & 23	-	237	-	237
Cross currency interest rate swaps	21 & 23	-	754	-	754
Forward foreign exchange contracts	23	-	1	-	1
Other contracts	21 & 23	-	3,248	-	3,248
Net investment hedges					
Cross currency interest rate swaps	23	-	112	-	112
Forward foreign exchange contracts	23	-	44	-	44
Cross currency swaps	21 & 23	-	1,173	-	1,173
		15,847	5,615	3,593	25,055
Financial liabilities					
Derivative financial instruments					
Cash flow hedges					
Forward foreign exchange contracts	25	-	2	-	2
Other contracts	25	-	151	-	151
Net investment hedges					
Forward foreign exchange contracts	25	-	891	-	891
Cross currency swaps	29	-	314	-	314
Other derivative financial instruments	25	-	795	-	795
		-	2,153	-	2,153

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 period / year ended 30 June 2025, 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.

39 Fair value measurements (continued)

(b) Financial assets and financial liabilities measured at fair value (continued)

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:

	Six months ended 30 June		
	2025	2024	2023
	HK\$ million	HK\$ million	HK\$ million
At 1 January	2,681	2,760	3,593
Total gains (losses) recognised in			
Income statement	(143)	6	(5)
Other comprehensive income	(4)	527	(1,141)
Additions	60	21	39
Disposals	(27)	(183)	(74)
Exchange translation differences	35	(10)	20
At 30 June	2,602	3,121	2,432
Total gains (losses) recognised in income statement relating to those financial assets and financial liabilities held at the end of the reporting period	(143)	6	(5)

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 Subsequent events

Saved as disclosed, no event occurring up to the date of approval of the 2025 Interim Financial Statements has been identified that may require material adjustment of, or disclosure in, these financial statements.

41 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 six months ended 30 June 2025, 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.

42 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.

43 Significant judgements, estimates and assumptions

In applying the Group's accounting policies which are disclosed on note 44, 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.

(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.

43 Significant judgements, estimates and assumptions (continued)

(a) Significant judgements in applying the Group's accounting policies (continued)

(iii) Determination of lease term (continued)

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 44(a)(iv), the Group applies the provisions of IFRS 3 to transactions and other events that meet the definition of a business combination within the scope of IFRS 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.

(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 IFRS 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.

43 Significant judgements, estimates and assumptions (continued)

(b) Key sources of estimation uncertainty (continued)

(i) Impairment of goodwill and long-lived assets (continued)

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.

(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 IAS 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 IAS 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 IFRS 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.

(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 IAS 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 IFRS requirements.

43 Significant judgements, estimates and assumptions (continued)

(b) Key sources of estimation uncertainty (continued)

(iii) Pension costs and estimation of defined benefit pension obligation (continued)

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.

(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.

43 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 IFRS 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.

(ix) Estimation of fair value of the Group's 49% interest in VodafoneThree at the time of its constitution

On 31 May 2025, the Group completed the merger of its UK telecommunications operations, 3UK, with Vodafone Group's corresponding UK operations to form the combined entity, VodafoneThree. As a result of the transaction, 3UK and its subsidiaries ceased to be subsidiaries of the Group and were de-consolidated from the Group's financial statements. The Group now holds a 49% interest in VodafoneThree, which is accounted for as an associated company under the equity method, while Vodafone has a 51% ownership stake.

This transaction has been accounted for as a disposal of the Group's entire interest in 3UK, coupled with the concurrent acquisition of a 49% stake in VodafoneThree. The fair value of the Group's 49% interest in VodafoneThree was determined to be HK\$40,766 million, derived from the average of five independent mid-point valuation analyses. The fair value assessment incorporated comparable companies analysis (using EBITDAaL and adjusted free cash flow) and DCF analysis, based on the combined business's forward-looking financial plan, including projections for revenue, operating costs, capital expenditures, and terminal value. The five valuations yielded the following estimated fair values for the Group's 49% interest: HK\$35.8 billion, HK\$38.5 billion, HK\$39.4 billion, HK\$44.1 billion and HK\$46.1 billion, with the final fair value reflecting the average of these outcomes.

The valuation process required significant judgement, particularly in selecting appropriate peer companies for benchmarking, considering factors such as market position, growth profile, and geographic focus, and determining key assumptions in the DCF model, including discount rates, long-term growth rates, and cash flow projections.

Given the inherent uncertainties in these estimates, alternative judgements or assumptions could result in a materially different fair value, which would impact the gain or loss recognised on the disposal of 3UK.

(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.

44 Summary of material accounting policies

(a) *Summary of material accounting policies*

Set out below is a summary of the Company's material accounting policies applicable in the preparation of 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.

44 Summary of material accounting policies (continued)

(a) Summary of material accounting policies (continued)

(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.

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 IFRS.

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 IFRS 3, Business combinations, to transactions and other events that meet the definition of a business combination within the scope of IFRS 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.

44 Summary of material accounting policies (continued)

(a) Summary of material accounting policies (continued)

(v) Goodwill

Goodwill is initially recognised and measured as set out in note 44(a)(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 44(a)(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.

44 Summary of material accounting policies (continued)

(a) 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.

(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.

44 Summary of material accounting policies (continued)

(a) Summary of material accounting policies (continued)

(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.

(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 IFRS 9 applies to debt instruments measured at amortised cost and at FVOCI, contract assets under IFRS 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.

44 Summary of material accounting policies (continued)

(a) Summary of material accounting policies (continued)

(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.

(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.

44 Summary of material accounting policies (continued)

(a) Summary of material accounting policies (continued)

(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 period / year end rates of exchange for the consolidated statement of financial position items and the average rates of exchange for the period / 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.

In line with IFRS 1 exemption guidance, the cumulative currency translation differences for all foreign operations are deemed to be zero at the date of transition to IFRS.

(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.

44 Summary of material accounting policies (continued)

(a) Summary of material accounting policies (continued)

(xvii) Revenue recognition (continued)

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.

44 Summary of material accounting policies (continued)

(b) 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.

44 Summary of material accounting policies (continued)

(b) 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 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.

44 Summary of material accounting policies (continued)

(b) 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.

44 Summary of material accounting policies (continued)

(b) 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 30 June 2025, 31 December 2024, 31 December 2023 and 1 January 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.

44 Summary of material accounting policies (continued)

(c) *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.

(i) Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7

The IASB issued targeted amendments to IFRS 9 and IFRS 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 IFRS 9 and IFRS 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.

(ii) Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

The amendments clarify the application of the own-use exception requirements for in-scope contracts, amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts and add new disclosure requirements on the effect of these contracts on a company's financial performance and cash flows. As a result of the amendments, entities will be able to apply the own-use exception to certain contracts referencing nature-dependent electricity ("CRNE") which are contracts to purchase electricity from nature-dependent sources such as wind energy or solar energy; and designate a variable nominal volume of electricity as a hedged item, facilitating application of hedge accounting to CRNEs.

The amendments 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.

(iii) Annual Improvements to IFRS Accounting Standards – Volume 11

The IASB issued narrow-scope amendments to IFRS that include clarifications, simplifications, corrections, and changes intended to improve consistency in:

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and Guidance on implementing IFRS 7;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 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.

(iv) Presentation and Disclosure in Financial Statements – IFRS 18

IFRS 18 will replace IAS 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 IFRS 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 IFRS 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 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 IFRS 18.

45 Reconciliations between IFRS and Previous GAAP (see note 4)

Reconciliations between amounts reported under IFRS and Previous GAAP as presented below.

(a) Total Equity

	31 December 2024	30 June 2024	31 December 2023	30 June 2023	1 January 2023
	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million
Total equity under Previous GAAP	652,592	656,960	670,549	662,286	647,309
Transition to IFRS:					
Effect on exchange reserve at date of transition	+ 40,203	+ 40,203	+ 40,203	+ 40,203	+ 40,203
Effect on exchange reserve - 1H 2023	- 334	- 334	- 334	- 334	-
Effect on exchange reserve - 2H 2023	- 5	- 5	- 5	-	-
	+ 39,864	+ 39,864	+ 39,864	+ 39,869	+ 40,203
Effect on retained profit at date of transition	- 40,203	- 40,203	- 40,203	- 40,203	- 40,203
Effect on retained profit - 1H 2023	+ 334	+ 334	+ 334	+ 334	-
Effect on retained profit - 2H 2023	+ 5	+ 5	+ 5	-	-
	- 39,864	- 39,864	- 39,864	- 39,869	- 40,203
Total equity under IFRS	652,592	656,960	670,549	662,286	647,309

