

IMPORTANT NOTICE

(THIS OFFERING IS AVAILABLE ONLY TO INVESTORS WHO ARE NON-U.S. PERSONS OUTSIDE OF THE UNITED STATES)

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NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

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Confirmation of Your Representation: You have accessed the attached document on the basis that you have confirmed to CK Hutchison Europe Finance (21) Limited (the "Issuer"), CK Hutchison Holdings Limited (the "Guarantor"), Banco Bilbao Vizcaya Argentaria, S.A., Citigroup Global Markets Limited, Crédit Agricole Corporate and Investment Bank, The Hongkong and Shanghai Banking Corporation Limited, ING Bank N.V., Intesa Sanpaolo S.p.A. and Morgan Stanley & Co. International plc (the "Lead Managers") that: (1) you are not in the United States nor a U.S. person, as defined in Regulation S under the Securities Act ("Regulation S"), (2) the electronic mail address that you gave us and to which this e-mail has been delivered is not located in the United States AND (3) you consent to delivery of this document by electronic transmission. To the extent you purchase the securities described in the attached document, you will be doing so in an offshore transaction as defined in regulations under the Securities Act in compliance with Regulation S.

This document has been made available to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently neither the Issuer, the Guarantor, the Lead Managers, nor any of their respective affiliates accept any liability or responsibility whatsoever in respect of any difference between the document distributed to you in electronic format and the hard copy version.

Restrictions: Nothing in this electronic transmission constitutes an offer or an invitation by or on behalf of any of the Issuer, the Guarantor and the Lead Managers to subscribe or purchase any of the securities described therein. Any securities to be issued will not be registered under the Securities Act and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) unless registered under the Securities Act or pursuant to an exemption from such registration. Access has been limited so that it shall not constitute a general solicitation in the United States or elsewhere. If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the securities described therein.

You are reminded that you have accessed the attached Offering Circular on the basis that you are a person into whose possession the attached Offering Circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by laws.

You are responsible for the protection against viruses and other destructive items. Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.



CK HUTCHISON EUROPE FINANCE (21) LIMITED

(incorporated in the Cayman Islands with limited liability)

Series A €500,000,000 0.75% Guaranteed Notes due 2029

Series B €500,000,000 1.00% Guaranteed Green Notes due 2033

unconditionally and irrevocably guaranteed by

CK Hutchison Holdings Limited

(incorporated in the Cayman Islands with limited liability)

Issue price: Series A Notes: 99.961 per cent.; Series B Notes: 98.971 per cent.

The Series A €500,000,000 0.75% Guaranteed Notes due 2029 (the “Series A Notes”) and the Series B €500,000,000 1.00% Guaranteed Green Notes due 2033 (the “Series B Notes” or the “Green Notes” and, together with the Series A Notes, the “Notes”) of CK Hutchison Europe Finance (21) Limited (the “Issuer”) unconditionally and irrevocably guaranteed by CK Hutchison Holdings Limited (the “Guarantor” or the “Company”) will mature on 2 November 2029 in the case of Series A Notes and 2 November 2033 in the case of Series B Notes. The Notes will be issued in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof.

The Series A Notes will bear interest from and including 2 November 2021 to but excluding 2 November 2029 at a rate of 0.75 per cent. per annum. The Series B Notes will bear interest from and including 2 November 2021 to but excluding 2 November 2033 at a rate of 1.00 per cent. per annum. In each case, interest will be payable annually in arrear on each Interest Payment Date and the first Interest Payment Date (as defined herein) will be 2 November 2022, in respect of the period from and including 2 November 2021 to but excluding 2 November 2022, as further described and except as mentioned under “*Terms and Conditions of the Series A Notes*” and “*Terms and Conditions of the Series B Notes*”.

The Issuer may redeem the Notes at any time at par plus accrued interest in the event of certain tax changes. At any time before 2 August 2029 (in the case of the Series A Notes) or before 2 August 2033 (in the case of the Series B Notes), the relevant series of the Notes may, at the option of the Issuer or the Guarantor, be redeemed in whole or in part, upon not less than 30 nor more than 60 days’ notice to the relevant Noteholders in accordance with the relevant Conditions, at a redemption price equal to the greater of (i) 100 per cent. of the principal amount of the Notes to be redeemed and (ii) a make-whole price calculated by reference to the yield on the relevant Reference Bond Rate plus an applicable redemption margin, plus, in each case, accrued and unpaid interest. At any time on or after 2 August 2029 (in the case of the Series A Notes) or on or after 2 August 2033 (in the case of the Series B Notes), the relevant series of the Notes may, at the option of the Issuer or the Guarantor, be redeemed in whole or in part, upon not less than 30 nor more than 60 days’ notice to the relevant Noteholders in accordance with the relevant Conditions, at a redemption price equal to 100 per cent. of the principal amount of the Notes to be redeemed, plus, in each case, accrued and unpaid interest. See “*Terms and Conditions of the Series A Notes – Redemption and Purchase*” and “*Terms and Conditions of the Series B Notes – Redemption and Purchase*”.

Application will be made to the Singapore Exchange Securities Trading Limited (the “SGX-ST”) for the listing and quotation of the Notes on the SGX-ST. See “*General Information*”. The SGX-ST assumes no responsibility for the correctness of any statements made, opinions expressed or reports contained herein. Approval in-principle for the listing and quotation of the Notes on the SGX-ST is not to be taken as an indication of the merits of the Issuer, the Guarantor, their respective subsidiaries or the Notes.

The Notes are expected to be rated “A-” by Fitch Ratings Ltd., “A2” by Moody’s Investors Service Limited and “A” by S&P Global Ratings. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation.

Investing in the Notes involves risks that are described in the “*Risk Factors*” section beginning on page 14 of this Offering Circular.

Each series of Notes will be in bearer form and will initially be represented by a temporary global note (a “Temporary Global Note”), without interest coupons, which will be deposited on or about 2 November 2021 (the “Closing Date”) with a common depository for Euroclear Bank SA/NV (“Euroclear”) and Clearstream Banking S.A. (“Clearstream”). Interests in each Temporary Global Note will be exchangeable for interests in a permanent global note for the relevant series of Notes (each a “Permanent Global Note” and, together with the Temporary Global Notes, the “Global Notes”), without interest coupons, on or after 13 December 2021, upon certification as to non-U.S. beneficial ownership. Interests in the relevant Permanent Global Note will be exchangeable for definitive Notes only in certain limited circumstances – see “*Summary of Provisions relating to the Notes while in Global Form*”.

Joint Bookrunners and Joint Lead Managers

**BBVA
ING**

**Citigroup
IMI – Intesa Sanpaolo**

Crédit Agricole CIB

**HSBC
Morgan Stanley**

The date of this Offering Circular is 27 October 2021.

NOTICE TO INVESTORS

Except as provided below or in respect of any statements contained in this Offering Circular relating to the opinion of the EU manufacturers (as defined below) and the UK manufacturers (as defined below) with respect to the target market assessment for the Notes, the Issuer and the Guarantor accept responsibility for the information contained in this Offering Circular which is material in the context of the offering of the Notes. To the best of the knowledge and belief of the Issuer and the Guarantor (each having taken reasonable care to ensure that such is the case) the information contained in this Offering Circular (subject as set out below in respect of information contained herein provided by other sources referred to herein) is in accordance with the material facts and does not omit anything likely to materially affect the import of such information. The Issuer and the Guarantor, having made all reasonable enquiries, confirm that this Offering Circular contains or incorporates all information with respect to the Issuer, the Guarantor and the Notes which is material in the context of the issue and offering of the Notes, that such information contained or incorporated in this Offering Circular is true and accurate in all material respects and is not misleading, that the opinions and intentions expressed in this Offering Circular are honestly held and that the Issuer and the Guarantor are not aware of any facts the omission of which would make this Offering Circular or any of such information or the expression of any such opinions or intentions misleading in any material respect.

No person has been authorised to give any information or to make any representation other than those contained in this Offering Circular in connection with the offering of the Notes and, if given or made, such information or representations must not be relied upon as having been authorised by the Issuer, the Guarantor or the Lead Managers (as defined under “*Subscription and Sale*”). Neither the delivery of this Offering Circular nor any sale made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer or the Guarantor since the date hereof. This Offering Circular does not constitute an offer of, or an invitation by, or on behalf of, the Issuer, the Guarantor or the Lead Managers to subscribe for, or purchase, any of the Notes. This Offering Circular does not constitute an offer, and may not be used for the purpose of an offer to, or a solicitation by, anyone in any jurisdiction or in any circumstances in which such an offer or solicitation is not authorised or is unlawful.

The Lead Managers have not separately verified the information contained herein. Accordingly, except as otherwise indicated in this Offering Circular, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Lead Managers as to the accuracy or completeness of the information contained in this Offering Circular or any other information provided by the Issuer or the Guarantor in connection with the Notes or their distribution.

This Offering Circular is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer, the Guarantor or the Lead Managers that any recipient of this Offering Circular should purchase any of the Notes. Each investor contemplating purchasing Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and/or the Guarantor.

Prohibition of sales to EEA retail investors – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“EEA”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “MiFID II”); or (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the “Insurance Distribution Directive”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

MiFID II product governance / Professional investors and ECPs only target market –

Solely for the purposes of the product approval process of each of Banco Bilbao Vizcaya Argentaria, S.A., ING Bank N.V. and Intesa Sanpaolo S.p.A., (the “EU manufacturers”), the target market assessment by the EU manufacturers (and for which the EU manufacturers solely are responsible) in respect of the Notes has led to the conclusion by the EU manufacturers that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “distributor”) should take into consideration the EU manufacturers’ target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the EU manufacturers’ target market assessment) and determining appropriate distribution channels.

Prohibition of sales to UK retail investors –

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“EUWA”); or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the “UK PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

UK MiFIR product governance / Professional investors and ECPs only target market

– Solely for the purposes of the product approval process of each of Banco Bilbao Vizcaya Argentaria, S.A., Citigroup Global Markets Limited and Morgan Stanley & Co. International plc (the “UK manufacturers”), the target market assessment by the UK manufacturers (and for which the UK manufacturers solely are responsible) in respect of the Notes has led to the conclusion by the UK manufacturers that: (i) the target market for the Notes is eligible counterparties (as defined in the FCA Handbook Conduct of Business Sourcebook) and professional clients (as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA) only; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “distributor”) should take into consideration the UK manufacturers’ target market assessment; however, a distributor subject to FCA Handbook Product Intervention and Product Governance Sourcebook (the “UK MiFIR Product Governance Rules”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the UK manufacturers’ target market assessment) and determining appropriate distribution channels.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”) and are in bearer form subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons.

Canada – The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Offering Circular (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the

purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

This Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore (the "MAS"). Accordingly, this Offering Circular and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA")) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Any reference to the SFA is a reference to the Securities and Futures Act, Chapter 289 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

Notification under Section 309B of the SFA: The Notes are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

For a further description of certain restrictions on the offering and sale of the Notes and on distribution of this Offering Circular, see "*Subscription and Sale*".

The distribution of this Offering Circular and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Each person into whose possession this Offering Circular comes is required by the Issuer, the Guarantor and the Lead Managers to inform itself about and to observe any such restrictions.

This Offering Circular is based on information provided by the Issuer and the Guarantor and by other sources referred to herein that they believe are reliable. The Issuer and the Guarantor accept responsibility for accurately reproducing such information provided by such other sources. The Issuer and the Guarantor accept no further or other responsibility in respect of such information. No assurance can be given that such information is accurate or complete. This Offering Circular summarises certain documents and other information and investors should refer to them for a more complete understanding of what is discussed in this Offering Circular. In making an investment decision, each investor must rely on its own examination of the Issuer and the Guarantor and the terms of the offering and the Notes, including the merits and risks involved.

Certain figures included in this Offering Circular have been subject to rounding adjustments; accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

All statements other than statements of historical facts included in this Offering Circular, including, without limitation, those regarding the financial position of CKHH (as defined under "*Currency of Presentation and Certain Definitions*"), business strategy plans and objectives of management for future operations, are forward-looking statements. Investors can identify some of these forward-looking statements by terms such as "expect", "believe", "plan", "intend", "estimate", "anticipate", "may", "will", "would" and "could" or similar words.

However, investors should note that these words are not the exclusive means of identifying forward-looking statements. All statements regarding CKHH's expected financial position, business strategy, plans and prospects are forward-looking statements. These forward-looking statements are only expectations and involve known and unknown risks, uncertainties and other factors that may cause CKHH's actual results, performance or achievements to be materially different from any historical results, future results, performance or achievements expected, expressed or implied by these forward-looking statements.

These forward-looking statements speak only as at the date of the Offering Circular. Given the risks and uncertainties that may cause CKHH's actual future results, performance or achievements to be materially different than expected, expressed or implied by the forward-looking statements in this Offering Circular, investors are advised not to place undue reliance on those statements. CKHH does not represent or warrant to investors that its actual future results, performance or achievements will be as discussed in those statements. Each of the Issuer and the Guarantor expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Issuer's or the Guarantor's expectations with regard thereto or any change of events, conditions or circumstances on which any such statement was based.

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IN CONNECTION WITH THE ISSUE OF THE NOTES, THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED, AS STABILISATION MANAGER (THE “STABILISATION MANAGER”) (OR ANY PERSON ACTING ON BEHALF OF THE STABILISATION MANAGER) MAY OVER-ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, STABILISATION MAY NOT NECESSARILY OCCUR. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE NOTES IS MADE AND, IF BEGUN, MAY CEASE AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE NOTES. ANY STABILISATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE STABILISATION MANAGER (OR PERSONS ACTING ON BEHALF OF THE STABILISATION MANAGER) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

CURRENCY OF PRESENTATION AND CERTAIN DEFINITIONS

“CKHH” means CK Hutchison Holdings Limited, a company incorporated in the Cayman Islands with limited liability, and its subsidiaries, unless the context otherwise requires, and references in CKHH’s audited consolidated financial statements to the “Group” are to CKHH and all of its direct and indirect subsidiaries and also includes CKHH’s interest in associated companies (or “associates”) and joint arrangements on the basis set forth in Notes 41(a), 41(b) and 41(c), respectively, to the consolidated financial statements of CKHH for the year ended 31 December 2020 incorporated by reference in this Offering Circular. For purposes of this Offering Circular only, “PRC” means the People’s Republic of China, “Mainland” means the People’s Republic of China excluding Hong Kong, Macau and Taiwan and “Hong Kong” means the Hong Kong Special Administrative Region of the People’s Republic of China.

CKHH publishes its financial statements in Hong Kong dollars (“HK\$”). For the convenience of the readers, this Offering Circular presents translations into U.S. dollars (“US\$”) of certain Hong Kong dollar amounts at the rate of HK\$7.80 = US\$1.00. No representation is made that Hong Kong dollars have been, could have been, or could be, converted into U.S. dollars at the rate indicated or at any other rate. On 15 October 2021, the noon buying rate in New York City for cable transfers in foreign currencies, as certified for customs purposes by the Federal Reserve Bank of New York (the “Noon Buying Rate”), was HK\$7.7785 = US\$1.00. This Offering Circular also includes Pound Sterling (“£”), Euro (“€”), Australian dollar (“A\$”), Canadian dollar (“C\$”), Renminbi (“RMB”), and certain other currency amounts. The Hong Kong dollar equivalent amounts presented are translated at the approximate exchange rate at the time of the transactions to which they apply.

As used in this Offering Circular, EBIT represents the EBIT of CKHH as well as CKHH’s share of the EBIT of associates and joint ventures except for Hutchison Port Holdings Trust (“HPH Trust”) which is included based on CKHH’s effective share of EBIT for this operation and CKHH’s direct interests in six infrastructure investments co-owned with CKI comprising of Northumbrian Water, Park’N Fly, UK Rails, Australian Gas Networks, Dutch Enviro Energy and Wales & West Utilities which are included on a 100 per cent. basis before the divesture and on a net of divesture basis after the divesture during the respective financial period. EBIT is defined as earnings before interest expenses and other finance costs and tax. Information concerning EBIT has been included in CKHH’s financial information and consolidated financial statements and is used by many industries and investors as one measure of results from operations. CKHH considers EBIT to be an important performance measure which is used in CKHH’s internal financial and management reporting to monitor business performance. EBIT is not a measure of financial performance under Hong Kong Financial Reporting Standards (“HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the EBIT measures used by CKHH may not be comparable to other similarly titled measures of other companies. EBIT should not necessarily be construed as an alternative to results from operations as determined in accordance with HKFRS.

EBITDA represents the EBITDA of CKHH as well as CKHH’s share of the EBITDA of associates and joint ventures except for HPH Trust which is included based on CKHH’s effective share of EBITDA for this operation and CKHH’s direct interests in six infrastructure investments co-owned with CKI comprising of Northumbrian Water, Park’N Fly, UK Rails, Australian Gas Networks, Dutch Enviro Energy and Wales & West Utilities which are included on a 100 per cent. basis before the divesture and on a net of divesture basis after the divesture during the respective financial period. EBITDA is defined as earnings before interest expenses and other finance costs, tax, depreciation and amortisation. Information concerning EBITDA has been included in CKHH’s financial information and consolidated financial statements and is used by many industries and investors as one measure of gross cashflow generation. CKHH considers EBITDA to be an important performance measure which is used in CKHH’s internal financial and management reporting to monitor business performance. EBITDA is not a measure of cash liquidity or financial performance under HKFRS and the EBITDA measures used by CKHH may not be comparable to other similarly titled measures of other companies. EBITDA should not necessarily be construed as an alternative to cashflows or results of operations as determined in accordance with HKFRS.

SUMMARY OF THE OFFERING

The Offering

The following is a brief summary of certain terms of this offering. For a more complete description of the terms of the Notes, see the sections entitled “Terms and Conditions of the Series A Notes” and “Terms and Conditions of the Series B Notes”.

Issuer	CK Hutchison Europe Finance (21) Limited
Guarantor	CK Hutchison Holdings Limited
Notes Offered	<p>Series A Notes: Euro 500,000,000 0.75% Guaranteed Notes due 2029 unconditionally and irrevocably guaranteed by CK Hutchison Holdings Limited.</p> <p>Series B Notes: Euro 500,000,000 1.00% Guaranteed Green Notes due 2033 unconditionally and irrevocably guaranteed by CK Hutchison Holdings Limited.</p>
Issue Price	<p>Series A: 99.961 per cent.</p> <p>Series B: 98.971 per cent.</p>
Maturity Date	<p>Series A: 2 November 2029</p> <p>Series B: 2 November 2033</p>
Interest and Interest Payment Dates	<p>The Series A Notes and the Series B Notes will bear interest from and including 2 November 2021 (the “Interest Commencement Date”) at the rate of 0.75 per cent. and 1.00 per cent. respectively, payable annually in arrear on 2 November in each year (each an “Interest Payment Date”). The first Interest Payment Date will be 2 November 2022, in respect of the period from and including the Interest Commencement Date to but excluding 2 November 2022. If interest is to be calculated for a period of less than a full year, interest shall be calculated on the basis of the actual number of days elapsed divided by 365 or (in the case of a leap year) 366.</p>
Status of Notes and Guarantee	<p>The Notes and the Coupons are direct, unconditional, unsubordinated, general and (subject to the provisions of Condition 4 of the relevant series of the Notes) unsecured obligations of the Issuer and (subject as aforesaid) rank and will rank pari passu, without any preference among themselves, with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors’ rights.</p> <p>The obligations of the Guarantor under the Guarantee constitute direct, unconditional, unsubordinated, general and (subject to the provisions of Condition 4 of the relevant series of the Notes) unsecured obligations of the Guarantor and (subject as aforesaid) rank and will rank pari passu with all other outstanding unsecured and unsubordinated obligations of the Guarantor, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors’ rights.</p>

Covenants

The Issuer and the Guarantor have agreed to observe certain covenants. See the section entitled “*Terms and Conditions of the Series A Notes – Covenants*” and “*Terms and Conditions of the Series B Notes – Covenants*”.

Additional Amounts

In the event that certain Cayman Islands taxes are payable in respect of payments pursuant to the Notes, the Coupons or the Guarantee, the Issuer or the Guarantor, as the case may be, will, subject to certain exceptions, pay such additional amounts under the Notes, the Coupons or the Guarantee, as the case may be, as will result, after deduction or withholding of such taxes, in the receipt by the holders of the Notes and the Coupons of such amounts as would have been receivable in respect of the Notes, the Coupons or the Guarantee, as the case may be, had no such deduction or withholding been required.

Any amounts to be paid on the Notes and the Coupons or under the Guarantee by or on behalf of the Issuer or the Guarantor will be paid net of any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the “Code”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a “FATCA withholding”). None of the Issuer, the Guarantor or any other person will be required to pay any additional amounts in respect of any FATCA withholding.

See the section entitled “*Terms and Conditions of the Series A Notes – Taxation*” and “*Terms and Conditions of the Series B Notes – Taxation*”.

Early Redemption

None, except that (i) Notes may be redeemed at the option of the Issuer, in whole but not in part with respect to the Notes, at the principal amount thereof plus accrued and unpaid interest, in the event the Issuer or the Guarantor would become obligated to pay certain Cayman Islands taxes in respect of the Notes; (ii) at any time before 2 August 2029, the Series A Notes may be redeemed and at any time before 2 August 2033, the Series B Notes may be redeemed, in each case, at the option of the Issuer or the Guarantor, in whole or in part with respect to such series, at a redemption price equal to the greater of (1) 100 per cent. of the principal amount of the Notes to be redeemed and (2) a make-whole price calculated by reference to the yield on the relevant Reference Bond Rate plus an applicable redemption margin, plus, in each case, accrued and unpaid interest; and (iii) at any time on or after 2 August 2029, the Series A Notes may be redeemed and at any time on or after 2 August 2033, the Series B Notes may be redeemed, in each case, at the option of the Issuer or the Guarantor, in whole or in part with respect to such series, at a redemption price equal to 100 per cent. of the principal amount of the Notes to be redeemed, plus, in each case, accrued and unpaid interest. See the section entitled “*Terms and Conditions of the Series A Notes – Redemption and Purchase*” and “*Terms and Conditions of the Series B Notes – Redemption and Purchase*”.

Denomination, Form and Registration

The Notes are in bearer form, and, in the case of definitive Notes, serially numbered, in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof with Coupons attached on issue.

Each series of Notes will initially be represented by a Temporary Global Note, without interest coupons, which will be deposited on or about the Closing Date with a common depositary for Euroclear and Clearstream. Interests in the relevant Temporary Global Note will be exchangeable for interests in a Permanent Global Note, without interest coupons, on or after 13 December 2021, upon certification as to non-U.S. beneficial ownership. Interests in the relevant Permanent Global Note will be exchangeable for definitive Notes only in certain limited circumstances – see “*Summary of Provisions relating to the Notes while in Global Form*”.

Governing Law

The Agency Agreement, the Guarantee, the Notes and the Coupons and any non-contractual obligations arising out of or in connection with such documents will be governed by, and will be construed in accordance with, English law.

Ratings

The Notes are expected to be rated “A-” by Fitch Ratings Ltd., “A2” by Moody’s Investors Service Limited and “A” by S&P Global Ratings. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation.

Transfer Restrictions

No action has been taken by the Issuer or the Guarantor that would, or is intended to, permit a public offer of the Notes in any country or jurisdiction where any such action for that purpose is required. See the section entitled “*Subscription and Sale*”.

Listing

Application will be made to the SGX-ST for the listing and quotation of the Notes on the SGX-ST but an application may instead be made to another stock exchange which is: (a) a member of the World Federation of Exchanges; or (b) located in a state that is a member of the Organisation for Economic Co-operation and Development, for permission to deal in and the listing of the Notes. There is no assurance that the application to the SGX-ST for the listing of the Notes will be approved. For so long as any Notes are listed on the SGX-ST and the rules of the SGX-ST so require, such Notes will be traded on the SGX-ST in a minimum board lot size of €200,000.

For so long as any of the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, the Issuer will appoint and maintain a paying agent in Singapore, where the Notes may be presented or surrendered for payment or redemption, in the event that any of the Global Notes is exchanged for definitive Notes. In addition, in the event that any of the Global Notes is exchanged for definitive Notes, an announcement of such exchange shall be made by the Issuer or on its behalf through the SGX-ST and such announcement will include all material information with respect to the delivery of the definitive Notes, including details of the paying agent in Singapore. See “*General Information*”.

Identification numbers of the Notes

Series A Notes:
ISIN XS2402178300/Common Code 240217830

Series B Notes:
ISIN XS2402178565/Common Code 240217856

Legal Entity Identifier (LEI) of the Issuer:

254900UIPWFKU7480958

SELECTED CONSOLIDATED FINANCIAL INFORMATION

(A) Consolidated Income Statement, Statement of Financial Position and Statement of Cash Flows of CKHH

CKHH's consolidated financial statements are prepared and presented in accordance with Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

CKHH's consolidated financial statements for the years ended 31 December 2018, 2019 and 2020 have been audited, and CKHH's condensed consolidated financial statements for the six months ended 30 June 2020 and 2021 have been reviewed, by PricewaterhouseCoopers ("PwC"), Certified Public Accountants, Hong Kong, as stated in their unqualified audit reports dated 21 March 2019, 19 March 2020 and 18 March 2021, and their unqualified review reports dated 6 August 2020 and 5 August 2021 respectively. These consolidated financial statements and PwC's reports are incorporated by reference in this Offering Circular.

The tables in this section set out the

- (1) consolidated income statement of CKHH for each of the years ended 31 December 2018, 2019 and 2020, and for each of the six months ended 30 June 2020 and 2021;
- (2) consolidated statement of financial position of CKHH as of 31 December 2018, 2019 and 2020, and as of 30 June 2020 and 2021; and
- (3) consolidated statement of cash flows of CKHH for each of the years ended 31 December 2018, 2019 and 2020, and for each of the six months ended 30 June 2020 and 2021.

The selected financial information

- as of 31 December 2018 and for the year then ended has been extracted from CKHH's consolidated financial statements for the year ended 31 December 2019, except to the extent of incorporating the changes adopted by CKHH in 2020 in presenting an additional line item "Other income and gains" in the consolidated income statement and other corresponding presentational changes as described in footnote (a) to the table "*Consolidated Income Statement*";
- as of 31 December 2019 and 2020 and for each of the years then ended has been extracted from CKHH's consolidated financial statements for the year ended 31 December 2020;
- as of 30 June 2020 and 2021 has been extracted from CKHH's condensed consolidated financial statements for the six months ended 30 June 2020 and 2021; and
- for each of the six months ended 30 June 2020 and 2021 has been extracted from CKHH's condensed consolidated financial statements for the six months ended 30 June 2021.

The selected financial information sets out in this section should be read in conjunction with the aforementioned consolidated financial statements of CKHH, including the notes thereto, PwC's related reports, and other financial information that is incorporated by reference and/or included elsewhere in this Offering Circular.

Financial statements and financial information of the Issuer have not been presented since the Issuer's primary business relates to the financing of CKHH's operations.

Amounts in CKHH's consolidated financial statements are stated in Hong Kong dollars. The translation of Hong Kong dollar amounts into U.S. dollars is for convenience only and has been made at the rate of HK\$7.80 to US\$1.00. No representation is made that Hong Kong dollars have been, could have been, or could be converted into U.S. dollars at the rate indicated or at any other rate.

Consolidated Income Statement

	Year Ended 31 December				Six Months Ended 30 June		
	2018 ⁽¹⁾	2019	2020	2020	2020	2021	2021
	HK\$ million (other than per share amounts)	HK\$ million (other than per share amounts)	HK\$ million (other than per share amounts)	US\$ million (other than per share amounts)	HK\$ million (other than per share amounts)	HK\$ million (other than per share amounts)	US\$ million (other than per share amounts)
Revenue	277,129	299,021	266,396	34,153	124,651	135,496	17,371
Cost of inventories sold .	(109,564)	(105,959)	(95,549)	(12,250)	(43,867)	(49,082)	(6,293)
Staff costs	(36,478)	(37,958)	(35,495)	(4,551)	(17,642)	(18,682)	(2,395)
Expensed customer acquisition and retention costs	(16,124)	(17,755)	(16,362)	(2,098)	(7,184)	(7,956)	(1,020)
Depreciation and amortisation	(19,739)	(38,129)	(41,658)	(5,340)	(19,776)	(22,783)	(2,921)
Other expenses and losses	(58,910)	(47,339)	(42,482)	(5,446)	(23,349)	(41,475)	(5,317)
Other income and gains .	9,573	7,293	31,274	4,010	11,838	26,634	3,415
Share of profits less losses of:							
Associated companies	2,888	1,524	(18,529)	(2,376)	(3,379)	2,450	314
Joint ventures	10,220	7,404	4,954	635	1,619	1,972	253
Profit before the following:	58,995	68,102	52,549	6,737	22,911	26,574	3,407
Interest expenses and other finance costs ...	(9,797)	(14,305)	(10,850)	(1,391)	(5,387)	(5,382)	(690)
Profit before tax	49,198	53,797	41,699	5,346	17,524	21,192	2,717
Current tax	(3,912)	(4,891)	(3,985)	(511)	(1,073)	(1,838)	(236)
Deferred tax credit (charge)	1,294	(1,129)	(317)	(41)	244	2,060	264
Profit after tax	46,580	47,777	37,397	4,794	16,695	21,414	2,745
Profit attributable to non-controlling interests and holders of perpetual capital securities	(7,580)	(7,947)	(8,254)	(1,058)	(3,695)	(3,114)	(399)
Profit attributable to ordinary shareholders	39,000	39,830	29,143	3,736	13,000	18,300	2,346
Earnings per share for profit attributable to ordinary shareholders	HK\$10.11	HK\$10.33	HK\$7.56	US\$0.97	HK\$3.37	HK\$4.75	US\$0.609

Note:

- (1) In the consolidated income statement for the year ended 31 December 2020, CKHH renamed previously issued consolidated income statement line item "Other operating expenses" to "Other expenses and losses", and presented an additional line item "Other income and gains" to provide information in respect of the profit and loss effects arising from, amongst others, major corporate transactions that completed in the year. The related comparative information in respect of the year ended 31 December 2019 and the six months ended 30 June 2020 has been updated to reflect these changes in presentation and included as comparative information in CKHH's consolidated income statements for the year ended 31 December 2020 and the six months ended 30 June 2021, respectively. The previously issued consolidated income statement for the year ended 31 December 2018 included in CKHH's consolidated financial statements for the year ended 31 December 2018 and 31 December 2019 has not been reissued to reflect these changes in presentation. For consistency purposes, the consolidated income statement for the year ended 31 December 2018 sets out above has been updated to reflect these changes in presentation.