45 Reconciliations between IFRS and Previous GAAP (continued)

(b) Consolidated Statement of Financial Position at 1 January 2023

	Under Previous GAAP HK\$ million	Remeasurements and reclassifications HK\$ million	Under IFRS HK\$ million
Non-current assets			
Fixed assets	112,650	-	112,650
Right-of-use assets	59,337	-	59,337
Telecommunications licences	60,689	-	60,689
Brand names and other rights	83,694	-	83,694
Goodwill	268,008	-	268,008
Associated companies	140,711	-	140,711
Interests in joint ventures	148,561	-	148,561
Deferred tax assets	18,509	-	18,509
Liquid funds and other listed investments	16,103	-	16,103
Other non-current assets	15,900	-	15,900
	924,162	-	924,162
Current assets			
Cash and cash equivalents	138,085	-	138,085
Inventories	23,283	-	23,283
Trade receivables and other current assets	56,811	-	56,811
	218,179	-	218,179
Assets classified as held for sale	6,096	-	6,096
	224,275	-	224,275
Current liabilities			
Bank and other debts	70,130	-	70,130
Current tax liabilities	4,001	-	4,001
Lease liabilities	12,128	-	12,128
Trade payables and other current liabilities	89,129	-	89,129
	175,388	-	175,388
Liabilities directly associated with assets classified as held for sale	1,127	-	1,127
	176,515	-	176,515
Net current assets	47,760	-	47,760
Total assets less current liabilities	971,922	-	971,922
Non-current liabilities			
Bank and other debts	214,196	-	214,196
Interest bearing loans from non-controlling shareholders	2,567	-	2,567
Lease liabilities	53,931	-	53,931
Deferred tax liabilities	19,290	-	19,290
Pension obligations	2,730	-	2,730
Other non-current liabilities	31,899	-	31,899
	324,613	-	324,613
Net assets	647,309	-	647,309
Capital and reserves			
Share capital	3,830	-	3,830
Share premium	242,972	-	242,972
Reserves	276,711	-	276,711
Total ordinary shareholders' funds	523,513	-	523,513
Perpetual capital securities	4,561	-	4,561
Non-controlling interests	119,235	-	119,235
Total equity	647,309	-	647,309

45 Reconciliations between IFRS and Previous GAAP (continued)

(c) Consolidated Income Statement for the year ended 31 December 2024

	Under Previous GAAP HK\$ million	Remeasurements and reclassifications HK\$ million	Under IFRS HK\$ million
Revenue	281,351	-	281,351
Cost of inventories sold	(106,194)	-	(106,194)
Staff costs	(41,591)	-	(41,591)
Expensed customer acquisition and retention costs	(15,433)	-	(15,433)
Depreciation and amortisation	(40,460)	-	(40,460)
Other expenses and losses	(52,895)	-	(52,895)
Other income and gains	524	-	524
Share of profits less losses of:			
Associated companies	6,903	-	6,903
Joint ventures	9,757	-	9,757
Interest expenses and other finance costs	41,962 (13,392)	- -	41,962 (13,392)
Profit before tax	28,570	-	28,570
Current tax charge	(4,189)	-	(4,189)
Deferred tax charge	(528)	-	(528)
Profit after tax	23,853	-	23,853
Profit attributable to non-controlling interests and holders of perpetual capital securities	(6,765)	-	(6,765)
Profit attributable to ordinary shareholders	17,088	-	17,088

45 Reconciliations between IFRS and Previous GAAP (continued)

(d) Consolidated Statement of Comprehensive Income for the year ended 31 December 2024

	Under Previous GAAP HK\$ million	Remeasurements and reclassifications HK\$ million	Under IFRS HK\$ million
Profit after tax	23,853	-	23,853
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)
Remeasurement of defined benefit obligations	810	-	810
Share of other comprehensive income (losses) of associated companies	(83)	-	(83)
Share of other comprehensive income (losses) of joint ventures	(945)	-	(945)
Tax relating to components of other comprehensive income (losses) that will not be reclassified to profit or loss	(90)	-	(90)
	(836)	-	(836)
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
Exchange losses on translation of foreign operations	(9,543)	-	(9,543)
Losses on cash flow hedges	(132)	-	(132)
Gains on net investment hedges	1,484	-	1,484
Share of other comprehensive income (losses) of associated companies	(5,670)	-	(5,670)
Share of other comprehensive income (losses) of joint ventures	(5,311)	-	(5,311)
Tax relating to components of other comprehensive income (losses) that may be reclassified to profit or loss	5	-	5
	(19,041)	-	(19,041)
Other comprehensive income (losses), net of tax	(19,877)	-	(19,877)
Total comprehensive income	3,976	-	3,976
Total comprehensive income attributable to non-controlling interests and holders of perpetual capital securities	(4,155)	-	(4,155)
Total comprehensive income (losses) attributable to ordinary shareholders	(179)	-	(179)

45 Reconciliations between IFRS and Previous GAAP (continued)

(e) Consolidated Statement of Financial Position at 31 December 2024

	Under Previous GAAP HK\$ million	Remeasurements and reclassifications HK\$ million	Under IFRS HK\$ million
Non-current assets			
Fixed assets	111,777	-	111,777
Right-of-use assets	57,589	-	57,589
Telecommunications licences	63,869	-	63,869
Brand names and other rights	79,241	-	79,241
Goodwill	267,325	-	267,325
Associated companies	139,855	-	139,855
Interests in joint ventures	154,208	-	154,208
Deferred tax assets	18,140	-	18,140
Liquid funds and other listed investments	8,142	-	8,142
Other non-current assets	20,203	-	20,203
	920,349	-	920,349
Current assets			
Cash and cash equivalents	121,303	-	121,303
Inventories	24,923	-	24,923
Trade receivables and other current assets	45,967	-	45,967
	192,193	-	192,193
Current liabilities			
Bank and other debts	30,956	-	30,956
Interest bearing loan from a non-controlling shareholder	1,874	-	1,874
Current tax liabilities	3,368	-	3,368
Lease liabilities	12,142	-	12,142
Trade payables and other current liabilities	82,645	-	82,645
	130,985	-	130,985
Net current assets	61,208	-	61,208
Total assets less current liabilities	981,557	-	981,557
Non-current liabilities			
Bank and other debts	225,436	-	225,436
Interest bearing loans from non-controlling shareholders	1,597	-	1,597
Lease liabilities	52,377	-	52,377
Deferred tax liabilities	17,974	-	17,974
Pension obligations	3,197	-	3,197
Other non-current liabilities	28,384	-	28,384
	328,965	-	328,965
Net assets	652,592	-	652,592
Capital and reserves			
Share capital	3,830	-	3,830
Share premium	242,972	-	242,972
Reserves	287,913	-	287,913
Total ordinary shareholders' funds	534,715	-	534,715
Non-controlling interests	117,877	-	117,877
Total equity	652,592	-	652,592

45 Reconciliations between IFRS and Previous GAAP (continued)

(f) Consolidated Statement of Changes in Equity for the year ended 31 December 2024

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

45 Reconciliations between IFRS and Previous GAAP (continued)

(g) Consolidated Statement of Cash Flows for the year ended 31 December 2024

	Under Previous GAAP HK\$ million	Remeasurements and reclassifications HK\$ million	Under IFRS HK\$ million
Operating activities			
Cash generated from operating activities before interest expenses and other finance costs, tax paid and changes in working capital	75,130	-	75,130
Interest expenses and other finance costs paid (net of capitalisation)	(13,267)	-	(13,267)
Tax paid	(4,652)	-	(4,652)
Funds from operations (before principal elements of lease payments)	57,211	-	57,211
Changes in working capital	(2,983)	-	(2,983)
Net cash from operating activities	54,228	-	54,228
Investing activities			
Purchase of fixed assets	(20,365)	-	(20,365)
Additions to telecommunications licences	(72)	-	(72)
Additions to brand names and other rights	(1,913)	-	(1,913)
Purchase of subsidiary companies, net of cash acquired	(4,114)	-	(4,114)
Additions to unlisted investments	(44)	-	(44)
Repayments of loans from associated companies and joint ventures	1,242	-	1,242
Purchase of and advances to associated companies and joint ventures	(2,470)	-	(2,470)
Proceeds from disposal of fixed assets	146	-	146
Proceeds from disposal of subsidiary companies, net of cash disposed	333	-	333
Proceeds from partial disposal / disposal of associated companies and joint ventures	179	-	179
Proceeds from disposal of other unlisted investments	266	-	266
Cash flows used in investing activities before additions to / disposal of liquid funds and other listed investments	(26,812)	-	(26,812)
Disposal of liquid funds and other listed investments	7,172	-	7,172
Additions to liquid funds and other listed investments	(262)	-	(262)
Cash flows used in investing activities	(19,902)	-	(19,902)
Net cash inflow before financing activities	34,326	-	34,326
Financing activities			
New borrowings	54,594	-	54,594
Repayment of borrowings	(60,201)	-	(60,201)
Principal elements of lease payments	(14,103)	-	(14,103)
Net loans from non-controlling shareholders	466	-	466
Issue of equity securities by subsidiary companies to non-controlling shareholders	624	-	624
Redemption of perpetual capital securities	(4,180)	-	(4,180)
Dividends paid to ordinary shareholders	(9,433)	-	(9,433)
Dividends paid to non-controlling interests	(7,951)	-	(7,951)
Distributions paid on perpetual capital securities	(162)	-	(162)
Cash flows used in financing activities	(40,346)	-	(40,346)
Decrease in cash and cash equivalents	(6,020)	-	(6,020)
Cash and cash equivalents at 1 January 2024	127,323	-	127,323
Cash and cash equivalents at 31 December 2024	121,303	-	121,303