Consolidated Statement of Financial Position

	As of 31 December				As of 30 June		
	2018	2019	2020	2020	2020	2021	2021
	HK\$ million	HK\$ million	HK\$ million	US\$ million	HK\$ million	HK\$ million	US\$ million
Non-current assets							
Fixed assets	110,605	119,131	132,101	16,936	118,419	128,186	16,434
Right-of-use assets	–	83,708	83,805	10,744	80,519	79,453	10,186
Leasehold land	7,702	–	–	–	–	–	–
Telecommunications licences . .	64,221	63,387	66,944	8,583	62,492	70,342	9,018
Brand names and other rights . .	88,761	88,275	91,453	11,725	87,517	92,022	11,798
Goodwill	323,160	308,986	319,718	40,989	309,855	293,709	37,655
Associated companies	136,287	144,751	136,076	17,446	149,049	140,297	17,987
Interests in joint ventures	121,397	143,555	141,465	18,136	134,190	143,857	18,443
Deferred tax assets	20,260	20,353	19,926	2,555	20,462	22,515	2,887
Liquid funds and other listed investments	9,292	7,722	10,588	1,357	8,868	8,287	1,062
Other non-current assets	10,717	14,276	14,944	1,916	15,645	14,341	1,838
	<u>892,402</u>	<u>994,144</u>	<u>1,017,020</u>	<u>130,387</u>	<u>987,016</u>	<u>993,009</u>	<u>127,308</u>
Current assets							
Cash and cash equivalents	135,411	137,127	155,951	19,994	140,147	182,129	23,350
Inventories	23,410	23,847	24,565	3,149	23,478	24,163	3,098
Trade receivables and other current assets	63,826	55,709	55,809	7,155	55,065	56,319	7,220
	<u>222,647</u>	<u>216,683</u>	<u>236,325</u>	<u>30,298</u>	<u>218,690</u>	<u>262,611</u>	<u>33,668</u>
Assets classified as held for sale	117,195	149	1,251	160	90	–	–
	<u>339,842</u>	<u>216,832</u>	<u>237,576</u>	<u>30,458</u>	<u>218,780</u>	<u>262,611</u>	<u>33,668</u>
Current liabilities							
Bank and other debts	25,986	39,995	48,021	6,157	31,766	74,450	9,545
Current tax liabilities	2,071	1,869	2,639	338	1,475	2,100	269
Lease liabilities	–	18,079	18,621	2,387	17,908	18,573	2,381
Trade payables and other current liabilities	116,272	99,358	103,881	13,318	91,393	99,365	12,739
	<u>144,329</u>	<u>159,301</u>	<u>173,162</u>	<u>22,200</u>	<u>142,542</u>	<u>194,488</u>	<u>24,934</u>
Liabilities directly associated with assets classified as held for sale	77,600	–	284	36	–	–	–
	<u>221,929</u>	<u>159,301</u>	<u>173,446</u>	<u>22,236</u>	<u>142,542</u>	<u>194,488</u>	<u>24,934</u>
Net current assets	<u>117,913</u>	<u>57,531</u>	<u>64,130</u>	<u>8,222</u>	<u>76,238</u>	<u>68,123</u>	<u>8,734</u>
Total assets less current liabilities	<u>1,010,315</u>	<u>1,051,675</u>	<u>1,081,150</u>	<u>138,609</u>	<u>1,063,254</u>	<u>1,061,132</u>	<u>136,042</u>
Non-current liabilities							
Bank and other debts	325,570	304,565	301,050	38,596	320,165	276,876	35,497
Interest bearing loans from non-controlling shareholders	752	728	798	102	736	779	100
Lease liabilities	–	75,609	75,644	9,698	71,474	70,101	8,987
Deferred tax liabilities	19,261	16,819	17,672	2,266	16,954	17,800	2,282
Pension obligations	2,443	3,123	3,804	488	3,473	2,939	377
Other non-current liabilities	71,466	53,868	52,119	6,682	52,852	49,819	6,387
	<u>419,492</u>	<u>454,712</u>	<u>451,087</u>	<u>57,832</u>	<u>465,654</u>	<u>418,314</u>	<u>53,630</u>
Net assets	<u>590,823</u>	<u>596,963</u>	<u>630,063</u>	<u>80,777</u>	<u>597,600</u>	<u>642,818</u>	<u>82,412</u>
Capital and reserves							
Share capital	3,856	3,856	3,856	494	3,856	3,848	493
Share premium	244,377	244,377	244,377	31,330	244,377	243,920	31,272
Reserves	197,918	216,052	246,063	31,547	217,578	265,965	34,098
Total ordinary shareholders' funds	<u>446,151</u>	<u>464,285</u>	<u>494,296</u>	<u>63,371</u>	<u>465,811</u>	<u>513,733</u>	<u>65,863</u>
Perpetual capital securities	12,326	12,410	12,415	1,591	12,325	12,326	1,580
Non-controlling interests	132,346	120,268	123,352	15,815	119,464	116,759	14,969
Total equity	<u>590,823</u>	<u>596,963</u>	<u>630,063</u>	<u>80,777</u>	<u>597,600</u>	<u>642,818</u>	<u>82,412</u>

Consolidated Statement of Cash Flows

	Year Ended 31 December				Six Months Ended 30 June		
	2018	2019	2020	2020	2020	2021	2021
	HK\$ million	HK\$ million	HK\$ million	US\$ million	HK\$ million	HK\$ million	US\$ million
Operating activities							
Cash generated from operating activities before interest expenses and other finance costs, tax paid and changes in working capital	72,590	95,291	87,072	11,163	37,647	40,497	5,192
Interest expenses and other finance costs paid (net of capitalisation)	(10,661)	(14,621)	(10,789)	(1,383)	(5,382)	(5,384)	(690)
Tax paid	(4,584)	(5,823)	(3,628)	(465)	(2,143)	(2,414)	(310)
Funds from operations (before principal elements of lease payment)	57,345	74,847	72,655	9,315	30,122	32,699	4,192
Changes in working capital	(1,611)	(5,577)	516	66	(1,349)	(3,799)	(487)
Net cash from operating activities	55,734	69,270	73,171	9,381	28,773	28,900	3,705
Investing activities							
Purchase of fixed assets	(27,540)	(32,190)	(27,104)	(3,475)	(9,311)	(10,603)	(1,359)
Additions to telecommunications licences	(8,527)	(1,286)	(679)	(87)	(202)	(4,737)	(607)
Additions to brand names and other rights	(1,479)	(2,817)	(1,791)	(229)	(749)	(3,373)	(432)
Purchase of subsidiary companies, net of cash acquired	(14,323)	(30)	–	–	–	56	7
Additions to unlisted investments	(414)	(17)	(131)	(17)	(2)	(52)	(7)
Repayments of loans from associated companies and joint ventures	2,222	641	1,609	206	15	365	47
Purchase of and advances to associated companies and joint ventures	(2,446)	(885)	(833)	(107)	(757)	(571)	(73)
Proceeds from disposal of fixed assets	92	150	564	72	463	230	29
Proceeds from disposal of subsidiary companies, net of cash disposed	1,121	(1,522)	20,780	2,664	13	38,425	4,926
Cash disposed arising from de-consolidation of subsidiaries classified as held for sale	–	(2,429)	–	–	–	–	–
Proceeds from disposal / partial disposal of associated companies and joint ventures	149	2,388	2,005	257	1,492	845	108
Proceeds from disposal of other unlisted investments	8	130	13	2	–	–	–
Cash flows from (used in) investing activities before additions to / disposal of liquid funds and other listed investments	(51,137)	(37,867)	(5,567)	(714)	(9,038)	20,585	2,639
Disposal of liquid funds and other listed investments	387	503	730	94	283	318	41
Additions to liquid funds and other listed investments	(8,329)	(55)	(1,627)	(209)	(1,595)	(22)	(3)
Cash flow from (used in) investing activities	(59,079)	(37,419)	(6,464)	(829)	(10,350)	20,881	2,677
Net cash inflow (outflow) before financing activities	(3,345)	31,851	66,707	8,552	18,423	49,781	6,382

	Year Ended 31 December				Six Months Ended 30 June		
	2018	2019	2020	2020	2020	2021	2021
	HK\$ million	HK\$ million	HK\$ million	US\$ million	HK\$ million	HK\$ million	US\$ million
Financing activities							
New borrowings	55,313	211,526	44,391	5,691	28,803	43,215	5,540
Repayment of borrowings . . .	(54,961)	(211,455)	(56,361)	(7,225)	(21,934)	(37,621)	(4,823)
Principal elements of lease payments	–	(15,969)	(18,010)	(2,309)	(9,529)	(9,351)	(1,199)
Net loans to non-controlling shareholders	(185)	(2)	–	–	–	–	–
Consideration received from the economic benefits agreements	14,308	–	–	–	–	–	–
Issue of equity securities by subsidiary companies to non-controlling shareholders/ capital redemption by non-controlling shareholders	25	(10)	–	–	–	86	11
Payments to acquire additional interests in subsidiary companies . . .	(56)	(478)	(1,048)	(134)	(201)	(1,955)	(251)
Proceeds from partial disposal of subsidiary companies	–	2,201	309	40	15	–	–
Proceeds from issue of perpetual capital securities by a subsidiary, net of transaction costs . .	–	–	–	–	–	2,329	299
Redemption of perpetual capital securities by a subsidiary	–	–	–	–	–	(9,360)	(1,200)
Proceeds from issue of perpetual capital securities, net of transaction costs	4,442	–	–	–	–	–	–
Redemption of perpetual capital securities	(19,435)	–	–	–	–	–	–
Payments for buy-back and cancellation of issued shares	(131)	–	–	–	–	(466)	(60)
Dividends paid to ordinary shareholders	(11,341)	(12,225)	(11,238)	(1,441)	(8,870)	(6,555)	(840)
Dividends paid to non-controlling interest . . .	(5,102)	(6,910)	(5,444)	(698)	(3,361)	(3,590)	(460)
Distributions paid on perpetual capital securities	(1,006)	(398)	(482)	(62)	(326)	(335)	(43)
Cash flows used in financing activities	(18,129)	(33,720)	(47,883)	(6,138)	(15,403)	(23,603)	(3,026)
Increase (decrease) in cash and cash equivalents	(21,474)	(1,869)	18,824	2,414	3,020	26,178	3,356
Cash and cash equivalents at 1 January	160,470	138,996	137,127	17,580	137,127	155,951	19,994
Cash and cash equivalents at 31 December / 30 June	138,996	137,127	155,951	19,994	140,147	182,129	23,350

(B) Financial Performance Summary

CKHH's consolidated financial statements are prepared and presented in accordance with HKFRS. With effect from 1 January 2019, CKHH has adopted Hong Kong Financial Reporting Standard 16 "Leases" ("HKFRS 16") which relates to accounting for leases. The adoption of HKFRS 16 does not require CKHH to make retrospective adjustments to restate its previously published consolidated financial statements for periods prior to 1 January 2019. Accordingly, the comparative information for the year ended 31 December 2018 continues to be reported under the precedent lease accounting standard Hong Kong Accounting Standard 17 "Leases" ("HKAS 17"). Hence, any comparison, particularly the financial results, between the two bases of reporting would not be meaningful. CKHH believes that the HKAS 17 basis ("Pre-HKFRS 16 basis") metrics, which are not intended to be a substitute for, or superior to, the reported metrics on a HKFRS 16 basis ("Post-HKFRS 16 basis"), allows a like-with-like comparison with the prior period results, and better reflects management's view of CKHH's underlying operational performance. As a result, CKHH has provided an alternative presentation of CKHH's EBITDA, EBIT and profit attributable to ordinary shareholders prepared under the Pre-HKFRS 16 basis relating to the accounting for leases for each of the years ended 31 December 2019 and 2020, and for each of the six months ended 30 June 2020 and 2021.

The table in this section sets out the financial performance information of CKHH

- (1) prepared under the Pre-HKFRS 16 basis relating to the accounting for leases for each of the years ended 31 December 2018, 2019 and 2020, and for each of the six months ended 30 June 2020 and 2021; and
- (2) prepared under the Post-HKFRS 16 basis relating to the accounting for leases for each of the years ended 31 December 2019 and 2020, and for each of the six months ended 30 June 2020 and 2021.

The selected financial performance information

- for the year ended 31 December 2018 has been extracted from CKHH's Financial Performance Summary for the year ended 31 December 2019, except to the extent of incorporating the changes adopted by CKHH in 2021 in presenting CKHH's share of Husky's results under Finance & Investments and Others as described in footnote (a) to the table "*Financial Performance Summary*";
- for each of the years ended 31 December 2019 and 2020 has been extracted from CKHH's Financial Performance Summary for the year ended 31 December 2020, except to the extent of incorporating the changes adopted by CKHH in 2021 in presenting CKHH's share of Husky's results under Finance & Investments and Others as described in footnote (a) to the table "*Financial Performance Summary*"; and
- for each of the six months ended 30 June 2020 and 2021 has been extracted from CKHH's Financial Performance Summary for the six months ended 30 June 2021.

The selected financial performance information sets out in this section should be read in conjunction with the aforementioned Financial Performance Summaries of CKHH, including the notes thereto, and other financial information that is incorporated by reference and/or included elsewhere in this Offering Circular.

Amounts in CKHH's Financial Performance Summary are stated in Hong Kong dollars. The translation of Hong Kong dollar amounts into U.S. dollars is for convenience only and has been made at the rate of HK\$7.80 to US\$1.00. No representation is made that Hong Kong dollars have been, could have been, or could be converted into U.S. dollars at the rate indicated or at any other rate.