45 Reconciliations between IFRS and Previous GAAP (continued)

(h) Consolidated Income Statement for the year ended 31 December 2023

	Under Previous GAAP HK\$ million	Remeasurements and reclassifications HK\$ million	Under IFRS HK\$ million
Revenue	275,575	-	275,575
Cost of inventories sold	(105,739)	-	(105,739)
Staff costs	(39,226)	-	(39,226)
Expensed customer acquisition and retention costs	(15,188)	-	(15,188)
Depreciation and amortisation	(40,083)	-	(40,083)
Other expenses and losses	(48,095)	250	(47,845)
Other income and gains	2,067	92	2,159
Share of profits less losses of:			
Associated companies	8,138	-	8,138
Joint ventures	7,990	-	7,990
	45,439	342	45,781
Interest expenses and other finance costs	(12,227)	-	(12,227)
Profit before tax	33,212	342	33,554
Current tax charge	(4,119)	-	(4,119)
Deferred tax credit	1,116	-	1,116
Profit after tax	30,209	342	30,551
Profit attributable to non-controlling interests and holders of perpetual capital securities	(6,709)	(3)	(6,712)
Profit attributable to ordinary shareholders	23,500	339	23,839

45 Reconciliations between IFRS and Previous GAAP (continued)

(i) Consolidated Statement of Comprehensive Income for the year ended 31 December 2023

	Under Previous GAAP HK\$ million	Remeasurements and reclassifications HK\$ million	Under IFRS HK\$ million
Profit after tax	30,209	342	30,551
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	718	-	718
Remeasurement of defined benefit obligations	(1,470)	-	(1,470)
Share of other comprehensive income (losses) of associated companies	(560)	-	(560)
Share of other comprehensive income of joint ventures	269	-	269
Tax relating to components of other comprehensive income (losses) that will not be reclassified to profit or loss	376	-	376
	(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	120	-	120
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)	-	(1,059)
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	1,889	-	1,889
Share of other comprehensive income of joint ventures	3,728	-	3,728
Tax relating to components of other comprehensive income (losses) that may be reclassified to profit or loss	4	-	4
	9,419	(342)	9,077
Other comprehensive income, net of tax	8,752	(342)	8,410
Total comprehensive income	38,961	-	38,961
Total comprehensive income attributable to non-controlling interests and holders of perpetual capital securities	(7,476)	-	(7,476)
Total comprehensive income attributable to ordinary shareholders	31,485	-	31,485

45 Reconciliations between IFRS and Previous GAAP (continued)

(j) Consolidated Statement of Financial Position at 31 December 2023

	Under Previous GAAP HK\$ million	Remeasurements and reclassifications HK\$ million	Under IFRS HK\$ million
Non-current assets			
Fixed assets	119,826	-	119,826
Right-of-use assets	61,198	-	61,198
Telecommunications licences	64,264	-	64,264
Brand names and other rights	83,396	-	83,396
Goodwill	271,136	-	271,136
Associated companies	143,638	-	143,638
Interests in joint ventures	156,337	-	156,337
Deferred tax assets	21,074	-	21,074
Liquid funds and other listed investments	15,786	-	15,786
Other non-current assets	19,862	-	19,862
	956,517	-	956,517
Current assets			
Cash and cash equivalents	127,323	-	127,323
Inventories	24,473	-	24,473
Trade receivables and other current assets	50,590	-	50,590
	202,386	-	202,386
Current liabilities			
Bank and other debts	58,324	-	58,324
Current tax liabilities	4,166	-	4,166
Lease liabilities	13,616	-	13,616
Trade payables and other current liabilities	86,419	-	86,419
	162,525	-	162,525
Net current assets	39,861	-	39,861
Total assets less current liabilities	996,378	-	996,378
Non-current liabilities			
Bank and other debts	213,598	-	213,598
Interest bearing loans from non-controlling shareholders	3,245	-	3,245
Lease liabilities	54,307	-	54,307
Deferred tax liabilities	19,572	-	19,572
Pension obligations	3,536	-	3,536
Other non-current liabilities	31,571	-	31,571
	325,829	-	325,829
Net assets	670,549	-	670,549
Capital and reserves			
Share capital	3,830	-	3,830
Share premium	242,972	-	242,972
Reserves	297,233	-	297,233
Total ordinary shareholders' funds	544,035	-	544,035
Perpetual capital securities	4,566	-	4,566
Non-controlling interests	121,948	-	121,948
Total equity	670,549	-	670,549

45 Reconciliations between IFRS and Previous GAAP (continued)

(k) Consolidated Statement of Changes in Equity for the year ended 31 December 2023

	Attributable to					
	Ordinary shareholders			Holders of perpetual capital securities	Non- controlling interests	Total equity
	Share capital and share premium HK\$ million	Reserves HK\$ million	Total ordinary shareholders' funds HK\$ million			
At 1 January 2023 under Previous GAAP	246,802	276,711	523,513	4,561	119,235	647,309
Effect on adoption of IFRS	-	-	-	-	-	-
At 1 January 2023 under IFRS	246,802	276,711	523,513	4,561	119,235	647,309
Profit for the year under Previous GAAP	-	23,500	23,500	172	6,537	30,209
Effect on adoption of IFRS	-	339	339	-	3	342
Profit for the year under IFRS	-	23,839	23,839	172	6,540	30,551
Other comprehensive income (losses) under Previous GAAP						
Changes in fair value of equity instruments at fair value through other comprehensive income	-	718	718	-	-	718
Changes in fair value of debt instruments at fair value through other comprehensive income	-	120	120	-	-	120
Remeasurement of defined benefit obligations	-	(1,108)	(1,108)	-	(362)	(1,470)
Exchange gains on translation of foreign operations	-	7,457	7,457	-	314	7,771
Exchange losses reclassified to profit or loss	-	339	339	-	3	342
Losses on cash flow hedges	-	(1,033)	(1,033)	-	(26)	(1,059)
Losses on net investment hedges	-	(1,308)	(1,308)	-	(333)	(1,641)
Reclassification adjustments for hedging gains included in profit or loss	-	(1,735)	(1,735)	-	-	(1,735)
Share of other comprehensive income of associated companies	-	1,183	1,183	-	146	1,329
Share of other comprehensive income of joint ventures	-	3,065	3,065	-	932	3,997
Tax relating to components of other comprehensive income (losses)	-	287	287	-	93	380
Other comprehensive income, net of tax, under Previous GAAP	-	7,985	7,985	-	767	8,752
Effect on adoption of IFRS:						
Exchange losses reclassified to profit or loss	-	(339)	(339)	-	(3)	(342)
Other comprehensive income, net of tax, under IFRS	-	7,646	7,646	-	764	8,410
Total comprehensive income under IFRS	-	31,485	31,485	172	7,304	38,961
Impact of hyperinflation under Previous GAAP / IFRS	-	82	82	-	21	103
Transactions with owners in their capacity as owners under Previous GAAP / IFRS:						
Dividends paid relating to 2022	-	(7,989)	(7,989)	-	-	(7,989)
Dividends paid relating to 2023	-	(2,896)	(2,896)	-	-	(2,896)
Dividends paid to non-controlling interests	-	-	-	-	(4,744)	(4,744)
Distributions paid on perpetual capital securities	-	-	-	(167)	-	(167)
Recognition of put option liabilities arising from business combinations	-	(148)	(148)	-	-	(148)
Unclaimed dividends write back	-	15	15	-	-	15
Relating to purchase of a subsidiary company	-	-	-	-	8	8
Relating to purchase of non-controlling interests	-	(34)	(34)	-	70	36
Relating to partial disposal of subsidiary companies	-	7	7	-	54	61
	-	(10,963)	(10,963)	(167)	(4,591)	(15,721)
At 31 December 2023 under IFRS	246,802	297,233	544,035	4,566	121,948	670,549

45 Reconciliations between IFRS and Previous GAAP (continued)

(l) Consolidated Statement of Cash Flows for the year ended 31 December 2023

	Under Previous GAAP HK\$ million	Remeasurements and reclassifications HK\$ million	Under IFRS HK\$ million
Operating activities			
Cash generated from operating activities before interest expenses and other finance costs, tax paid and changes in working capital	75,416	-	75,416
Interest expenses and other finance costs paid (net of capitalisation)	(12,083)	-	(12,083)
Tax paid	(3,931)	-	(3,931)
Funds from operations (before principal elements of lease payments)	59,402	-	59,402
Changes in working capital	(7,965)	-	(7,965)
Net cash from operating activities	51,437	-	51,437
Investing activities			
Purchase of fixed assets	(21,670)	-	(21,670)
Additions to telecommunications licences	(1,956)	-	(1,956)
Additions to brand names and other rights	(1,675)	-	(1,675)
Purchase of subsidiary companies, net of cash acquired	(55)	-	(55)
Additions to unlisted investments	(74)	-	(74)
Repayments of loans from associated companies and joint ventures	2,829	-	2,829
Purchase of and advances to associated companies and joint ventures	(819)	-	(819)
Proceeds from disposal of fixed assets	168	-	168
Proceeds from disposal of subsidiary companies, net of cash disposed	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	734	-	734
Proceeds from disposal of other unlisted investments	74	-	74
Cash flows used in investing activities before additions to / disposal of liquid funds and other listed investments	(17,430)	-	(17,430)
Disposal of liquid funds and other listed investments	2,088	-	2,088
Additions to liquid funds and other listed investments	(73)	-	(73)
Cash flows used in investing activities	(15,415)	-	(15,415)
Net cash inflow before financing activities	36,022	-	36,022
Financing activities			
New borrowings	58,211	-	58,211
Repayment of borrowings	(75,361)	-	(75,361)
Principal elements of lease payments	(14,476)	-	(14,476)
Net loans from non-controlling shareholders	527	-	527
Proceeds from partial disposal of subsidiary companies	61	-	61
Dividends paid to ordinary shareholders	(10,885)	-	(10,885)
Dividends paid to non-controlling interests	(4,694)	-	(4,694)
Distributions paid on perpetual capital securities	(167)	-	(167)
Cash flows used in financing activities	(46,784)	-	(46,784)
Decrease in cash and cash equivalents	(10,762)	-	(10,762)
Cash and cash equivalents at 1 January 2023	138,085	-	138,085
Cash and cash equivalents at 31 December 2023	127,323	-	127,323

45 Reconciliations between IFRS and Previous GAAP (continued)

(m) Consolidated Income Statement for the six months ended 30 June 2024

	Under Previous GAAP HK\$ million	Remeasurements and reclassifications HK\$ million	Under IFRS HK\$ million
Revenue	136,451	-	136,451
Cost of inventories sold	(50,823)	-	(50,823)
Staff costs	(20,539)	-	(20,539)
Expensed customer acquisition and retention costs	(7,471)	-	(7,471)
Depreciation and amortisation	(19,826)	-	(19,826)
Other expenses and losses	(24,351)	-	(24,351)
Other income and gains	466	-	466
Share of profits less losses of:			
Associated companies	3,908	-	3,908
Joint ventures	4,633	-	4,633
Interest expenses and other finance costs	22,448 (6,630)	- -	22,448 (6,630)
Profit before tax	15,818	-	15,818
Current tax charge	(2,063)	-	(2,063)
Deferred tax charge	(198)	-	(198)
Profit after tax	13,557	-	13,557
Profit attributable to non-controlling interests and holders of perpetual capital securities	(3,352)	-	(3,352)
Profit attributable to ordinary shareholders	10,205	-	10,205

45 Reconciliations between IFRS and Previous GAAP (continued)

(n) Consolidated Statement of Comprehensive Income for the six months ended 30 June 2024

	Under Previous GAAP HK\$ million	Remeasurements and reclassifications HK\$ million	Under IFRS HK\$ million
Profit after tax	13,557	-	13,557
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	(377)	-	(377)
Remeasurement of defined benefit obligations	498	-	498
Share of other comprehensive income (losses) of associated companies	(116)	-	(116)
Share of other comprehensive income (losses) of joint ventures	(910)	-	(910)
Tax relating to components of other comprehensive income (losses) that will not be reclassified to profit or loss	(112)	-	(112)
	(1,017)	-	(1,017)
Items that may be reclassified to profit or loss			
Changes in fair value of debt instruments at fair value through other comprehensive income	19	-	19
Exchange losses on translation of foreign operations	(4,376)	-	(4,376)
Losses on cash flow hedges	(27)	-	(27)
Gains on net investment hedges	635	-	635
Share of other comprehensive income (losses) of associated companies	(2,141)	-	(2,141)
Share of other comprehensive income (losses) of joint ventures	(2,336)	-	(2,336)
Tax relating to components of other comprehensive income (losses) that may be reclassified to profit or loss	2	-	2
	(8,224)	-	(8,224)
Other comprehensive income (losses), net of tax	(9,241)	-	(9,241)
Total comprehensive income	4,316	-	4,316
Total comprehensive income attributable to non-controlling interests and holders of perpetual capital securities	(2,112)	-	(2,112)
Total comprehensive income attributable to ordinary shareholders	2,204	-	2,204

45 Reconciliations between IFRS and Previous GAAP (continued)

(o) Consolidated Statement of Financial Position at 30 June 2024

	Under Previous GAAP HK\$ million	Remeasurements and reclassifications HK\$ million	Under IFRS HK\$ million
Non-current assets			
Fixed assets	112,848	-	112,848
Right-of-use assets	58,342	-	58,342
Telecommunications licences	62,630	-	62,630
Brand names and other rights	81,105	-	81,105
Goodwill	268,714	-	268,714
Associated companies	142,625	-	142,625
Interests in joint ventures	156,318	-	156,318
Deferred tax assets	20,520	-	20,520
Liquid funds and other listed investments	11,477	-	11,477
Other non-current assets	20,269	-	20,269
	934,848	-	934,848
Current assets			
Cash and cash equivalents	131,599	-	131,599
Inventories	25,162	-	25,162
Trade receivables and other current assets	46,878	-	46,878
	203,639	-	203,639
Current liabilities			
Bank and other debts	69,327	-	69,327
Interest bearing loan from a non-controlling shareholder	2,007	-	2,007
Current tax liabilities	3,703	-	3,703
Lease liabilities	12,415	-	12,415
Trade payables and other current liabilities	79,345	-	79,345
	166,797	-	166,797
Net current assets	36,842	-	36,842
Total assets less current liabilities	971,690	-	971,690
Non-current liabilities			
Bank and other debts	208,690	-	208,690
Interest bearing loans from non-controlling shareholders	1,134	-	1,134
Lease liabilities	51,691	-	51,691
Deferred tax liabilities	19,578	-	19,578
Pension obligations	3,088	-	3,088
Other non-current liabilities	30,549	-	30,549
	314,730	-	314,730
Net assets	656,960	-	656,960
Capital and reserves			
Share capital	3,830	-	3,830
Share premium	242,972	-	242,972
Reserves	292,639	-	292,639
Total ordinary shareholders' funds	539,441	-	539,441
Non-controlling interests	117,519	-	117,519
Total equity	656,960	-	656,960

45 Reconciliations between IFRS and Previous GAAP (continued)

(p) Consolidated Statement of Changes in Equity for the six months ended 30 June 2024

	Attributable to					
	Ordinary shareholders			Holders of perpetual capital securities	Non-controlling interests	Total equity
	Share capital and share premium HK\$ million	Reserves HK\$ million	Total ordinary shareholders' funds HK\$ million	HK\$ million	HK\$ million	HK\$ million
At 1 January 2024 under Previous GAAP	246,802	297,233	544,035	4,566	121,948	670,549
Effect on adoption of IFRS	-	-	-	-	-	-
At 1 January 2024 under IFRS	246,802	297,233	544,035	4,566	121,948	670,549
Profit for the period under Previous GAAP	-	10,205	10,205	71	3,281	13,557
Effect on adoption of IFRS	-	-	-	-	-	-
Profit for the period under IFRS	-	10,205	10,205	71	3,281	13,557
Other comprehensive income (losses) under Previous GAAP						
Changes in fair value of equity instruments at fair value through other comprehensive income	-	(377)	(377)	-	-	(377)
Changes in fair value of debt instruments at fair value through other comprehensive income	-	19	19	-	-	19
Remeasurement of defined benefit obligations	-	397	397	-	101	498
Exchange losses on translation of foreign operations	-	(3,678)	(3,678)	-	(698)	(4,376)
Losses on cash flow hedges	-	(24)	(24)	-	(3)	(27)
Gains on net investment hedges	-	481	481	-	154	635
Share of other comprehensive income (losses) of associated companies	-	(2,112)	(2,112)	-	(145)	(2,257)
Share of other comprehensive income (losses) of joint ventures	-	(2,621)	(2,621)	-	(625)	(3,246)
Tax relating to components of other comprehensive income (losses)	-	(86)	(86)	-	(24)	(110)
Other comprehensive income (losses), net of tax, under Previous GAAP	-	(8,001)	(8,001)	-	(1,240)	(9,241)
Effect on adoption of IFRS	-	-	-	-	-	-
Other comprehensive income (losses), net of tax, under IFRS	-	(8,001)	(8,001)	-	(1,240)	(9,241)
Total comprehensive income under IFRS	-	2,204	2,204	71	2,041	4,316
Transactions with owners in their capacity as owners under Previous GAAP / IFRS:						
Dividends paid relating to 2023	-	(6,798)	(6,798)	-	-	(6,798)
Dividends paid to non-controlling interests	-	-	-	-	(5,954)	(5,954)
Distributions paid on perpetual capital securities	-	-	-	(162)	-	(162)
Redemption of perpetual capital securities	-	-	-	(4,475)	-	(4,475)
Equity contribution from non-controlling interests	-	-	-	-	27	27
Relating to disposal of subsidiary companies	-	-	-	-	(543)	(543)
	-	(6,798)	(6,798)	(4,637)	(6,470)	(17,905)
At 30 June 2024 under IFRS	246,802	292,639	539,441	-	117,519	656,960