Financial Performance Summary:

	Pre-HKFRS 16						Post-HKFRS 16						
	Year Ended 31 December			Six Months Ended 30 June			Year Ended 31 December			Six Months Ended 30 June			
	2018 ⁽¹⁾	2019 ⁽¹⁾	2020 ⁽¹⁾	2020 ⁽¹⁾	2020	2021	2021	2019 ⁽¹⁾	2020 ⁽¹⁾	2020 ⁽¹⁾	2020	2021	2021
	HK\$ million	HK\$ million	HK\$ million	US\$ million	HK\$ million	HK\$ million	US\$ million	HK\$ million	HK\$ million	US\$ million	HK\$ million	HK\$ million	US\$ million
Revenue													
Ports and Related Services . . .	35,175	35,375	32,865	4,213	16,031	19,933	2,556	35,375	32,865	4,213	16,031	19,933	2,556
Retail	168,991	169,225	159,619	20,464	73,627	82,621	10,592	169,225	159,619	20,464	73,627	82,621	10,592
Infrastructure	64,724	51,191	52,792	6,768	25,181	27,798	3,564	51,191	52,792	6,768	25,181	27,798	3,564
CK Hutchison Group Telecom . .	86,733	93,517	90,663	11,624	42,702	45,826	5,875	93,517	90,663	11,624	42,702	45,826	5,875
Hutchison Asia													
Telecommunications	8,220	8,984	9,147	1,173	4,521	4,350	558	8,984	9,147	1,173	4,521	4,350	558
Finance & Investments and Others	89,387	81,564	58,760	7,533	27,880	31,858	4,084	81,564	58,760	7,533	27,880	31,858	4,084
Total Revenue	<u>453,230</u>	<u>439,856</u>	<u>403,846</u>	<u>51,775</u>	<u>189,942</u>	<u>212,386</u>	<u>27,229</u>	<u>439,856</u>	<u>403,846</u>	<u>51,775</u>	<u>189,942</u>	<u>212,386</u>	<u>27,229</u>
EBITDA													
Ports and Related Services . . .	13,392	13,405	10,914	1,399	5,539	6,983	895	16,092	13,748	1,763	6,958	8,406	1,078
Retail	16,164	16,891	14,397	1,846	4,626	6,725	862	27,023	24,557	3,148	9,627	11,869	1,521
Infrastructure	35,422	28,488	29,066	3,726	13,768	14,803	1,898	28,751	29,367	3,765	13,911	14,954	1,917
CK Hutchison Group Telecom . .	30,357	35,341	48,540	6,223	14,921	25,623	3,285	42,417	56,706	7,270	18,665	29,830	3,824
Hutchison Asia													
Telecommunications	1,028	2,167	2,034	261	872	803	103	4,328	4,362	559	2,065	1,869	240
Finance & Investments and Others	17,217	15,776	(8,007)	(1,026)	7,220	653	84	17,438	(6,392)	(819)	8,115	1,239	159
Total EBITDA	<u>113,580</u>	<u>112,068</u>	<u>96,944</u>	<u>12,429</u>	<u>46,946</u>	<u>55,590</u>	<u>7,127</u>	<u>136,049</u>	<u>122,348</u>	<u>15,686</u>	<u>59,341</u>	<u>68,167</u>	<u>8,739</u>
EBIT													
Ports and Related Services . . .	8,726	9,061	6,717	861	3,454	4,769	611	10,216	8,055	1,033	4,122	5,372	689
Retail	13,078	13,671	10,933	1,401	2,970	4,939	633	14,705	11,889	1,524	3,381	5,489	704
Infrastructure	24,038	19,220	18,488	2,370	8,989	9,686	1,242	19,259	18,537	2,376	9,010	9,709	1,245
CK Hutchison Group Telecom . .	18,409	21,131	32,581	4,177	7,777	15,996	2,051	21,987	33,484	4,293	7,946	16,485	2,113
Hutchison Asia													
Telecommunications	321	1,055	544	70	194	(76)	(10)	2,032	1,480	190	708	272	35
Finance & Investments and Others	8,313	6,970	(15,409)	(1,975)	3,293	(2,541)	(325)	7,145	(15,141)	(1,941)	3,452	(2,518)	(323)
Total EBIT	<u>72,885</u>	<u>71,108</u>	<u>53,854</u>	<u>6,904</u>	<u>26,677</u>	<u>32,773</u>	<u>4,202</u>	<u>75,344</u>	<u>58,304</u>	<u>7,475</u>	<u>28,619</u>	<u>34,809</u>	<u>4,463</u>
Interest expenses and other finance costs	(18,025)	(15,657)	(15,139)	(1,941)	(7,434)	(7,197)	(923)	(20,117)	(19,591)	(2,512)	(9,625)	(9,390)	(1,204)
Profit before tax	54,860	55,451	38,715	4,963	19,243	25,576	3,279	55,227	38,713	4,963	18,994	25,419	3,259
Tax													
Current tax	(7,795)	(7,814)	(7,557)	(969)	(2,675)	(3,637)	(466)	(7,834)	(7,538)	(966)	(2,657)	(3,646)	(467)
Deferred tax	(283)	113	6,087	781	326	(450)	(58)	215	6,227	798	352	(440)	(57)
Profit after tax	46,782	47,750	37,245	4,775	16,894	21,489	2,755	47,608	37,402	4,795	16,689	21,333	2,735
Non-controlling interests and perpetual capitals securities holders' interests	(7,782)	(7,862)	(8,245)	(1,057)	(3,726)	(3,046)	(391)	(7,778)	(8,259)	(1,059)	(3,689)	(3,033)	(389)
Profit attributable to ordinary shareholders	<u>39,000</u>	<u>39,888</u>	<u>29,000</u>	<u>3,718</u>	<u>13,168</u>	<u>18,443</u>	<u>2,364</u>	<u>39,830</u>	<u>29,143</u>	<u>3,736</u>	<u>13,000</u>	<u>18,300</u>	<u>2,346</u>

Note:

- (1) Subsequent to merger completion between Cenovus Energy and Husky in January 2021, CKHH's 15.71% share of Cenovus Energy is reported under Finance & Investments and Others in the Financial Performance Summary. The related comparative information in respect of the six months ended 30 June 2020 has been updated to reflect this change in presentation and included as comparative information in CKHH's Financial Performance Summary for the six months ended 30 June 2021. The previously issued Financial Performance Summary for the years ended 31 December 2018, 2019 and 2020 included in CKHH's Annual Report for the year ended 31 December 2018, 2019 and 2020 has not been reissued to reflect this change in presentation. For consistency purposes, the Financial Performance Summary for the year ended 31 December 2018, 2019 and 2020 set out above has been updated to reflect this change in presentation.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents are incorporated by reference in this Offering Circular:

1. Report on Review of Interim Financial Statements of the Guarantor for the six months ended 30 June 2021, which is contained in the interim report of the Guarantor for the six months ended 30 June 2021;
2. Consolidated Financial Statements of the Guarantor for the six months ended 30 June 2021, which is contained in the unaudited condensed consolidated financial statements in the interim report of the Guarantor for the six months ended 30 June 2021;
3. Report on Review of Interim Financial Statements of the Guarantor for the six months ended 30 June 2020, which is contained in the interim report of the Guarantor for the six months ended 30 June 2020;
4. Consolidated Financial Statements of the Guarantor for the six months ended 30 June 2020, which is contained in the unaudited condensed consolidated financial statements in the interim report of the Guarantor for the six months ended 30 June 2020;
5. Independent Auditor's Report on the Consolidated Financial Statements of the Guarantor for the year ended 31 December 2020, which is contained in the annual report of the Guarantor for the year ended 31 December 2020;
6. Consolidated Financial Statements of the Guarantor for the year ended 31 December 2020, which are contained in the audited consolidated financial statements in the annual report of the Guarantor for the year ended 31 December 2020;
7. Independent Auditor's Report on the Consolidated Financial Statements of the Guarantor for the year ended 31 December 2019, which is contained in the annual report of the Guarantor for the year ended 31 December 2019;
8. Consolidated Financial Statements of the Guarantor for the year ended 31 December 2019 which are contained in the audited consolidated financial statements in the annual report of the Guarantor for the year ended 31 December 2019;
9. Independent Auditor's Report on the Consolidated Financial Statements of the Guarantor for the year ended 31 December 2018, which is contained in the annual report of the Guarantor for the year ended 31 December 2018;
10. Consolidated Financial Statements of the Guarantor for the year ended 31 December 2018 which are contained in the audited consolidated financial statements in the annual report of the Guarantor for the year ended 31 December 2018;
11. Financial Performance Summary of the Guarantor for the six months ended 30 June 2021 and 2020, which is contained in the interim report of the Guarantor for the six months ended 30 June 2021;
12. Financial Performance Summary of the Guarantor for the years ended 31 December 2020 and 2019, which is contained in the annual report of the Guarantor for the year ended 31 December 2020; and
13. Financial Performance Summary of the Guarantor for the year ended 31 December 2018, which is contained in the annual report of the Guarantor for the year ended 31 December 2019.

Copies of these documents may be inspected during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the principal place of business of the Guarantor and the Fiscal Agent. See "*General Information*". A copy of the Consolidated Financial Statements of the Guarantor for the year ended 31 December 2020 is available on the website of the SEHK at www1.hkexnews.hk under Stock Code 00001 / Stock Name CKH Holdings.

The Guarantor is not required to, and has not, published any accounts other than those published up to 30 June 2021.

RISK FACTORS

Investors should consider, among other things, the factors set forth below, as well as other considerations with respect to investment in Cayman Islands corporations not normally associated with investments in the securities of issuers in European countries, the United States (“U.S.”) and other jurisdictions. This Offering Circular, including particularly the information set forth under the caption “Business of CKHH” to the extent that it describes properties, projects, business ventures or strategies at an early stage of development or fulfillment, includes “forward-looking statements”. Although CKHH believes that its plans, intentions and expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such plans, intentions or expectations will be achieved. Important factors that could cause actual results to differ materially from CKHH’s historical results and forward-looking statements are set forth in this Offering Circular, but particularly include those set forth below. All forward-looking statements attributable to CKHH or persons acting on its behalf are expressly qualified in their entirety by the investment considerations set forth below.

Global Economy

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

In general, volatility in the U.S. and worldwide credit and financial markets, the COVID-19 pandemic, fluctuations in oil and commodity prices, rising geopolitical risks and political turbulence and global trade competition have all contributed to the increased uncertainty of global economic prospects. The major rating actions of the countries in which CKHH operates included Moody’s changing Hong Kong’s rating outlook from Aa2 (stable outlook) to Aa2 (negative outlook) in September 2019 and in January 2020, downgraded Hong Kong’s rating to Aa3 (stable outlook). In September 2019, Fitch downgraded Hong Kong’s rating from AA+ (stable outlook) to AA (negative outlook) and in April 2020, further downgraded Hong Kong’s rating to AA– (stable outlook). In November 2019, Moody’s changed the United Kingdom’s (“UK”) rating outlook from Aa2 (stable outlook) to Aa2 (negative outlook) and in October 2020, downgraded its rating to Aa3 (stable outlook). In December 2019, S&P revised UK’s rating outlook from AA (negative outlook) to AA (stable outlook). In March 2020, Fitch downgraded UK’s rating from AA (negative outlook) to AA– (negative outlook) and in June 2021, revised UK’s rating outlook to AA– (stable outlook).

Furthermore, the last global financial crisis affected not only the banking and financial sectors, but also the commercial sectors which rely on the availability of banking facilities and bank borrowings. If CKHH’s customers are unable to borrow money, experience financial difficulty, or are put into liquidation, CKHH may not be paid by such customers on time or at all, and may experience a significant decline in the demand for its products and services. The more recent trade conflicts between the U.S. and China could potentially reduce international trade and dampen economic growth in the longer run. Impact of such conflicts may result in lower throughput in its ports businesses and reduce demand for its related services. If another economic downturn occurs and results in weak economic sentiments, CKHH’s business, financial condition, results of operations and prospects could experience deterioration.

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

Reliance on Major Industries, Currencies and Interest Rates

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

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

COVID-19 Pandemic

In January 2020, the World Health Organization declared the COVID-19 outbreak a "Public Health Emergency of International Concern" and on 11 March 2020 it was declared a pandemic. Between January 2020 and the date of this Offering Circular, the COVID-19 virus has spread to many countries, with significant number of reported cases and related deaths.

Several countries' governments and numerous companies have imposed increasingly stringent restrictions to help avoid, or slow down, the spread of the pandemic, including, for example, restrictions on international and local travel, public gatherings and participation in meetings, as well as closures of universities, schools, stores and restaurants, with some countries imposing strict curfews and lockdowns. There can be no assurance that these restrictions will not be extended further on one or more occasions. These measures have led to lockdown in areas where CKHH has operations, and has had and may continue to have an adverse effect in the short to medium term on CKHH's operations, particularly the ports and related services and retail operations, among others. Although certain countries, such as China, have relaxed some restrictions and allowed some businesses to resume operations, there can be no assurance that there will not be new cases of infections and/or that another virus or variant would not appear.

CKHH continues to monitor developments closely as the pandemic develops. The impact of the pandemic on CKHH's business will depend on a range of factors which CKHH is not able to accurately predict, including the duration, severity and scope of the pandemic, the geographies impacted, the impact of the pandemic on economic activity globally, the possibility of resurgence and variants of COVID-19, and the nature and severity of measures adopted by governments. These factors include, but are not limited to:

- the deterioration of socio-economic conditions leading to disruptions to CKHH's operations, such as reduction in CKHH's ports operation's throughput as a result of factory closures in the Mainland or reduced demand in Europe and the US, or mandatory store closures and a decline in footfall in the CKHH's retail stores;
- reductions or volatility in consumer demand for CKHH's products due to quarantine or illness, or other travel restrictions, economic hardship, or retail closures, which may impact CKHH's revenue and market share;
- significant volatility in financial markets (including interest rate and foreign currency rate volatilities) and commodities market (including slump in crude oil prices) and measures adopted by governments and central banks, which may limit CKHH's access to funds, lead to shortages of cash or increase the cost of raising such funds; and
- an adverse impact on CKHH's ability to engage in new, or consummate pending, strategic transactions on the agreed terms and timetable or at all.

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

As of the date of this Offering Circular, there is significant uncertainty relating to the severity of the long-term adverse impact of the pandemic on the global economy and global financial markets, and CKHH is unable to accurately predict the long-term impact on its business. To the extent that the pandemic adversely affects CKHH's business and operations, it may also have the effect of heightening many of the other risks described in this "*Risk Factors*" section.

The aforementioned risks may also be applicable to the outbreak of any highly contagious diseases on the economies of the affected countries.

Ports and Related Services

The container throughput handled by CKHH's ports and related services division is primarily dependent on global trading volume. The 2008 global economic crisis in the last decade and the resulting economic and financial uncertainty continues to have an adverse effect to varying degrees on the markets and geographies in which the ports and related services division operates. The UK formally left the EU on 31 January 2020 and there is considerable uncertainty as to the impact of this on the general economic conditions in the UK or its wider impact in the EU. The depreciation of the Pound Sterling may also reduce the UK's imports from Asia, including the Mainland. If economic conditions deteriorate again, global throughput levels may decrease.

In the Mainland, imports and exports were affected by the economic performance of the U.S. and Europe as well as regulations imposed by the Mainland government authorities on tariffs or charges. In particular, the concerns over the trade war between the U.S. and the Mainland may impact trade volumes. See also "*Risk Factors – COVID-19 Pandemic*". Any adverse development in the trade conflicts as well as regulatory imposed tariffs or charges restrictions may have an impact on the business operations and financial results of CKHH's ports and related services division.

CKHH's ports business is subject to significant competition, including continued consolidation and vertical integrations of international shipping lines that are major clients of CKHH's port operations. Shipping lines are increasingly investing in seaports and in their own dedicated terminal facilities and may not require the use of CKHH's terminal facilities. Furthermore, ports are often viewed by governments as critical national assets and in many countries are subject to government control and regulations. Regime or sentiment changes in less politically stable countries may affect port concessions granted to foreign international port operations including CKHH's port operations. There can be no assurance that any of the above factors will not materially and adversely affect CKHH's financial condition and results of operations.

Retail

CKHH's retail division has regularly experienced fluctuations in consumer sentiments and price competition. Significant competition and pricing pressure regularly experienced by the retail business of CKHH from both online and brick and mortar retail competitors are expected to continue, which may materially and adversely affect the financial performance of CKHH's retail operations. Recent geopolitical tensions, social unrest across various countries, as well as the recent COVID-19 pandemic also introduce further risks to CKHH's operations and financial results. See also "*Risk Factors – COVID-19 Pandemic*".

Retail Product Liability

CKHH's retail operations may be subject to product liability claims if consumers are injured or otherwise harmed by the products purchased from them. Customers count on CKHH's retail operations to provide them with safe products. Concerns regarding the safety of food and non-food products that are sourced from a wide variety of suppliers could cause shoppers to

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

Infrastructure

CK Infrastructure Holdings Limited ("CKI")

CKI is the largest publicly listed infrastructure company in Hong Kong with diversified investments in energy, transportation and water infrastructure, waste management, waste-to-energy, and household infrastructure as well as infrastructure related business in Hong Kong, the Mainland, the UK, Continental Europe, Australia, New Zealand, Canada and the United States. Investments in large infrastructure and infrastructure related businesses are subject to potential political risks in the countries of operation. Although CKI's operations have not been adversely affected by any political actions to date, there can be no assurance that potential political risks associated with large infrastructure and infrastructure related businesses will not materially and adversely affect financial condition and results of operations in the future.

CKI has acquired and may continue to acquire businesses as opportunities arise. There could be difficulties managing or integrating the acquisitions, and the anticipated benefits of the acquisitions may or may not materialise. These difficulties could disrupt business, distract management and employees and increase expenses, any of which could materially and adversely affect CKHH's business, financial condition and results of operations.

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

Furthermore, new market entrants and intensified price competition among existing market players of CKI's non-regulated businesses could adversely affect the financial performance of CKI's non-regulated businesses.

Telecommunications

CKHH faces significant competition in each of the markets in which it operates its telecommunications businesses. Competition among providers of mobile and fixed-line telecommunications services, including new entrants, is expected to continue and may adversely affect the prices chargeable for services and handsets. In addition, mobile number portability policies and procedures in markets where CKHH currently operates enable customers to switch their providers of mobile telecommunications services without changing their mobile phone numbers. This has led to increased movement of customers among providers of mobile telecommunications services. Such movements increase marketing, distribution and administrative costs, slow growth in customer numbers and reduce revenues. CKHH's ability to collect revenues from services provided to both consumer and business

customers depends on financial viability of these customers to settle bills as they fall due, as well as the effectiveness of various collections procedures executed by CKHH. CKHH's marketing position also depends on effective marketing initiatives and its ability to anticipate and respond to various competitive factors affecting the industry. This includes new services, pricing strategies by competitors and changes in consumer preferences and economic, political and social conditions in the countries in which it operates. Any failure by CKHH to compete effectively, including in terms of pricing of services, acquisition of customers and retention of existing customers, as well as collectability of revenues, could decrease the revenue that CKHH receives as a major provider of telecommunications services. See also "*Risk Factors – COVID-19 Pandemic*".

The telecommunications industry is subject to changes in customer needs, evolving industry standards and frequent introductions of new products and services. For example, many Internet products have been developed with the proliferation of Internet usage. The development of Internet products such as over-the-top content and voice-over-IP have resulted in a reduction in the usage of traditional text and long distance voice calls provided by CKHH's telecommunications businesses. The innovative nature of these products and services, their rapid evolution and shorter life cycles require CKHH to be able to respond quickly to offerings of these products by competitors. CKHH also faces competition from entities providing alternate telecommunications access technologies and may face competition in the future from technologies being developed or to be developed.

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

In addition, CKHH may not be successful in obtaining licences for spectrum bands enabling new mobile technologies that may be developed in the future (including 5G) and will likely face competition for any such licences. Due to changes in legislation, CKHH's mobile telecommunications licences in the UK and Italy effectively provide for perpetual renewal rights. Telecommunications licences (including spectrum licences) and authorisations may contain regulatory requirements and carrier obligations regarding the way the operator must conduct its business (such as price controls and non-discrimination obligations), as well as network quality and coverage. Failure to meet these requirements could result in damage awards, fines, penalties, suspensions or other sanctions including, ultimately, revocation of the licences.

Decisions by regulators with respect to the granting, amendment or renewal of licences to CKHH or other parties (such as spectrum allocation to other parties or relaxation of constraints with respect to the technology or specific service that may be deployed in the given spectrum band), or changes to the process of or the conditions or criteria to, obtaining or maintaining spectrum or other licences necessary for CKHH's mobile telecommunications business, could result in CKHH facing unforeseen competition and/or could materially and adversely affect CKHH's financial condition and results of operations.

In addition, CKHH's business activities in certain countries are or may be subject to price control regulation with respect to their wholesale mobile termination rates and wholesale and retail international roaming rates, and such price control regulation may impact costs and revenues and therefore could have a material adverse effect on CKHH's financial condition and results of operations. Furthermore, any new regulatory initiatives or changes in legislation, regulation or government policy affecting CKHH's telecommunications businesses, as well as decisions by regulatory authorities or courts, could have a material adverse effect on CKHH's financial condition and results of operations.

CKHH's ability to provide telecommunications services depend, in part, on its interconnection agreements, as well as international roaming arrangements, with other telecommunications operators. There can be no assurance that CKHH will be able to maintain its interconnection and international roaming agreements on terms that are commercially acceptable to it.

CKHH is also exposed to legal and regulatory requirements, such as those required by the EU or other regulatory bodies. These include competition (anti-trust) laws applicable to CKHH's activities, including the regulation of monopolies and conduct of dominant firms, the prohibition of anti-competitive agreements and policies, and laws requiring the approval of mergers, acquisitions and joint ventures which could restrict CKHH's ability to acquire or merge operations in certain jurisdictions and/or subject the relevant operations to fines.

CKHH and/or its group companies may need to increase borrowings or issue shares to pay for the operation and further build-out of their networks as well as for possible future acquisition of mobile telecommunications licences. There can be no assurance that CKHH and/or its group companies will be able to obtain such financing on favourable terms or at all.

CKHH is also addressing other challenges in the markets where it operates such as developing successful pricing and tariff strategies in response to local competition, strengthening its product distribution channels, responding to technical problems, and other issues relating to network stability, ensuring innovative content and strong customer service support. Competition in telecommunications markets continues as competitors enhance the quality and speed of their networks. This may result in lower than expected revenue per user and net margins, as well as higher than anticipated CACs and churn rates. There can be no assurance that CKHH will be successful in addressing these issues. In addition, CKHH may have to make substantial investments to acquire licences and upgrade its mobile networks to the next generations of technologies, including 5G, or its product offerings from the chosen 3G and 4G (LTE) technologies may become obsolete or less profitable. There can be no assurance that CKHH will be able to effectively anticipate and respond to such new technologies, or to new consumer trends or changing consumer preferences. As a result of the volatility in economic conditions, customers may be more cautious in their mobile usage which may significantly reduce revenues and profits.

CK Hutchison Group Telecom or CKHGT

CKHH has made substantial investments in acquiring telecommunications licences and developing its mobile networks in Europe, Hong Kong and Macau. While CK Hutchison Group Telecom is reporting positive operating results, CKHH will need to continue increasing the customer base and operating margins to remain profitable as well as grow profitability. In order to grow and retain its customer base, CKHH has made significant investments in customer acquisition costs ("CACs") in each of the markets in which it operates. CKHH may need to incur more capital expenditure to expand or improve its mobile network and incur more CACs to retain and build the customer base. CKHH may not be successful in growing the customer base and improving operating margins to cover incremental operating costs, customer acquisition and retention costs and capital expenditure requirements. In particular, the growth in the CK Hutchison Group Telecom operations is impacted by the effect of changes in regulatory regimes and competition. If these operations are unsuccessful in their initiatives to remedy the effects of these adverse factors, CK Hutchison Group Telecom's financial results will be materially and adversely affected and there can be no assurance that CK Hutchison Group Telecom will remain profitable.

In addition, the mobile telecommunications licences in the UK and Italy and brand names allocated to the businesses, which are accounted for as indefinite life assets, and goodwill allocated to the businesses are subject to annual impairment tests to assess whether their carrying values are supported by the net present value of future cashflows forecast to be derived from the use of these assets. Changing the assumptions used to determine the level, if any, of impairment, including the discount rates or the growth rate assumptions in the cashflow projections, could materially affect the net present value used in the impairment test and as a result may materially and adversely affect CKHH's financial condition and results of operations. If there is a significant adverse change in the projected performance and resulting future cashflow projections, it may be necessary to take an impairment charge to the income

statement. See Note 43(b) to the audited consolidated financial statements of CKHH for the year ended 31 December 2020 incorporated by reference in this Offering Circular. Accordingly, there can be no assurance that the operating results of CK Hutchison Group Telecom will not be substantially reduced in the near term.

Under HKFRS, deferred tax assets are recognised for the deductible temporary differences and the carry forward of unused tax losses and tax credits 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. The carrying amount of deferred tax assets and related financial models and budgets are reviewed at the end of the reporting period and to the extent that there is insufficient evidence that sufficient taxable profits will be available within the utilisation periods to allow utilisation of the deductible temporary differences and the carry forward of unutilised losses and tax credits, the asset balance will be reduced and charged to the income statement. A variety of other factors are also evaluated in considering whether there is 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, the percentages and the periods in which estimated tax losses can be utilised. As of 30 June 2021, CKHH had a total deferred tax asset balance⁽¹⁾ of HK\$19,401 million (US\$2,487 million) related to the CK Hutchison Group Telecom mobile operations. The ultimate realisation of deferred tax assets recognised depends principally on these businesses achieving profitability and generating sufficient taxable profits to utilise the underlying unused tax losses. In each of the countries and locations that CK Hutchison Group Telecom operates, taxation losses may be carried forward indefinitely. In addition, in the UK, CKHH benefits from the availability of group relief in relation to taxation losses generated by its telecommunications operations to offset taxable profits from its other businesses in the same period. If there is a significant adverse change in taxation rates and legislations, or in the projected performance and resulting cashflow projections of these businesses, some or all of these deferred tax assets may need to be reduced and charged to the income statement, which could have a material adverse effect on CKHH's financial condition and results of operations.

In August 2019, CK Hutchison Group Telecom was assigned long term credit ratings of "BBB+" from Fitch, "Baa1" from Moody's and "A-" from S&P. No assurance can be given that CK Hutchison Group Telecom's credit ratings or outlook will remain for any given period of time or that a credit rating will not be lowered or withdrawn by the relevant rating agency. Although CK Hutchison Group Telecom aims to maintain a capital structure that is appropriate for long-term investment grade ratings, actual credit ratings may deviate from these levels due to economic circumstances. If liquidity in the capital and loan markets declines and/or any of the ratings of CK Hutchison Group Telecom declines, the availability and cost of borrowings could be affected and adversely impact CK Hutchison Group Telecom's and therefore CKHH's financial condition and results of operations, liquidity and cashflows.

Hutchison Telecommunications International Limited ("HTIL")

On 8 May 2007, HTIL completed the sale of its entire indirect interest in CGP Investments (Holdings) Limited ("CGP"), then a Cayman Islands incorporated subsidiary, to a subsidiary of Vodafone Group Plc ("Vodafone") incorporated in the Netherlands ("Vodafone Netherlands"). CGP held, through various subsidiaries, all of HTIL's indirect interests in the Indian mobile telecommunications operation, comprising Vodafone India Limited (then known as Hutchison Essar Limited) and its subsidiaries. As a result of the sale, the HTIL Group realised a pre-tax gain of approximately HK\$69,343 million (US\$8,890 million).

The Indian tax authorities ("ITA") initiated an investigation into Vodafone Netherlands' obligations to withhold tax from the acquisition proceeds. Vodafone Netherlands disputed the jurisdiction of the ITA in this matter by filing a Writ Petition with the Bombay High Court. On 20 January 2012, the Indian Supreme Court gave its ruling that the ITA did not have the jurisdiction as the sale was not taxable in India.

(1) Under Post-IFRS 16 basis, CKHH had a total deferred tax asset balance of HK\$19,543 million (US\$2,506 million) related to the CK Hutchison Group Telecom mobile operations.

On 28 May 2012, the Government of India enacted several amendments to the Income Tax Act, 1961, that are retrospective to 1 April 1962 (“Retrospective Provisions”). Following the enactment of the Retrospective Provisions, ITA reminded Vodafone Netherlands that it is required to pay tax in India under a demand raised prior to the Retrospective Provisions.

On 13 August 2021, the Government of India amended the Income Tax Act, 1961 nullifying all tax demands raised for the indirect transfer of Indian assets in respect of transactions that occurred before 28 May 2012 on fulfilment of specified conditions, including, withdrawal or furnishing of an undertaking for withdrawal of pending litigation and furnishing of an undertaking waiving the right to seek or pursue any remedy or claim whatsoever in relation to the applicable income and litigation to be filed by the taxpayer concerned by a specified date (“Nullification”).

If, as a consequence of the Retrospective Provisions, Vodafone Netherlands is required to pay tax in India, this could lead to a dispute between Vodafone Netherlands and HTIL (“Vodafone Dispute”).

HTIL received an assessment order from the ITA dated 25 January 2017 (“AO”) in respect of the same transaction. The AO imposes tax (“CGT”) of approximately INR79 billion (US\$1.106 billion) on the aforementioned gains as well as interest on the unpaid CGT (“Interest”) of approximately INR164.3 billion (US\$2.30 billion). HTIL also received a penalty order from the ITA dated 3 July 2017 (“PO”) for a penalty of approximately INR79 billion (US\$1.106 billion) (“Penalty”) relating to the CGT (CGT, Interest and Penalty together referred to as the “Taxes”). In this paragraph, the US\$ amounts have been converted from INR amounts at the rate of INR1 to US\$0.014 for illustrative purposes only.

HTIL believes that the Taxes cannot be validly imposed, and it has obtained legal advice that the AO and the PO cannot create any liability for taxes, interest, penalties or otherwise that is legally enforceable. Furthermore, as a consequence of the Nullification, HTIL believes that it is unlikely that the Government of India will seek to enforce any tax demand in respect of the aforementioned transaction.

Cash flow, Liquidity and Credit Ratings

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

After the completion of the Reorganisation of Cheung Kong (Holdings) Limited (“Cheung Kong”) and Hutchison Whampoa Limited (“Hutchison”) on 3 June 2015, CKHH was assigned long-term credit ratings of A3 from Moody’s on 3 June 2015, “A-” from S&P on 6 July 2015 and “A-” from Fitch on 13 July 2015. In November 2017, Moody’s revised CKHH’s rating from “A3” to “A2” with a stable outlook. In September 2018, S&P revised CKHH’s rating from “A-” to “A” with a stable outlook. CKHH’s long term rating from Fitch remained at A- with a stable outlook. However, no assurance can be given that any of CKHH’s credit ratings or outlook will remain for any given period of time or that a credit rating will not be lowered by the relevant rating agency. A negative change in one or more of CKHH’s credit ratings could, notwithstanding that it is not a rating of the Notes or the Guarantee, adversely impact the market price and the liquidity of the Notes.

Currency Fluctuations

CKHH reports its results in Hong Kong dollars but its subsidiaries, associates and joint ventures around the world receive revenue and incur expenses in around 50 different local currencies. CKHH’s subsidiaries, associates and joint ventures may also incur debt in these local currencies. Consequently, CKHH is exposed to potential adverse impact of currency fluctuations on translation of the results and balance sheet items of these subsidiaries,

associates and joint ventures and also on repatriation of earnings, equity investments and loans. Although CKHH actively manages its currency exposures, depreciation or fluctuation of the currencies in which CKHH conducts its operations relative to the Hong Kong dollar could have a material adverse effect on CKHH's financial condition and results of operations.

Strategic Partners

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

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

Impact of National, EU and International Law and Regulatory Requirements

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

- changes in tariffs and trade barriers, including changes which may result from the UK's withdrawal from the EU (see "*Risk Factors – UK's Exit from the European Union*" for further details), as well as government-determined tariff resets of CKHH regulated infrastructure assets;
- changes in taxation regulations and interpretations;
- competition (anti-trust) laws applicable to CKHH's activities, including the regulation of monopolies and the conduct of dominant firms, the prohibition of anti-competitive agreements and practices, and laws requiring the approval of certain mergers, acquisitions and joint ventures which could restrict CKHH's ability to own or operate subsidiaries or acquire new businesses in certain jurisdictions and/or result in imposition of fines on the relevant operations;
- state aid and/or state subsidy control rules which could require the repayment of grants or other financial support if aid or subsidies have been provided by national governments and/or public authorities to CKHH businesses;

- changes in the process of or the conditions or criteria to obtaining or maintaining licences, permits and governmental approvals necessary to operate certain businesses;
- conditions or criteria to obtaining or maintaining assets that may be viewed by governments or regulatory authorities as critical assets for national security purposes, for example in the telecommunications and ports sectors; and
- environmental, safety, employee and consumer protection laws, rules and regulations.