45 Reconciliations between IFRS and Previous GAAP (continued)

(q) Consolidated Statement of Cash Flows for the six months ended 30 June 2024

	Under Previous GAAP HK\$ million	Remeasurements and reclassifications HK\$ million	Under IFRS HK\$ million
Operating activities			
Cash generated from operating activities before interest expenses and other finance costs, tax paid and changes in working capital	37,035	-	37,035
Interest expenses and other finance costs paid (net of capitalisation)	(6,567)	-	(6,567)
Tax paid	(2,274)	-	(2,274)
Funds from operations (before principal elements of lease payments)	28,194	-	28,194
Changes in working capital	(5,229)	-	(5,229)
Net cash from operating activities	22,965	-	22,965
Investing activities			
Purchase of fixed assets	(8,817)	-	(8,817)
Additions to telecommunications licences	(60)	-	(60)
Additions to brand names and other rights	(751)	-	(751)
Purchase of subsidiary companies, net of cash acquired	(10)	-	(10)
Additions to unlisted investments	(22)	-	(22)
Repayments of loans from associated companies and joint ventures	350	-	350
Purchase of and advances to associated companies and joint ventures	(1,604)	-	(1,604)
Proceeds from disposal of fixed assets	115	-	115
Proceeds from disposal of subsidiary companies, net of cash disposed	333	-	333
Proceeds from partial disposal / disposal of associated companies and joint ventures	179	-	179
Proceeds from disposal of other unlisted investments	262	-	262
Cash flows used in investing activities before additions to / disposal of liquid funds and other listed investments	(10,025)	-	(10,025)
Disposal of liquid funds and other listed investments	3,297	-	3,297
Additions to liquid funds and other listed investments	(75)	-	(75)
Cash flows used in investing activities	(6,803)	-	(6,803)
Net cash inflow before financing activities	16,162	-	16,162
Financing activities			
New borrowings	32,341	-	32,341
Repayment of borrowings	(19,817)	-	(19,817)
Principal elements of lease payments	(7,370)	-	(7,370)
Net loans to non-controlling shareholders	(21)	-	(21)
Issue of equity securities by subsidiary companies to non-controlling shareholders	27	-	27
Redemption of perpetual capital securities	(4,180)	-	(4,180)
Dividends paid to ordinary shareholders	(6,798)	-	(6,798)
Dividends paid to non-controlling interests	(5,906)	-	(5,906)
Distributions paid on perpetual capital securities	(162)	-	(162)
Cash flows used in financing activities	(11,886)	-	(11,886)
Increase in cash and cash equivalents	4,276	-	4,276
Cash and cash equivalents at 1 January 2024	127,323	-	127,323
Cash and cash equivalents at 30 June 2024	131,599	-	131,599

45 Reconciliations between IFRS and Previous GAAP (continued)

(r) Consolidated Income Statement for the six months ended 30 June 2023

	Under Previous GAAP HK\$ million	Remeasurements and reclassifications HK\$ million	Under IFRS HK\$ million
Revenue	133,377	-	133,377
Cost of inventories sold	(51,121)	-	(51,121)
Staff costs	(19,445)	-	(19,445)
Expensed customer acquisition and retention costs	(7,005)	-	(7,005)
Depreciation and amortisation	(19,675)	-	(19,675)
Other expenses and losses	(24,573)	250	(24,323)
Other income and gains	2,047	87	2,134
Share of profits less losses of:			
Associated companies	4,080	-	4,080
Joint ventures	3,720	-	3,720
Interest expenses and other finance costs	21,405 (5,687)	337 -	21,742 (5,687)
Profit before tax	15,718	337	16,055
Current tax charge	(1,573)	-	(1,573)
Deferred tax credit	198	-	198
Profit after tax	14,343	337	14,680
Profit attributable to non-controlling interests and holders of perpetual capital securities	(3,135)	(3)	(3,138)
Profit attributable to ordinary shareholders	11,208	334	11,542

45 Reconciliations between IFRS and Previous GAAP (continued)

(s) Consolidated Statement of Comprehensive Income for the six months ended 30 June 2023

	Under Previous GAAP HK\$ million	Remeasurements and reclassifications HK\$ million	Under IFRS HK\$ million
Profit after tax	14,343	337	14,680
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	605	-	605
Remeasurement of defined benefit obligations	101	-	101
Share of other comprehensive income (losses) of associated companies	(539)	-	(539)
Share of other comprehensive income of joint ventures	94	-	94
Tax relating to components of other comprehensive income (losses) that will not be reclassified to profit or loss	(36)	-	(36)
	225	-	225
Items that may be reclassified to profit or loss			
Changes in fair value of debt instruments at fair value through other comprehensive income	(4)	-	(4)
Exchange gains on translation of foreign operations	8,941	-	8,941
Exchange losses reclassified to profit or loss	337	(337)	-
Losses on cash flow hedges	(1,145)	-	(1,145)
Losses on net investment hedges	(1,378)	-	(1,378)
Reclassification adjustments for hedging gains included in profit or loss	(1,735)	-	(1,735)
Share of other comprehensive income of associated companies	2,587	-	2,587
Share of other comprehensive income of joint ventures	4,181	-	4,181
Tax relating to components of other comprehensive income (losses) that may be reclassified to profit or loss	(1)	-	(1)
	11,783	(337)	11,446
Other comprehensive income, net of tax	12,008	(337)	11,671
Total comprehensive income	26,351	-	26,351
Total comprehensive income attributable to non-controlling interests and holders of perpetual capital securities	(4,324)	-	(4,324)
Total comprehensive income attributable to ordinary shareholders	22,027	-	22,027

45 Reconciliations between IFRS and Previous GAAP (continued)

(t) Consolidated Statement of Financial Position at 30 June 2023

	Under Previous GAAP HK\$ million	Remeasurements and reclassifications HK\$ million	Under IFRS HK\$ million
Non-current assets			
Fixed assets	116,991	-	116,991
Right-of-use assets	62,655	-	62,655
Telecommunications licences	63,739	-	63,739
Brand names and other rights	84,122	-	84,122
Goodwill	270,548	-	270,548
Associated companies	142,603	-	142,603
Interests in joint ventures	155,144	-	155,144
Deferred tax assets	19,651	-	19,651
Liquid funds and other listed investments	17,995	-	17,995
Other non-current assets	13,622	-	13,622
	947,070	-	947,070
Current assets			
Cash and cash equivalents	128,740	-	128,740
Inventories	24,742	-	24,742
Trade receivables and other current assets	58,282	-	58,282
	211,764	-	211,764
Current liabilities			
Bank and other debts	43,104	-	43,104
Current tax liabilities	3,623	-	3,623
Lease liabilities	13,445	-	13,445
Trade payables and other current liabilities	84,285	-	84,285
	144,457	-	144,457
Net current assets	67,307	-	67,307
Total assets less current liabilities	1,014,377	-	1,014,377
Non-current liabilities			
Bank and other debts	239,740	-	239,740
Interest bearing loans from non-controlling shareholders	2,549	-	2,549
Lease liabilities	55,640	-	55,640
Deferred tax liabilities	19,525	-	19,525
Pension obligations	2,208	-	2,208
Other non-current liabilities	32,429	-	32,429
	352,091	-	352,091
Net assets	662,286	-	662,286
Capital and reserves			
Share capital	3,830	-	3,830
Share premium	242,972	-	242,972
Reserves	290,546	-	290,546
Total ordinary shareholders' funds	537,348	-	537,348
Perpetual capital securities	4,483	-	4,483
Non-controlling interests	120,455	-	120,455
Total equity	662,286	-	662,286

45 Reconciliations between IFRS and Previous GAAP (continued)

(u) Consolidated Statement of Changes in Equity for the six months ended 30 June 2023