See “*Operations – Telecommunications – CK Hutchison Group Telecom – European Union Regulation*” and “*Operations – Telecommunications – CK Hutchison Group Telecom – UK Regulation*” for a discussion of the EU and UK regulatory framework applicable to CKHH’s CK Hutchison Group Telecom businesses in Europe and the UK. There can be no assurance that the European institutions and/or the regulatory authorities of the countries in which 3 Group Europe operates will not make decisions or interpret and implement regulations in a manner that materially and adversely affects CKHH’s financial condition and results of operations in the future.

CKHH’s overall success as a global business depends, in part, upon its ability to succeed in different economic, social, and political conditions. There can be no assurance that CKHH will continue to succeed in developing and implementing policies and strategies that are effective in each location where it conducts business.

Hong Kong and the Mainland

CKHH is a Cayman Islands company listed on The Stock Exchange of Hong Kong Limited (“SEHK”) with a number of its businesses operating in Hong Kong. As a result, CKHH’s financial condition and results of operations may be influenced by the political situation in Hong Kong and by the general state of the Hong Kong economy and the economies in the surrounding region, particularly the Mainland.

As of 1 July 1997, Hong Kong ceased to be a Crown Colony of the UK and became a Special Administrative Region of the PRC. Although the Sino-British Joint Declaration on the Question of Hong Kong and the Basic Law of Hong Kong provide that Hong Kong will have a high degree of legislative, judicial and economic autonomy, there can be no assurance that CKHH’s financial condition and results of operations will not be materially and adversely affected as a consequence of the exercise of Chinese sovereignty over Hong Kong or other economic, social and/or political unrest or developments in Hong Kong. In addition, political, social and economic developments in the Mainland and the Mainland’s trading relationships with other countries have from time to time materially and adversely affected the Hong Kong economy.

CKHH currently has investments via subsidiaries and joint venture companies in the Mainland. CKHH could decide to invest considerable additional capital resources to enter various markets in the Mainland. The value of CKHH’s investments in the Mainland may be adversely affected by significant changes in economic, social or legal environments and could materially and adversely affect CKHH’s investments in the Mainland.

Future Growth

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

Completion risk of mergers, acquisitions and disposals

CKHH may from time to time engage in mergers, acquisitions, joint ventures or other consolidation transactions between its businesses and certain third party companies (including competitors), or disposals. Such transactions are typically subject to merger, anti-trust and other regulatory approvals by the competent authorities who may only approve the transaction subject to conditions, or who may prohibit the transaction. There can be no assurance that such approvals or other conditions would be obtained or satisfied and, even if such approvals are obtained, third parties may initiate proceedings to appeal against such approvals. If a proposed transaction is prohibited or the relevant approvals are revoked and the transaction cannot be completed, CKHH will have incurred significant legal, accounting and other costs in connection with the transaction without realising its anticipated benefits, which may have included increased earnings, scale, competitive strength and market share. As a consequence, CKHH's financial position and results of operations could be negatively impacted. In the case of potential mergers or acquisitions, such third party companies may also choose to merge with or be acquired by another of CKHH's competitors, which could result in a new competitor with greater scale, financial strength and other resources. As a result, if a transaction is prohibited by a competent authority or if a transaction is approved but such approval is subsequently revoked, it could have a material adverse impact on CKHH's business, financial condition and results of operations.

Accounting

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

In the course of auditing CKHH's consolidated financial statements, CKHH's independent auditor has in the past identified issues relating to, and made recommendations to improve, the internal controls of various CKHH operating units. While CKHH has taken steps to address these issues based on the recommendations of its independent auditor, there is no assurance that these steps will be effective or that these or other internal control issues would not be identified by CKHH's independent auditor in the future.

Publicly Available Financial Information of Certain Subsidiaries, Associates and Joint Ventures

Certain of CKHH's subsidiaries, associates and joint ventures may, or are required to, make publicly available their financial results from time to time (on an annual, interim, quarterly basis or otherwise). Due to different accounting policies and measurement bases used in preparing CKHH's financial information and the financial information of certain subsidiaries, associates and joint ventures, consolidation adjustments are required to be made to the financial information of these subsidiaries, associates and joint ventures to align accounting policies and measurement bases when preparing CKHH's consolidated financial statements. Such adjustments may be significant and the actual impact of the financial results of CKHH's subsidiaries, associates and joint ventures on the financial results of CKHH may not be known until the consolidation of CKHH's financial results is complete. In addition, there can be no assurance that these publicly available financial results of such CKHH's subsidiaries, associates and joint ventures on an individual basis can be relied upon as an indication of the consolidated financial results of CKHH.

Impact of Regulatory Reviews

CKHH and some of its subsidiaries and associates are listed on various stock exchanges around the world and are subject to regulatory reviews of their various filings by the respective stock exchange's regulatory bodies and/or other regulatory authorities. While all of CKHH's publicly listed companies endeavour to comply with all regulatory requirements of the various stock exchanges and other authorities in the countries in which they operate, and obtain

independent professional advice as appropriate, there can be no assurance that the regulatory bodies' review will not result in a disagreement with CKHH's interpretations and judgments and that any required actions mandated by the authorities will not have an adverse impact on CKHH's financial position and results of operations.

Natural Disasters

Some of CKHH's assets and projects, and many of CKHH's customers and suppliers are located in areas at risk of damage from earthquakes, floods and typhoons. The occurrence of any such damage could disrupt CKHH's business materially and adversely affect CKHH's financial condition and results of operations.

Although CKHH has not experienced any significant structural damage to infrastructure projects or ports or other facilities from earthquakes to date, there can be no assurance that future earthquakes or other natural disasters will not occur and result in major damage to CKHH's infrastructure projects, ports or other facilities, or on the general supporting infrastructure facilities in the vicinity, which could materially and adversely affect CKHH's financial condition and results of operations.

Climate Change

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

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

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

Political Unrest and Terrorist Attacks

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

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

Governments and multinational organisations (including the State Department and the Department of the Treasury's Office of Foreign Assets Control ("OFAC") of the US and the United Nations), from time to time administer certain laws and regulations that impose restrictions with respect to activities or transactions with certain countries, governments, entities and individuals that are the subject of economic sanctions. There can be no assurance that such sanctions or other restrictions will not affect the jurisdictions in which CKHH conducts its business, any of CKHH's business partners or suppliers or otherwise. To the extent that any such sanction or restriction is imposed in any jurisdictions where CKHH's business operates, CKHH may need to cease operations in those jurisdictions and suffer losses in that regard. If any of CKHH's business partners or suppliers is impacted by sanctions or restrictions, provision of goods, services or support by them may be disrupted or discontinued, which may affect CKHH's ability to continue to operate related businesses. If any of CKHH's business partners is affected by sanctions or restrictions, the continuation or disruption of strategic alliance with such business partners may also affect CKHH's ability to continue to operate related

businesses and/or may result in suspension of operations. There can be no assurance that CKHH will be able to obtain alternative goods, services, support or alliance it needs for the operation of its business, in a timely manner or at competitive terms, and no assurance that any compensation recoverable from business partners or suppliers for the discontinued or disrupted supply, service, support or alliance will be available or adequate. Any of these factors could have a material adverse effect on CKHH's financial condition and results of operations.

Cyber Security Risks

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

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

Compliance with Data Protection Legislation

In the ordinary course of its operations, various members of the CKHH group of companies collect, store and use data that is protected by data protection laws in the different countries in which they operate. As regulatory focus on privacy issues continues to increase and worldwide laws and regulations concerning the handling of personal information expand and become more complex, potential risks related to data collection and use within CKHH's business are expected to intensify. For example, the General Data Protection Regulation (2016/679/EU), which came into effect in May 2018, introduced a number of changes to EU data protection legislation such as permitting national supervisory authorities in the European Union to levy administrative penalties of up to 4 per cent. of companies' global annual turnover in cases of significant non-compliance and direct liability for breach by data processors.

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

UK's Exit from the European Union

The UK formally left the EU on 31 January 2020. As agreed in the withdrawal agreement, a transition period was implemented until 31 December 2020, during which time EU laws and regulations continued to apply broadly as before.

The UK-EU Trade and Cooperation Agreement (“TCA”) was finalised on 24 December 2020 and came into force from 1 January 2021. The TCA sets out all aspects of the new UK-EU relationship, such as trade, security, areas of ongoing collaboration/cooperation and governance.

The long-term impact of the UK’s decision to leave the EU is not known and will depend on the implementation of the final terms agreed between the UK and the EU in the TCA as well as on the UK’s ability to secure favourable trade and investment terms with countries outside the EU. There is considerable uncertainty as to the impact of the UK’s exit from the EU on the general economic conditions in the UK or its wider impact in the EU. As such, no assurance can be given as to the impact of the UK’s departure from the EU and, in particular, no assurance can be given that such matters would not adversely affect CKHH’s financial condition and results of operations.

Controlling Shareholder

Mr. Li Ka-shing, the Senior Advisor of CKHH, and Mr. Li Tzar Kuoi, Victor, the Chairman of CKHH, respectively owned one-third and two-thirds of the issued share capital of certain holding companies which in turn own one-third or more of the issued share capital of the trustees in a certain trust structure. Such trust structure, through companies 100 per cent. owned, held approximately 30.14 per cent. of the issued shares of CKHH as of 30 June 2021.

Although CKHH believes that its relationship with such trust structure and its associates provides it with significant business advantages, the relationship results in various related party, or “connected” transactions. Such trust structure is a connected person of CKHH for the purposes of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and accordingly any transactions entered into between CKHH and/or subsidiaries of CKHH and such trust structure, its subsidiaries or associates thereof are connected transactions which, unless one of the exemptions is available or relevant waivers are applied for and granted, will be subject to the relevant requirements of Chapter 14A of the Listing Rules. These requirements include the issuance of certain announcements, the inclusion of certain disclosures in annual reports and accounts, and the obtaining of independent shareholders’ approval at general meetings, the obtaining of which cannot be assured.

Holding Company Structure and Structural Subordination

The Issuer is a wholly-owned subsidiary of CKHH and its primary purpose is to act as a financing subsidiary of CKHH. The Guarantee is solely an obligation of the Guarantor. The Guarantor is primarily a holding company and its ability to make payments to holders of the Notes pursuant to the Guarantee in respect of the Notes depends largely upon the receipt of dividends, distributions, interest or advances from its wholly or partially owned subsidiaries and associates. The ability of the subsidiaries and associates of the Guarantor to pay dividends are subject to applicable laws. Payments on the Notes are structurally subordinated to all existing and future liabilities and obligations of each of the Guarantor’s subsidiaries (other than the Issuer) and associates. These subsidiaries had an aggregate of HK\$144,259 million (US\$18,495 million) principal amount of bank and other debts outstanding as of 30 June 2021. Claims of creditors of such companies will have priority as to the assets of such companies over the Guarantor and its creditors, including holders of the Notes seeking to enforce the Guarantee. The terms and conditions of the Notes do not contain any restrictions on the ability of the Issuer, CKHH or its subsidiaries to incur additional indebtedness. In addition, the terms and conditions of the Notes contain a cross acceleration provision, but that provision is limited to the Issuer, the Guarantor and any Principal Subsidiary (as defined therein) (other than Listed Principal Subsidiaries (as defined therein) and their Subsidiaries) and contains certain carve outs for, among others, project financing indebtedness and subsidiary indebtedness with a certain credit rating which is not guaranteed by the Guarantor or any Principal Subsidiary. For further detail see “*Terms and Conditions of the Series A Notes – Events of Default*” and “*Terms and Conditions of the Series B Notes – Events of Default*”.

The Issuer and the Guarantor May Raise Other Capital Which Affects the Price of the Notes

The Issuer and/or the Guarantor may from time to time without prior consultation of the holders of the Notes raise additional capital through the issue of other notes or other means. Under the terms of the Notes, there is no restriction, contractual or otherwise, on the amount of debt securities or other liabilities which the Issuer and the Guarantor may issue or incur and which rank senior to, or pari passu with, the Notes. The issue of any such debt securities or the incurrence of any such other liabilities may reduce the amount (if any) recoverable by holders of the Notes on a winding-up of the Issuer and/or the Guarantor, and may also have an adverse impact on the trading price of the Notes and/or the ability of holders of the Notes to sell the Notes. There can be no assurance that such future issuance or capital raising activities will not result in a significant decrease of the market price of the Notes.

No Prior Market for the Notes and the Trading Price of the Notes could be Materially and Adversely Affected

The Notes are new issues of securities for which there is currently no trading market. If the Notes are traded after they are issued, they may trade at a discount from their initial offering price, depending on many factors, including prevailing interest rates, the market for similar securities, general economic conditions, and CKHH's financial condition, performance and prospects. Although application will be made to the SGX-ST for the listing and quotation of the Notes on the SGX-ST, no assurance is made that the application to the SGX-ST will be approved or that such listing will be maintained, or that, if listed, a liquid trading market will develop or continue. If an active trading market for the Notes does not develop or continue, the market price and liquidity of the Notes may be adversely affected. The Issuer may elect to apply for a de-listing of the Notes from any stock exchange or markets of such stock exchange on which they are traded because the maintenance of such listing is or would be unduly burdensome.

The terms and conditions of the Green Notes do not require CKHH to use the Green Notes Net Proceeds as described under "*Use of Proceeds*", and any failure by CKHH to comply with the anticipated use of proceeds will not constitute an Event of Default (as defined in Condition 10 of the terms and conditions of the Notes) under the Green Notes or result in an increase in interest rate or other penalties. Any failure to allocate the Green Notes Net Proceeds to Eligible Projects (as defined in "*Use of Proceeds*") or otherwise in accordance with CKHH's Sustainable Finance Framework (as defined in "*Use of Proceeds*") or the failure of those investments or transactions to satisfy investor expectations or requirements could have a material adverse effect on the market price of the Green Notes. Neither the Sustainability Framework described in "*Business of CKHH – Environmental Matters – Sustainability at CKHH*" nor the sustainability reports of CKHH shall form part of this Offering Circular.

No Clear Definition for Sustainable Activity and the Green Notes may not be a Suitable Investment for all Investors Seeking Exposure to Green Assets

There is currently no clear definition (legal, regulatory or otherwise) of, nor clear market consensus as to what constitutes, a "green", "environmental", "social", "sustainable", "sustainability" or equivalently labelled project or as to what precise attributes are required for a particular project to be defined "green", "environmental", "social", "sustainable", "sustainability" or such other equivalent label, nor can any assurance be given that a clear definition or consensus will develop over time nor if a definition or consensus develops, that it will not change over time.

While it is CKHH's intention to allocate the Green Notes Net Proceeds (as defined in "*Use of Proceeds*") to Eligible Projects, there can be no assurance that any such Eligible Projects will be available or capable of being implemented in the manner anticipated and, accordingly, that CKHH will be able to use the Green Notes Net Proceeds for such Eligible Projects as intended. Furthermore, no assurance is given that any projects or uses the subject of, or related to, any Eligible Projects will be met or made, nor that adverse environmental, social and/or other impacts will not occur during the implementation of any projects or uses the subject of, or related to, any Eligible Projects. No assurance is given by the Issuer, CKHH or any underwriter of the Green Notes that the Green Notes or projects funded by the Green Notes Net Proceeds

will satisfy (or will continue to satisfy), whether in whole or in part any present or future investor expectations or requirements, taxonomies or standards or other investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable laws or regulations or by its own by-laws or other governing rules or investment portfolio mandates, ratings mandates or other independent expectations regarding such “green”, “environmental”, “social”, “sustainable”, “sustainability” or other equivalently-labeled performance objectives, in particular with regard to any direct or indirect environmental, social, or sustainability impact of any projects or uses, the subject of or related to, any projects funded by the Green Notes Net Proceeds.

In addition, no assurance or representation is given and no opinion is expressed as to the suitability or reliability for any purpose whatsoever of any opinion or certification of any third party (whether or not solicited by CKHH) that may be made available in connection with the offering of the Green Notes and, in particular, with respect to whether the Green Notes or any projects funded by the Green Notes Net Proceeds are in alignment with the Principles (as defined in “*Use of Proceeds*”) or any other guidelines that promote transparency, market integrity and disclosure and/or market practice, or fulfill any environmental, social, sustainability and/or other criteria. For the avoidance of doubt, the Sustainable Finance Framework and any such opinion or certification are not, and shall not be deemed to be, incorporated into and/or form part of this Offering Circular and are not, nor should be deemed to be, recommendations by the Issuer, CKHH or any underwriter, or any other person to buy, sell or hold the Green Notes. Any third party opinion or certification is only current as of the date that such opinion or certification was initially issued. Currently, the providers of such opinions and certifications may not be subject to any specific regulatory or other regime or oversight. Any withdrawal of any such opinion or certification or any additional opinion or certification attesting that CKHH is not complying in whole or in part with any matters for which such opinion or certification is opining or certifying may have a material adverse effect on the value of the Green Notes and/or result in adverse consequences for certain investors with mandates to invest in securities to be used for a particular purpose. Prospective investors must determine for themselves the relevance and reliability of any such opinion or certification and/or the information contained therein and/or the provider of such opinion or certification for the purpose of any investment in the Green Notes.

No Assurance or Representation of Inclusion of the Green Notes in any Dedicated Index for Green Instruments

The Green Notes may or may not be included in any dedicated “green,” “environmental,” “social,” “sustainable,” “sustainability” or other equivalently-labeled index, and any such inclusion may not be indicative of the suitability for the investment criteria of an investor. In particular, no assurance or representation is given by the Issuer, CKHH or any underwriter, or any other person that:

- any such inclusion would satisfy (or would continue to satisfy), whether in whole or in part, any present or future investor expectations or requirements, taxonomies or standards or other investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable laws or regulations or by its own by-laws or other governing rules or investment portfolio mandates, ratings mandates or other expectations, in particular with regard to any direct or indirect environmental, social or sustainability impact of any projects or uses, the subject of or related to, any projects funded by the Green Notes Net Proceeds (and it should be noted that the criteria for any such inclusion in index may vary); or
- any such inclusion will be maintained during the life of the Green Notes.

In the event that the Green Notes are included in such index, any change to the inclusion status of the Green Notes, including but not limited to the exclusion of the Green Notes from the index or the suspension or admission to trading of the Green Notes may have a material adverse effect on the value of the Green Notes and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose. Prospective investors must determine for themselves the relevance of any such inclusion for the purpose of any investment in the Green Notes.

Denomination

The Notes will be issued in the denominations of €100,000 and integral multiples of €1,000 in excess thereof. Definitive Notes will be issued only on or following the giving of a default notice in respect of the Notes, if both Euroclear and Clearstream have closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or have announced an intention to permanently cease business or have in fact done so and no successor clearing system is available, or if the Issuer, or the Guarantor has or will become subject to adverse tax consequences which would not be suffered were the Notes in definitive form. If definitive Notes are issued, such Notes will be issued only in respect of amounts equal to denominations of €100,000 and integral multiples of €1,000 in excess thereof. A Noteholder who, as a result of trading the Notes, holds a principal amount of less than €100,000 or more than €100,000 and not in integral multiples of €1,000 in excess thereof will not receive a definitive Note in respect of such holding of Notes or the relevant portion thereof in excess of the relevant integral multiple and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more denominations. If definitive Notes are issued, Noteholders should be aware that Notes with aggregate principal amounts that are not in the denomination of €100,000 and integral multiples of €1,000 in excess thereof may be illiquid and difficult to trade.

Foreign Account Tax Compliance Act Reporting and Withholding

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (the “Code”), and the U.S. Treasury regulations promulgated thereunder (“FATCA”) generally impose information reporting requirements on certain non-U.S. financial institutions (“foreign financial institutions”) in respect of their direct and indirect U.S. investors and U.S. accountholders in order for a foreign financial institution to avoid becoming subject to withholding on certain U.S.-source payments it receives. If the Guarantor is treated as a foreign financial institution for these purposes, or if one or more of the Guarantor’s subsidiaries (including the Issuer) were to be so treated, it or they may face increased compliance costs in order to comply with these requirements and information regarding the holders of Notes may be reported (directly or indirectly through local tax authorities) to the U.S. Internal Revenue Service (“IRS”).

If the payee is a foreign financial institution and is subject to diligence and reporting requirements, then, pursuant to an agreement between it and the U.S. Treasury, it must, among other things, identify accounts held by certain U.S. persons or U.S.-owned foreign entities, annually report certain information about such accounts, and withhold 30% on certain payments to non-compliant foreign financial institutions and certain other account holders. An applicable intergovernmental agreement regarding FATCA between the United States and a non-U.S. entity’s jurisdiction may modify the general rules described above.

The withholding tax imposed by FATCA, when and if it applies, may affect payments made to custodians or intermediaries in the series of payments leading to a holder if any such custodian or intermediary has not complied with information reporting, certification and related requirements. Accordingly, a holder of Notes that holds Notes through a bank or broker could be subject to withholding if, for example, its bank or broker is subject to withholding because the bank or broker fails to comply with these requirements even though the holder itself might not otherwise have been subject to withholding. Pursuant to recently proposed regulations, the U.S. Treasury has indicated its intent to eliminate the requirements under FATCA of withholding on gross proceeds from the sale, exchange, maturity or other disposition of relevant financial instruments. The U.S. Treasury has indicated that taxpayers may rely on these proposed regulations pending their finalisation. Prospective investors should consult their tax advisors regarding FATCA.

Prospective investors should consult their own tax advisors regarding how these rules may apply to their investment in the Notes. Many non-U.S. governments, including those of the Cayman Islands and Hong Kong, have entered into or are expected to enter into agreements with the United States to implement FATCA in a manner that alters the rules described herein. In the event any withholding under FATCA is imposed with respect to any payments on the Notes, no additional amounts will be payable by the Issuer or the Guarantor with respect to any withheld amount. See “*Terms and Conditions of the Series A Notes – Taxation*” and “*Terms and Conditions of the Series B Notes – Taxation*”.

TERMS AND CONDITIONS OF THE SERIES A NOTES

The following is the text of the Terms and Conditions of the Series A Notes which (subject to completion and modification and excluding italicised text) will be endorsed on each Series A Note in definitive form:

The €500,000,000 0.75 per cent. Guaranteed Notes due 2029 (in these Conditions, the “**Series A Notes**” or “**Notes**” which expression shall in these Conditions, unless the context otherwise requires, include any further Notes issued pursuant to Condition 14 and forming a single series with the Notes) of CK Hutchison Europe Finance (21) Limited (the “**Issuer**”) are issued subject to an agency agreement dated on or about 2 November 2021 (the “**Agency Agreement**”) made between the Issuer, CK Hutchison Holdings Limited (the “**Guarantor**”) as guarantor and The Bank of New York Mellon, London Branch as fiscal agent and principal paying agent (the “**Fiscal Agent**” and, together with any other paying agents appointed from time to time pursuant to the Agency Agreement, the “**Paying Agents**”). The issue of the Notes was authorised by a resolution of the board of directors of the Issuer passed on 22 October 2021 and the giving of the guarantee in respect of the Notes (the “**Guarantee**”) was authorised by a resolution of the board of directors of the Guarantor passed on 22 October 2021. The statements in these Conditions include summaries of, and are subject to, the detailed provisions of and definitions in the Agency Agreement. Copies of the Agency Agreement are available for inspection during normal business hours at the specified office of each of the Paying Agents. The holders of the Notes (the “**Noteholders**”) and the holders of the interest coupons appertaining to the Notes (the “**Couponholders**” and the “**Coupons**” respectively) are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement applicable to them. References in these Conditions to the Fiscal Agent and Paying Agent shall include any successor appointed under the Agency Agreement.

1 Form, Denomination and Title

- (1) The Notes are in bearer form, serially numbered, in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof, with Coupons attached on issue.
- (2) Title to the Notes and to the Coupons will pass by delivery.
- (3) The Issuer, the Guarantor and any Paying Agent may (to the fullest extent permitted by applicable laws) deem and treat the holder of any Note or Coupon as the absolute owner for all purposes (whether or not the Note or Coupon shall be overdue and notwithstanding any notice of ownership or writing on the Note or Coupon or any notice of previous loss or theft of the Note or Coupon).

2 Status of the Notes

The Notes and the Coupons are direct, unconditional, unsubordinated, general and (subject to the provisions of Condition 4) unsecured obligations of the Issuer and (subject as aforesaid) rank and will rank *pari passu*, without any preference among themselves, with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors’ rights.

3 Guarantee

The payment of the principal of and interest on the Notes and any Additional Amounts has been unconditionally and irrevocably guaranteed by the Guarantor. The payment obligations of the Guarantor under the Guarantee constitute direct, unconditional, unsubordinated, general and (subject to the provisions of Condition 4) unsecured obligations of the Guarantor and (subject as aforesaid) rank, and will at all times rank, *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Guarantor, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors’ rights.

4 Covenants

- (1) The Issuer will not create, incur, assume or permit to exist any Lien (as defined below) upon any of its property or assets, now owned or hereafter acquired, to secure any Indebtedness for Borrowed Money (as defined below) of the Issuer (or any secured guarantee or indemnity in respect thereof) without, in any such case, making effective provision whereby the Notes and the Coupons will be secured at least equally and rateably with such Indebtedness for Borrowed Money or by such other Lien as shall have been approved by the Noteholders as provided herein and in the Agency Agreement.

The Guarantor will not, and will not permit any of its Principal Subsidiaries (as defined below) (other than Listed Principal Subsidiaries (as defined below)) to, create, incur, assume or permit to exist any Lien upon any of its property or assets, now owned or hereafter acquired, to secure any Indebtedness for Borrowed Money of the Guarantor or such Principal Subsidiary (or any secured guarantee or indemnity in respect thereof) without, in any such case, making effective provision whereby the Guarantee will be secured either at least equally and rateably with such Indebtedness for Borrowed Money or by such other Lien as shall have been approved by the Noteholders as provided in the Agency Agreement, for so long as such Indebtedness for Borrowed Money will be so secured, unless, after giving effect thereto, the aggregate outstanding principal amount of all such secured Indebtedness for Borrowed Money (excluding that of Listed Principal Subsidiaries and their respective Subsidiaries (as defined below)) entered into after 2 November 2021 (the “**Issue Date**”) would not exceed 50 per cent. of the Guarantors’ Adjusted Consolidated Net Worth (as defined below).

If there occurs a breach of the foregoing restriction and that breach would not have occurred but for a change in the accounting standards applicable to the audited consolidated accounts of the Guarantor as at 31 December 2020 and for the financial year ended 31 December 2020 that affects the calculation of the Guarantor’s Adjusted Consolidated Net Worth, such breach shall be deemed not to have occurred provided that a written opinion from the auditors of the Guarantor is delivered to the Fiscal Agent opining on a calculation of the Guarantor’s Adjusted Consolidated Net Worth as if there had been no change in accounting standards showing that a breach of the foregoing restriction would not have occurred but for the relevant change in accounting standards. Such opinion shall be conclusive and binding on all Noteholders and Couponholders.

The foregoing restriction will not apply to:

- (a) Liens existing on or prior to the Issue Date;
- (b) Liens for taxes or assessments or other applicable governmental charges or levies;
- (c) Liens created or arising by operation of law or created in the ordinary course of business, including, but not limited to, landlords’ liens and statutory liens of carriers, warehousemen, mechanics, materialmen, vendors and other liens securing amounts which are not more than 60 days overdue or which are being contested in good faith;
- (d) Liens incurred or deposits made in the ordinary course of business in connection with workers’ compensation, unemployment insurance and other types of social security or to secure the performance of tenders, statutory obligations, surety and appeal bonds, bids, leases, government contracts, performance and return of money bonds and similar obligations;
- (e) easements, rights-of-way, zoning and similar restrictions and other similar charges or encumbrances not interfering with the ordinary conduct of the business of the Guarantor and such Principal Subsidiaries;

- (f) Liens created on any property or assets acquired, leased or developed after the Issue Date; provided however, that (i) any such Lien shall be confined to the property or assets acquired, leased or developed; (ii) the principal amount of the debt encumbered by such Lien shall not exceed the cost of the acquisition or development of such property or assets or any improvements thereto or thereon and (iii) any such Lien shall be created concurrently with or within three years following the acquisition, lease or development of such property or assets;
 - (g) rights of set-off of a financial institution with respect to deposits or other accounts of the Guarantor or such Principal Subsidiary held by such financial institution in an amount not to exceed the aggregate amount owed to such financial institution by the Guarantor or such Principal Subsidiary, as the case may be;
 - (h) Liens on documents and the goods they represent in connection with letters of credit and similar transactions entered into in the ordinary course of business;
 - (i) Liens arising in connection with industrial revenue, development or similar bonds or other means of project financing (not to exceed the value of the project financed and limited to the project financed);
 - (j) Liens in favour of the Guarantor or any Principal Subsidiary;
 - (k) leases, subleases, licences and sublicences granted to third parties in the ordinary course of business;
 - (l) attachment, judgment and other similar Liens arising in connection with court proceedings which are effectively stayed while the underlying claims are being contested in good faith by appropriate proceedings;
 - (m) any Lien against any property or assets of a Person (as defined below) existing at the time such Person becomes such a Principal Subsidiary or arising after such acquisition pursuant to contractual commitments entered into prior to and not in contemplation of such acquisition;
 - (n) any Lien existing on any property or assets prior to the acquisition thereof, which Lien was not created in connection with the acquisition thereof, except for Liens permitted pursuant to clause (f) above;
 - (o) Liens on any property or assets of the Guarantor or any such Principal Subsidiary in favour of any government or any subdivision thereof, securing the obligations of the Guarantor or such Principal Subsidiary under any contract or payment owed to such governmental entity pursuant to applicable laws, rules, regulations or statutes;
 - (p) Liens created in connection with any sale/leaseback transaction;
 - (q) any renewal or extension of any of the Liens described in the foregoing clauses which is limited to the original property or assets covered thereby; and
 - (r) Liens in respect of Indebtedness for Borrowed Money with respect to which the Guarantor or any Principal Subsidiary has paid money or deposited money or securities with a fiscal agent, trustee or depository to pay or discharge in full the obligations of the Guarantor and its Subsidiaries in respect thereof (other than the obligations that such money or securities so paid or deposited, and the proceeds therefrom, be sufficient to pay or discharge such obligations in full).
- (2) The Guarantor may not, without the consent of the holders of any outstanding (as defined in the Agency Agreement) Notes, consolidate with or merge into any other Person in a transaction in which the Guarantor is not the surviving entity, or convey, transfer or lease its properties and assets substantially as an entirety to, any Person unless, (i) any Person formed by such consolidation or into which the Guarantor is merged or to whom the Guarantor has conveyed, transferred or leased its properties and assets substantially as an entirety is a corporation, partnership, trust or other