	Attributable to					
	Ordinary shareholders			Holders of perpetual capital securities	Non- controlling interests	Total equity
	Share capital and share premium HK\$ million	Reserves HK\$ million	Total ordinary shareholders' funds HK\$ million			
At 1 January 2023 under Previous GAAP	246,802	276,711	523,513	4,561	119,235	647,309
Effect on adoption of IFRS	-	-	-	-	-	-
At 1 January 2023 under IFRS	246,802	276,711	523,513	4,561	119,235	647,309
Profit for the period under Previous GAAP	-	11,208	11,208	89	3,046	14,343
Effect on adoption of IFRS	-	334	334	-	3	337
Profit for the period under IFRS	-	11,542	11,542	89	3,049	14,680
Other comprehensive income (losses) under Previous GAAP						
Changes in fair value of equity instruments at fair value through other comprehensive income	-	605	605	-	-	605
Changes in fair value of debt instruments at fair value through other comprehensive income	-	(4)	(4)	-	-	(4)
Remeasurement of defined benefit obligations	-	85	85	-	16	101
Exchange gains on translation of foreign operations	-	8,655	8,655	-	286	8,941
Exchange losses reclassified to profit or loss	-	334	334	-	3	337
Losses on cash flow hedges	-	(1,132)	(1,132)	-	(13)	(1,145)
Losses on net investment hedges	-	(1,095)	(1,095)	-	(283)	(1,378)
Reclassification adjustments for hedging gains included in profit or loss	-	(1,735)	(1,735)	-	-	(1,735)
Share of other comprehensive income of associated companies	-	1,822	1,822	-	226	2,048
Share of other comprehensive income of joint ventures	-	3,314	3,314	-	961	4,275
Tax relating to components of other comprehensive income (losses)	-	(30)	(30)	-	(7)	(37)
Other comprehensive income, net of tax, under Previous GAAP	-	10,819	10,819	-	1,189	12,008
Effect on adoption of IFRS:						
Exchange losses reclassified to profit or loss	-	(334)	(334)	-	(3)	(337)
Other comprehensive income, net of tax, under IFRS	-	10,485	10,485	-	1,186	11,671
Total comprehensive income under IFRS	-	22,027	22,027	89	4,235	26,351
Impact of hyperinflation under Previous GAAP / IFRS	-	(21)	(21)	-	(5)	(26)
Transactions with owners in their capacity as owners under Previous GAAP / IFRS:						
Dividends paid relating to 2022	-	(7,989)	(7,989)	-	-	(7,989)
Dividends paid to non-controlling interests	-	-	-	-	(3,052)	(3,052)
Distributions paid on perpetual capital securities	-	-	-	(167)	-	(167)
Recognition of put option liabilities arising from business combinations	-	(148)	(148)	-	-	(148)
Relating to purchase of a subsidiary company	-	-	-	-	8	8
Relating to purchase of non-controlling interests	-	(34)	(34)	-	34	-
	-	(8,192)	(8,192)	(167)	(3,015)	(11,374)
At 30 June 2023 under IFRS	246,802	290,546	537,348	4,483	120,455	662,286

45 Reconciliations between IFRS and Previous GAAP (continued)

(v) Consolidated Statement of Cash Flows for the six months ended 30 June 2023

	Under Previous GAAP HK\$ million	Remeasurements and reclassifications HK\$ million	Under IFRS HK\$ million
Operating activities			
Cash generated from operating activities before interest expenses and other finance costs, tax paid and changes in working capital	35,553	-	35,553
Interest expenses and other finance costs paid (net of capitalisation)	(5,621)	-	(5,621)
Tax paid	(1,760)	-	(1,760)
Funds from operations (before principal elements of lease payments)	28,172	-	28,172
Changes in working capital	(6,981)	-	(6,981)
Net cash from operating activities	21,191	-	21,191
Investing activities			
Purchase of fixed assets	(9,746)	-	(9,746)
Additions to telecommunications licences	(1,009)	-	(1,009)
Additions to brand names and other rights	(649)	-	(649)
Purchase of subsidiary companies, net of cash acquired	(79)	-	(79)
Additions to unlisted investments	(39)	-	(39)
Repayments of loans from associated companies and joint ventures	2,241	-	2,241
Purchase of and advances to associated companies and joint ventures	(95)	-	(95)
Proceeds from disposal of fixed assets	19	-	19
Proceeds from disposal of subsidiary companies, net of cash disposed	2,563	-	2,563
Proceeds from disposal of joint ventures	723	-	723
Proceeds from disposal of other unlisted investments	74	-	74
Cash flows used in investing activities before additions to / disposal of liquid funds and other listed investments	(5,997)	-	(5,997)
Disposal of liquid funds and other listed investments	15	-	15
Additions to liquid funds and other listed investments	(65)	-	(65)
Cash flows used in investing activities	(6,047)	-	(6,047)
Net cash inflow before financing activities	15,144	-	15,144
Financing activities			
New borrowings	38,122	-	38,122
Repayment of borrowings	(44,012)	-	(44,012)
Principal elements of lease payments	(7,500)	-	(7,500)
Net loans to non-controlling shareholders	(30)	-	(30)
Dividends paid to ordinary shareholders	(7,989)	-	(7,989)
Dividends paid to non-controlling interests	(2,913)	-	(2,913)
Distributions paid on perpetual capital securities	(167)	-	(167)
Cash flows used in financing activities	(24,489)	-	(24,489)
Decrease in cash and cash equivalents	(9,345)	-	(9,345)
Cash and cash equivalents at 1 January 2023	138,085	-	138,085
Cash and cash equivalents at 30 June 2023	128,740	-	128,740

45 Reconciliations between IFRS and Previous GAAP (continued)

(w) Consolidated reserves at 31 December 2024

	Attributable to ordinary shareholders				
	Retained profit HK\$ million	Exchange reserve HK\$ million	Hedging reserve HK\$ million	Others HK\$ million	Total HK\$ million
At 1 January 2024 under Previous GAAP	669,173	(29,260)	2,618	(345,298)	297,233
Effect on adoption of IFRS	(39,864)	39,864	-	-	-
At 1 January 2024 under IFRS	629,309	10,604	2,618	(345,298)	297,233
Profit for the year under Previous GAAP	17,088	-	-	-	17,088
Effect on adoption of IFRS	-	-	-	-	-
Profit for the year under IFRS	17,088	-	-	-	17,088
Other comprehensive income (losses) under Previous GAAP					
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 profit	(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, under Previous GAAP	(238)	(16,623)	(7)	(399)	(17,267)
Effect on adoption of IFRS	-	-	-	-	-
Other comprehensive income (losses), net of tax, under IFRS	(238)	(16,623)	(7)	(399)	(17,267)
Transfer of losses on disposal of equity securities at FVOCI to retained profit under Previous GAAP / IFRS	(682)	-	-	682	-
Transactions with owners in their capacity as owners under Previous GAAP / IFRS:					
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 under IFRS	636,053	(6,019)	2,611	(344,732)	287,913

45 Reconciliations between IFRS and Previous GAAP (continued)

(x) Consolidated reserves at 31 December 2023

	Attributable to ordinary shareholders				Total HK\$ million
	Retained profit HK\$ million	Exchange reserve HK\$ million	Hedging reserve HK\$ million	Others HK\$ million	
At 1 January 2023 under Previous GAAP	657,443	(40,203)	5,332	(345,861)	276,711
Effect on adoption of IFRS	(40,203)	40,203	-	-	-
At 1 January 2023 under IFRS	617,240	-	5,332	(345,861)	276,711
Profit for the year under Previous GAAP	23,500	-	-	-	23,500
Effect on adoption of IFRS	339	-	-	-	339
Profit for the year under IFRS	23,839	-	-	-	23,839
Other comprehensive income (losses) under Previous GAAP					
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, under Previous GAAP	(1,208)	10,943	(2,714)	964	7,985
Effect on adoption of IFRS:					
Exchange losses reclassified to profit or loss	-	(339)	-	-	(339)
Other comprehensive income (losses), net of tax, under IFRS	(1,208)	10,604	(2,714)	964	7,646
Impact of hyperinflation under Previous GAAP / IFRS	82	-	-	-	82
Transfer of gains on disposal of equity securities at FVOCI to retained profit under Previous GAAP / IFRS	226	-	-	(226)	-
Transactions with owners in their capacity as owners under Previous GAAP / IFRS:					
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 under IFRS	629,309	10,604	2,618	(345,298)	297,233

45 Reconciliations between IFRS and Previous GAAP (continued)

(y) Consolidated reserves at 30 June 2024

	Attributable to ordinary shareholders				Total
	Retained profit	Exchange reserve	Hedging reserve	Others	
	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million
At 1 January 2024 under Previous GAAP	669,173	(29,260)	2,618	(345,298)	297,233
Effect on adoption of IFRS	(39,864)	39,864	-	-	-
At 1 January 2024 under IFRS	629,309	10,604	2,618	(345,298)	297,233
Profit for the period under Previous GAAP	10,205	-	-	-	10,205
Effect on adoption of IFRS	-	-	-	-	-
Profit for the period under IFRS	10,205	-	-	-	10,205
Other comprehensive income (losses) under Previous GAAP					
Changes in fair value of equity instruments at fair value through other comprehensive income	-	-	-	(377)	(377)
Changes in fair value of debt instruments at fair value through other comprehensive income	-	-	-	19	19
Remeasurement of defined benefit obligations	397	-	-	-	397
Exchange losses on translation of foreign operations	-	(3,678)	-	-	(3,678)
Losses on cash flow hedges	-	-	(24)	-	(24)
Gains on net investment hedges	-	481	-	-	481
Losses in other reserves related to subsidiaries disposed during the period transferred directly to retained profit	(24)	-	-	24	-
Share of other comprehensive income (losses) of associated companies	(150)	(2,052)	80	10	(2,112)
Share of other comprehensive income (losses) of joint ventures	(694)	(2,199)	272	-	(2,621)
Tax relating to components of other comprehensive income (losses)	(88)	-	2	-	(86)
Other comprehensive income (losses), net of tax, under Previous GAAP	(559)	(7,448)	330	(324)	(8,001)
Effect on adoption of IFRS	-	-	-	-	-
Other comprehensive income (losses), net of tax, under IFRS	(559)	(7,448)	330	(324)	(8,001)
Transfer of net losses on disposal of equity securities at FVOCI to retained profit under Previous GAAP / IFRS	(80)	-	-	80	-
Transactions with owners in their capacity as owners under Previous GAAP / IFRS:					
Dividends paid relating to 2023	(6,798)	-	-	-	(6,798)
At 30 June 2024 under IFRS	632,077	3,156	2,948	(345,542)	292,639

45 Reconciliations between IFRS and Previous GAAP (continued)

(z) Consolidated reserves at 30 June 2023

	Attributable to ordinary shareholders				
	Retained profit	Exchange reserve	Hedging reserve	Others	Total
	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million
At 1 January 2023 under Previous GAAP	657,443	(40,203)	5,332	(345,861)	276,711
Effect on adoption of IFRS	(40,203)	40,203	-	-	-
At 1 January 2023 under IFRS	617,240	-	5,332	(345,861)	276,711
Profit for the period under Previous GAAP	11,208	-	-	-	11,208
Effect on adoption of IFRS	334	-	-	-	334
Profit for the period under IFRS	11,542	-	-	-	11,542
Other comprehensive income (losses) under Previous GAAP					
Changes in fair value of equity instruments at fair value through other comprehensive income	-	-	-	605	605
Changes in fair value of debt instruments at fair value through other comprehensive income	-	-	-	(4)	(4)
Remeasurement of defined benefit obligations	85	-	-	-	85
Exchange gains on translation of foreign operations	-	8,655	-	-	8,655
Exchange losses reclassified to profit or loss	-	334	-	-	334
Losses on cash flow hedges	-	-	(1,132)	-	(1,132)
Losses on net investment hedges	-	(1,095)	-	-	(1,095)
Reclassification adjustments for hedging gains included in profit or loss	-	-	(1,735)	-	(1,735)
Share of other comprehensive income (losses) of associated companies	20	2,208	156	(562)	1,822
Share of other comprehensive income of joint ventures	67	2,720	525	2	3,314
Tax relating to components of other comprehensive income (losses)	(29)	-	(1)	-	(30)
Other comprehensive income (losses), net of tax, under Previous GAAP	143	12,822	(2,187)	41	10,819
Effect on adoption of IFRS:					
Exchange losses reclassified to profit or loss	-	(334)	-	-	(334)
Other comprehensive income (losses), net of tax, under IFRS	143	12,488	(2,187)	41	10,485
Impact of hyperinflation under Previous GAAP / IFRS	(21)	-	-	-	(21)
Transfer of gain on disposal of equity securities at FVOCI to retained profit under Previous GAAP / IFRS	13	-	-	(13)	-
Transactions with owners in their capacity as owners under Previous GAAP / IFRS:					
Dividends paid relating to 2022	(7,989)	-	-	-	(7,989)
Recognition of put option liabilities arising from business combinations	-	-	-	(148)	(148)
Relating to purchase of non-controlling interests	-	-	-	(34)	(34)
At 30 June 2023 under IFRS	620,928	12,488	3,145	(346,015)	290,546

Group Capital Resources and Other Information

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 period or remain outstanding at the end of the period. 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 30 June 2025, approximately 37% of the Group's total principal amount of bank and other debts were at floating rates and the remaining 63% were at fixed rates (31 December 2024: 34% floating; 66% fixed). The Group has entered into various interest rate agreements with major financial institution counterparties to swap approximately HK\$6,294 million principal amount of floating interest rate borrowings that were used to finance long term investments have been swapped to fixed interest rate borrowings. After taking into consideration these interest rate swaps, 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 at 30 June 2025 (31 December 2024: 33% floating; 67% 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 period ended 30 June 2025 is 3.4% (30 June 2024 – 3.6%).

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 the first half of 2025 was HK\$44,998 million, and underlying EBITDA (excluding one-time non-cash loss arising from the UK merger and related impacts)⁽²⁾ was HK\$55,920 million, of which 54% was derived from European operations, including 22% from the UK. At 30 June 2025, of the Group's total principal amount of bank and other debts, 32% and 3% were denominated in Euro and British Pounds respectively, whilst liquid assets comprised 26% Euro and 11% British Pounds denominated cash and cash equivalents. As a result, 38% of the Group's consolidated net debt⁽³⁾ of HK\$119,321 million was denominated in Euro, with British Pounds in a net cash position. Net assets⁽⁴⁾ was HK\$688,894 million, with 27% and 20% attributable to Continental Europe and the UK operations respectively.

At 30 June 2025, the Group's total principal amount of bank and other debts were denominated as follows: 32% in Euro, 44% in US dollars, 12% in HK dollars, 3% in British Pounds and 9% in other currencies. At 30 June 2025, the Group does not have any currency swap arrangements with banks.

For purposes of illustrating the Group's currency sensitivity, based on the results for the first half of 2025, a 10% depreciation of British Pounds would result in a HK\$1.2 billion decrease in EBITDA, a HK\$0.2 billion decrease in NPAT, HK\$0.6 billion increase in net debt and 0.3%-point increase in net debt to net total capital ratio. Similarly, a 10% depreciation of Euro would result in a HK\$1.2 billion decrease in EBITDA, a HK\$0.1 billion decrease in NPAT, HK\$4.6 billion decrease in net debt and 0.1%-point decrease in 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 management of local operations.

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 2024 – approximately 6%) 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, EBITDA for the first half of 2025 was HK\$56,983 million (30 June 2024 – HK\$63,422 million).

Note 2: 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 billion.

Note 3: Under Post-IFRS 16 basis, consolidated net debt as at 30 June 2025 was HK\$119,222 million (31 December 2024 – HK\$128,558 million).

Note 4: Under Post-IFRS 16 basis, net assets as at 30 June 2025 was HK\$675,865 million (31 December 2024 – HK\$652,592 million).

Liquid Assets

The Group continues to maintain a robust financial position. Liquid assets amounted to HK\$137,268 million at 30 June 2025, an increase of 6% from the balance of HK\$129,445 million at 31 December 2024, mainly reflecting cash arising from positive funds from operations from the Group's businesses and proceed on disposal of interest in UK, partly offset by dividend payments to ordinary and non-controlling shareholders, repayment and early repayment of certain borrowings, as well as capital expenditure and investment spending. Liquid assets were denominated as to 10% in HK dollars, 42% in US dollars, 3% in Renminbi, 26% in Euro, 11% in British Pounds and 8% in other currencies.

Cash and cash equivalents represented 94% (31 December 2024 – 94%) of the liquid assets, US Treasury notes and listed debt securities 6% (31 December 2024 – 5%) and listed equity securities nil (31 December 2024 – 1%). The US Treasury notes and listed debt securities, including those held under managed funds, consisted of US Treasury notes of 77%, government and government guaranteed notes of 18% and others of 5%. All of these US Treasury notes and listed debt securities are rated at Aaa/AAA or Aa1/AA+ with an average maturity of 2.8 years on the overall portfolio. The Group has no exposure in mortgage-backed securities, collateralised debt obligations or similar asset classes.

Cash Flow

Consolidated funds from operations⁽⁵⁾ ("FFO") before cash profits from disposals, capital expenditures, investments and changes in working capital was HK\$20,797 million for the first half of 2025, a decrease of 2% against the same period last year of HK\$21,193 million.

The Group's capital expenditures (including licences, brand name and other rights) for the first half of 2025 amounted to HK\$8,680 million (30 June 2024 – HK\$9,746 million). Capital expenditures (including licences, brand name and other rights) for the ports and related services division amounted to HK\$1,119 million (30 June 2024 – HK\$1,110 million); for the retail division HK\$897 million (30 June 2024 – HK\$1,108 million); for the infrastructure division HK\$132 million (30 June 2024 – HK\$247 million); for CK Hutchison Group Telecom HK\$6,421 million (30 June 2024 – HK\$7,160 million); and for the finance and investments and others segment HK\$111 million (30 June 2024 – HK\$121 million).

The Group's dividends received from associated companies and joint ventures for the first half of 2025 amounted to HK\$4,981 million (30 June 2024 – HK\$5,707 million). Dividends received from associated companies and joint ventures for the ports and related services division amounted to HK\$778 million (30 June 2024 – HK\$588 million); for the retail division HK\$752 million (30 June 2024 – HK\$1,049 million); for the infrastructure division HK\$2,683 million (30 June 2024 – HK\$2,745 million); and for the finance and investments and others segment HK\$768 million (30 June 2024 – HK\$1,325 million).

The Group's purchases of and advances to associated companies and joint ventures amounted to HK\$492 million (30 June 2024 – HK\$1,604 million). Purchases of and advances to associated companies and joint ventures for the ports and related services division was HK\$157 million (30 June 2024 – HK\$137 million); for the infrastructure division HK\$43 million (30 June 2024 – HK\$1,418 million); for CK Hutchison Group Telecom HK\$101 million (30 June 2024 – HK\$45 million); and for the finance and investments and others segment HK\$191 million (30 June 2024 – HK\$4 million).

Net cash inflow before financing activities⁽⁶⁾ was HK\$31,047 million, an increase of 248% compared to HK\$8,926 million for the same period last year, mainly due to net proceeds from the UK merger, favourable working capital movements and lower capital expenditures, partly offset by lower dividends received from associated companies and joint ventures.

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 6(b)(v) to the Financial Statements and the "Condensed Consolidated Statement of Cash Flows" section of this Announcement.

Note 5: Under Post-IFRS 16 basis, FFO for the first half of 2025 was HK\$27,874 million (30 June 2024 – HK\$28,194 million).

Note 6: Under Post-IFRS 16 basis, net cash inflow before financing activities for the first half of 2025 was HK\$38,840 million (30 June 2024 – HK\$16,162 million).

Debt Maturity and Currency Profile

The Group's total bank and other debts, including unamortised fair value adjustments from acquisitions, at 30 June 2025 amounted to HK\$256,589 million (31 December 2024 – HK\$259,059 million) which comprises principal amount of bank and other debts of HK\$254,787 million (31 December 2024 – HK\$257,104 million) and unamortised fair value adjustments arising from acquisitions of HK\$1,802 million (31 December 2024 – HK\$1,955 million). The Group's total principal amount of bank and other debts at 30 June 2025 consist of 63% notes and bonds (31 December 2024 – 65%) and 37% bank and other loans (31 December 2024 – 35%). Interest bearing loans from non-controlling shareholders, which are viewed as quasi-equity, totalled HK\$3,932 million as at 30 June 2025 (31 December 2024 – HK\$3,471 million).

The maturity profile of the Group's total principal amount of bank and other debts at 30 June 2025 is set out below:

	HK\$	US\$	Euro	GBP	Others	Total
In the remainder of 2025	–	–	–	–	–	–
In 2026	1%	3%	9%	1%	1%	15%
In 2027	1%	6%	1%	1%	3%	12%
In 2028	4%	4%	9%	1%	4%	22%
In 2029	1%	7%	7%	–	–	15%
In 2030 – 2034	5%	18%	6%	–	1%	30%
In 2035 – 2044	–	2%	–	–	–	2%
Beyond 2044	–	4%	–	–	–	4%
Total	12%	44%	32%	3%	9%	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.

Changes in Debt Financing and Perpetual Capital Securities

The significant financing activities for the Group in the first half of 2025 were as follows:

- In January, purchased and effectively retired US\$188 million (approximately HK\$1,464 million) of the Group's outstanding notes of various maturities;
- In March, obtained a three year term loan facility of SEK6,700 million (approximately HK\$5,159 million) and repaid a floating term loan facility of SEK6,100 million (approximately HK\$4,697 million) on maturity;
- In March, obtained a three year floating rate term loan facility of HK\$3,880 million;
- In March, obtained a five year floating rate term loan facility of HK\$4,700 million;
- In March, obtained two five year HK\$3,900 million floating rate term loan facilities each;
- In March, obtained a three year floating rate term loan facility of AUD260 million (approximately HK\$1,273 million) and repaid a floating rate term loan facility of the same amount on maturity;
- In April, obtained a five year floating rate term loan facility of AUD300 million (approximately HK\$1,463 million) and repaid a floating rate term loan facility of the same amount on maturity;
- In April, repaid EUR750 million (approximately HK\$6,720 million) principal amount of fixed rate notes on maturity;
- In May, repaid a floating rate term loan facility of US\$2,100 million (approximately HK\$16,380 million) on maturity; and
- In June, through various tenders, purchased and effectively retired GBP485 million (approximately HK\$5,176 million) of the Group's outstanding notes of various maturities.

Capital, Net Debt and Interest Coverage Ratios

The Group's total ordinary shareholders' funds and perpetual capital securities⁽⁷⁾ increased to HK\$563,852 million as at 30 June 2025, compared to HK\$543,649 million as at 31 December 2024, mainly reflecting profit for the first half of 2025, exchange gains on translation of foreign operations, as well as other items recognised directly in reserves, partly offset by the Group's 2024 final dividends paid.

As at 30 June 2025, the consolidated net debt of the Group, excluding interest bearing loans from non-controlling shareholders which are viewed as quasi-equity, was HK\$119,321 million (31 December 2024 – HK\$129,614 million), an 8% decrease compared to the net debt at the beginning of the year mainly due to net proceeds from the UK merger and net cash generated from operating activities, partly offset by dividend payments, capital expenditure and investment spending. The Group's consolidated net debt to net total capital ratio⁽⁸⁾ was 14.7% as at 30 June 2025 (31 December 2024 – 16.2%; 30 June 2024 – 17.0%). The Group's consolidated cash and liquid investments as at 30 June 2025 were sufficient to repay all of the Group's outstanding debt maturing before 31 December 2028 and cover 35% of outstanding debt in 2029.

The Group's consolidated cash interest expenses and other finance costs of subsidiaries, before capitalisation and net of interest income in the first half of 2025 was HK\$1,701 million (30 June 2024 – HK\$1,077 million). Reported EBITDA of HK\$44,998 million (30 June 2024: HK\$52,201 million) and FFO excluding net interest⁽⁹⁾ of HK\$22,498 million (30 June 2024 – HK\$22,270 million) for the period covered consolidated net interest expenses and other finance costs 24.7 times (30 June 2024 – 44.6 times) and 13.2 times (30 June 2024 – 20.7 times) respectively.

Secured Financing

At 30 June 2025, assets of the Group totalling HK\$1,603 million (31 December 2024 – HK\$1,449 million) were pledged as security for bank loans.

Borrowing Facilities Available

Committed borrowing facilities available to Group companies but not drawn at 30 June 2025 amounted to the equivalent of HK\$1,196 million (31 December 2024 – HK\$2,762 million).

Contingent Liabilities

At 30 June 2025, the Group provided guarantees in respect of bank and other borrowing facilities to its associated companies and joint ventures totalling HK\$10,697 million (31 December 2024 – HK\$10,753 million), of which HK\$9,175 million (31 December 2024 – HK\$8,444 million) has been drawn down as at 30 June 2025 and also provided performance and other guarantees of HK\$5,533 million (31 December 2024 – HK\$4,860 million).

Employee Relations

At 30 June 2025, the Company and its subsidiaries employed 173,817 people (30 June 2024 – 174,878 people). The employee costs for the six-month period, excluding Directors' emoluments, totalled HK\$23,763 million (2024 – HK\$22,809 million). Including the Group's associated companies, at 30 June 2025, the Group employed 326,346 people of whom 16,170 were employed in Hong Kong. All of the Group's subsidiaries are equal opportunity employers, with the selection and promotion of individuals based on suitability for the position offered. The salary and benefit levels of the Group's employees are kept at a competitive level and employees are rewarded on a performance related basis within the general framework of the Group's salary and bonus system, which is reviewed annually.

The Company does not have a share option scheme for the purchase of ordinary shares in the Company. Certain subsidiaries and associates of the Group offer various equity-linked compensation elements appropriate to their sectors and markets. A wide range of benefits including medical coverage, provident funds and retirement plans and long service awards is also provided to employees. In addition, training and development programmes are provided on an on-going basis throughout the Group. Many social, sporting and recreational activities are arranged for employees on a Group-wide basis. Group employees also participated in community-oriented events.

Note 7: Under Post-IFRS 16 basis, total ordinary shareholders' funds and perpetual capital securities as at 30 June 2025 was HK\$554,790 million (31 December 2024 – HK\$534,715 million).

Note 8: Under Post-IFRS 16 basis, net debt to net total capital ratio for the first half of 2025 was 14.9% (31 December 2024 – 16.4%; 30 June 2024 – 17.1%).

Note 9: Under Post-IFRS 16 basis, FFO excluding net interest for the first half of 2025 was HK\$31,087 million (30 June 2024 – HK\$30,559 million).

Purchase, Sale or Redemption of Listed Securities

During the six months ended 30 June 2025, 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.

Compliance with the Corporate Governance Code

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.

The Company has complied throughout the six months ended 30 June 2025 with all applicable code provisions of the Corporate Governance Code contained in Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), as in force during the reporting period.

Compliance with the Model Code for Securities Transactions by Directors

The Board of Directors 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 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 six months ended 30 June 2025.

Review of Interim Financial Statements

The unaudited condensed consolidated financial statements of the Company and its subsidiary companies for the six months ended 30 June 2025 have been reviewed by the Company’s auditor, PricewaterhouseCoopers, in accordance with Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. The auditor’s independent review report of PricewaterhouseCoopers is set out on page 25 in the announcement. The unaudited condensed consolidated financial statements of the Company and its subsidiary companies for the six months ended 30 June 2025 have also been reviewed by the Audit Committee of the Company.

Record Date for Interim Dividend

The record date for determining the entitlement of shareholders (except for holders of treasury shares, if any) to the interim dividend is Tuesday, 16 September 2025. In order to qualify for the interim dividend payable on Thursday, 25 September 2025, all transfers, accompanied by the relevant share certificates, must be lodged with the Company’s Hong Kong Share Registrar (Computershare Hong Kong Investor Services Limited at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong) for registration no later than 4:30 pm on Tuesday, 16 September 2025.

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. The Group 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 Highlights contained in this announcement 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.

Past Performance and Forward Looking Statements

The performance and the results of the operations of the Group contained in the 2025 interim results announcement 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 2025 interim results announcement 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 2025 interim results announcement; 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.

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

Executive Directors:

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

Non-executive Directors:

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

Independent Non-executive Directors:

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