entity validly existing under the laws of the jurisdiction of its organisation and such Person assumes the Guarantor's obligations under the Agency Agreement and the Guarantee, (ii) immediately after giving effect to the transaction no Event of Default (as defined in Condition 10), and no event which, after notice or lapse of time or both, would become an Event of Default, shall have occurred and be continuing, (iii) any such Person not organised and validly existing under the laws of the Cayman Islands shall expressly agree in a deed of covenant made in favour of the Noteholders that all payments pursuant to the Guarantee in respect of principal of and interest on the Notes shall be made without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the jurisdiction of organisation of such Person or any political subdivision or taxing authority thereof or therein, unless such taxes, duties, assessments or governmental charges are (a) required by such jurisdiction or any such subdivision or authority to be withheld or deducted, in which case such Person will pay such additional amounts of, or in respect of, principal and interest ("**Successor Additional Amounts**") as will result (after deduction of such taxes, duties, assessments or governmental charges and any additional taxes, duties, assessments or governmental charges payable in respect of such Successor Additional Amounts) in the payment to the Noteholders of the amounts which would have been receivable in respect of the Notes, the Coupons or the Guarantee had no such withholding been required, subject to the same exceptions and qualifications (other than the right to redeem the Notes as a result of such consolidation, merger, conveyance, lease or transfer) as apply with respect to the payment by the Guarantor of Additional Amounts in respect of the Guarantee (inserting references to the taxing jurisdiction where appropriate) or (b) as a result of FATCA withholding (as defined in Condition 8), (iv) if, as a result of the transaction, property of the Guarantor would become subject to a Lien that would not be permitted under Condition 4(1) above, the Guarantor or such successor Person takes such steps as shall be necessary to secure the Notes and the Guarantee equally and rateably with (or prior to) the indebtedness secured by such Lien, and (v) the Guarantor has delivered to the Fiscal Agent an officers' certificate and an opinion of counsel each stating that such consolidation, merger, conveyance, transfer or lease comply with this paragraph and that all conditions precedent herein provided for relating to such transaction have been complied with.

- (3) The Issuer has made an application for the Notes to be listed and quoted on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") but an application may instead be made to another stock exchange which is: (a) a member of the World Federation of Exchanges; or (b) located in a state that is a member of the Organisation for Economic Co-operation and Development. In connection with such application, the Issuer will use endeavours considered in its sole opinion to be reasonable to it to obtain the listing as promptly as practicable after the Issue Date (if not already obtained). The Issuer may elect to apply for a de-listing of the Notes from any stock exchange or markets of such stock exchange on which they are traded because the maintenance of such listing is or would be, in the opinion of the Issuer, unduly burdensome, including, without limitation, any requirement on the Issuer or the Guarantor to provide financial statements prepared in accordance with, or reconcile financial statements to, accounting principles or standards other than Hong Kong Financial Reporting Standards in which event the Issuer will use endeavours considered in its sole opinion to be reasonable to it to seek a replacement listing of such Notes on another section of any stock exchange on which they are traded or another stock exchange which is: (a) a member of the World Federation of Exchanges; or (b) located in a state that is a member of the Organisation for Economic Co-operation and Development, provided that obtaining or maintaining a listing on such section or stock exchange would not be, in the opinion of the Issuer, unduly burdensome, including, without limitation, any requirement on the Issuer or the Guarantor to provide financial statements prepared in accordance with, or reconcile financial statements to, accounting principles or standards other than Hong Kong Financial Reporting Standards. In the event that no listing is obtained or maintained which satisfies the foregoing requirements, the Issuer will use endeavours considered in its sole opinion to be reasonable to it to obtain a replacement listing elsewhere.

- (4) For the purposes of these Conditions:

“Adjusted Consolidated Net Worth” means the aggregate of (a) the amount paid up or credited as paid up on the issued share capital (including ordinary shares and preference shares) of the Guarantor; and (b) the amounts standing to the credit of the Guarantor’s consolidated reserves (including but not limited to any such balance on the share premium account, exchange reserves, revaluation reserves and retained profits or losses); and (c) the amount of non-controlling interests and perpetual capital securities; all as shown by the then latest audited consolidated statement of financial position of the Guarantor and its Subsidiaries; provided however, that the aggregate of the amounts described in clauses (a) through (c) above shall be adjusted (to the extent that the same has not been taken into account in such latest audited consolidated statement of financial position) by (i) deducting therefrom any amount directly or indirectly attributable to the Guarantor by which the Market Value of any asset is less than its book value in such latest audited consolidated statement of financial position, and/or (ii) adding thereto any amount directly or indirectly attributable to the Guarantor by which the Market Value of any asset is greater than its book value in such latest audited consolidated statement of financial position;

“Indebtedness for Borrowed Money” means any indebtedness for or in respect of money borrowed that has a final maturity of one year or more from its date of incurrence or issuance and that is evidenced by any agreement or other instrument, excluding trade payables; provided however, that for the purposes of determining the amount of Indebtedness for Borrowed Money outstanding at any relevant time, the amount included as Indebtedness for Borrowed Money in respect of leases (to the extent they qualify as **“Indebtedness for Borrowed Money”** pursuant to the foregoing) shall be the net amount from time to time characterised as **“obligations under finance leases”** in accordance with Hong Kong Accounting Standard 17 Leases as revised and published by the Hong Kong Institute of Certified Public Accountants in January 2017 (and, in this regard, an opinion from the auditors of the Guarantor opining on such amount shall be conclusive and binding on all Noteholders and Couponholders);

“Lien” means any mortgage, charge, pledge, lien, encumbrance, hypothecation, title retention, security interest or security arrangement of any kind provided that the term **“Lien”** shall not include an unsecured guarantee or Liens arising by operation of law;

“Listed Principal Subsidiary” means any Principal Subsidiary, the shares of which are at the relevant time listed on The Stock Exchange of Hong Kong Limited or any other recognised stock exchange;

“Market Value” means:

- (a) the best price at which the relevant asset (other than shares described falling within sub-paragraph (b) below) is expected to be sold on the relevant date assuming:
 - (i) a willing seller;
 - (ii) a reasonable period in which to negotiate the sale;
 - (iii) values will remain constant during the negotiation period;
 - (iv) the asset will be freely exposed to the market; and
 - (v) there is no special purchaser; and
- (b) in the case of shares in associated companies of the Guarantor and its Subsidiaries which are quoted on any stock exchange, the value of such shares having regard to the underlying net assets of such associated companies and the percentage holding of the Guarantor and its Subsidiaries in such associated companies,

in each such case as reasonably determined by the Guarantor after deducting (or, where such Market Value is to result in an adjustment to the then latest audited consolidated statement of financial position, adjusting for) an estimate of the direct tax liabilities (if any) which would arise on the sale of such asset at such price computed solely by reference to such sale price and the cost price for tax purposes;

“**Person**” means any person or entity;

“**Principal Subsidiary**” means, at any time, a Subsidiary of the Guarantor:

- (1) as to which one or more of the following conditions is satisfied:
 - (i) its net profits (before taxation and extraordinary items) or (in the case of a Subsidiary of the Guarantor which has Subsidiaries) consolidated net profits (before taxation and extraordinary items) attributable to the Guarantor are at least 10 per cent. of the consolidated net profits of the Guarantor and its Subsidiaries (before taxation and extraordinary items but after deducting non-controlling interests’ share of the net profits (before taxation and extraordinary items) of the Subsidiaries); or
 - (ii) its net assets or (in the case of a Subsidiary of the Guarantor which has Subsidiaries) consolidated net assets attributable to the Guarantor represent 10 per cent. or more of the consolidated net assets (after deducting non-controlling interests in Subsidiaries) of the Guarantor and its Subsidiaries,

all as calculated by reference to the then latest audited accounts or annual accounts reviewed by the auditor (consolidated or, as the case may be, unconsolidated) of such Subsidiary, and as adjusted to conform with the group accounting policies and measurement basis of the Guarantor, and the then latest consolidated audited accounts of the Guarantor and its Subsidiaries, provided that:

- (x) in the case of a Subsidiary of the Guarantor acquired after the end of the financial period to which the then latest relevant audited accounts of the Guarantor and its Subsidiaries relate, the reference to the then latest audited accounts of the Guarantor and its Subsidiaries for the purposes of the calculation above shall, until audited accounts of the Guarantor and its Subsidiaries for the financial period in which the acquisition is made are published, be deemed to be a reference to the then latest consolidated audited accounts of the Guarantor and its Subsidiaries adjusted to consolidate the latest audited accounts or annual accounts reviewed by the auditor of such Subsidiary in such accounts;
 - (y) if, in the case of any Subsidiary of the Guarantor which itself has Subsidiaries, no consolidated accounts are prepared and audited, its consolidated net assets and consolidated net profits shall be determined on the basis of the combined accounts of the relevant Subsidiary and its Subsidiaries prepared for this purpose and opined on by the Guarantor’s auditors; or
- (2) to which is transferred the whole or substantially the whole of the assets and undertaking of a Subsidiary of the Guarantor which immediately prior to such transfer was a Principal Subsidiary, provided that:
 - (a) the Subsidiary which so transfers its assets and undertaking shall forthwith upon the transfer (notwithstanding the provisions of paragraph (1) above as applicable to such Subsidiary) cease to be a Principal Subsidiary until the date on which the first audited consolidated accounts of the Guarantor and its Subsidiaries prepared as of a date later than such transfer are published, whereupon whether such Subsidiary shall constitute a Principal Subsidiary again by virtue of paragraph (1) above shall be determined on the basis of such financial statements; and

- (b) the Subsidiary to which the assets and undertaking are so transferred shall cease to be a Principal Subsidiary at the date on which the first audited consolidated accounts of the Guarantor and its Subsidiaries prepared as of a date later than such transfer are published, unless such Subsidiary would continue to be a Principal Subsidiary on the basis of such financial statements by virtue of the provisions of paragraph (1) above.

An opinion from the auditors of the Guarantor on a calculation to show whether or not a Subsidiary is a Principal Subsidiary shall be conclusive and binding on all Noteholders and Couponholders in the absence of manifest error; and

“Subsidiary” means in relation to an entity, any other entity which would be accounted for and consolidated in the latest audited consolidated financial statements of that entity as a subsidiary pursuant to the accounting standards applicable to such financial statements.

5 Interest

- (1) The Notes bear interest from and including 2 November 2021 (the **“Interest Commencement Date”**) to but excluding 2 November 2029 at the rate of 0.75 per cent. per annum, payable annually in arrear on 2 November of each year (each an **“Interest Payment Date”**). The first Interest Payment Date will be 2 November 2022, in respect of the period from and including the Interest Commencement Date to but excluding 2 November 2022.
- (2) Each Note will cease to bear interest from and including the due date for redemption unless, upon due presentation, payment of the principal in respect of the Note is improperly withheld or refused or unless default is otherwise made in respect of the payment. In such event, interest will continue to accrue up to but excluding whichever is the earlier of:
 - (a) the date on which all amounts due in respect of such Notes have been paid; and
 - (b) five days after the date on which the full amount of the moneys payable in respect of such Notes has been received by the Fiscal Agent and notice to that effect has been given to the Noteholders in accordance with Condition 12.
- (3) If interest is required to be calculated for a period of less than a full year, it shall be calculated on the basis of the actual number of days elapsed divided by 365 or (in the case of a leap year) 366. Interest payable under this Condition 5 will be paid in accordance with Condition 6.

6 Payments

- (1) Payments of principal, redemption price and interest in respect of each Note will be made only against presentation and surrender (or, in the case of part payment only, endorsement) of the Note, except that payments of interest due on an Interest Payment Date will be made against presentation and surrender (or, in the case of part payment only, endorsement) of the relevant Coupon, in each case at the specified office outside the United States of any of the Paying Agents.
- (2) Payments will be made by credit or transfer to an account denominated in Euro maintained by the payee with or, at the option of the payee, by a cheque in Euro drawn on, a bank in a city in which banks have access to the TARGET2 System (as defined below).
- (3) Each Note should be presented for payment together with all unmatured Coupons relating to it. Upon the date on which any Note becomes due and repayable, all unmatured Coupons appertaining to the Note (whether or not attached) shall become void and no payment shall be made in respect of such Coupons.

- (4) Payments in respect of principal, redemption price and interest on Notes are subject in all cases to any fiscal or other laws and regulations applicable in the place of payment, but without prejudice to the provisions of Condition 8.
- (5) A holder shall be entitled to present a Note or Coupon for payment only on a Presentation Date and shall not, except as provided in Condition 5, be entitled to any further interest or other payment if a Presentation Date is after the due date.

In this Condition:

“Presentation Date” means a day which (subject to Condition 9):

- (a) is or falls after the relevant due date;
- (b) is a Business Day; and
- (c) in the case of payment by credit or transfer to an account denominated in Euro in a bank in a city in which banks have access to the TARGET2 System, is a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in that city.

If payment to a holder is to be made by transfer to a Euro account maintained by the payee, and it is not practicable to transfer the relevant amount to such account for value on the relevant date of presentation as a result of differences in the time zones between Central European time and the location of such account, none of the Paying Agents shall be obliged so to do, but shall be obliged to transfer the relevant amount to such account for value on the first practicable day after such relevant date of presentation.

“Business Day” means a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System or any successor thereto (the **“TARGET2 System”**) is operating and on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the place of the specified office of the Paying Agent at which a Note or Coupon is presented for payment, London, Hong Kong and New York City.

- (6) The names of the initial Paying Agents and their initial specified offices are set out at the end of these Conditions. The Issuer and the Guarantor reserve the right at any time to vary or terminate the appointment of any Paying Agent and to appoint additional or other Paying Agents provided that they will at all times maintain (i) a Fiscal Agent and (ii) so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, a Paying Agent in Singapore. Notice of any termination or appointment and of any changes in specified offices will be given to the Noteholders promptly by the Issuer in accordance with Condition 12.

7 Redemption and Purchase

- (1) Unless previously redeemed or purchased and cancelled as provided below, the Issuer will redeem the Notes at their principal amount on 2 November 2029.
- (2) If (a) as a result of any change in, or amendment to, the laws or regulations of the Cayman Islands (or of any political subdivision or taxing authority thereof or therein) or any regulations or rulings promulgated thereunder or any change in the official interpretation or official application of such laws, regulations or rulings, or any change in the official application or interpretation of, or any execution of or amendment to, any treaty or treaties affecting taxation to which the Cayman Islands or such political subdivision or taxing authority is a party, which change, amendment or treaty becomes effective on or after 27 October 2021, on the next Interest Payment Date either the Issuer would be required to pay Additional Amounts as provided or referred to in Condition 8 or the Guarantor would be unable for reasons outside its control to procure payment by the Issuer and in making payment itself would be required to pay such Additional Amounts, and (b) the requirement cannot be avoided by the Issuer or,

as the case may be, the Guarantor taking reasonable measures available to it, the Issuer may at its option, having given not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 12 (which notice shall be irrevocable), redeem all the Notes, but not some only, at their principal amount together with interest accrued to but excluding the date of redemption, provided that no notice of redemption shall be given earlier than 90 days before the earliest date on which the Issuer or, as the case may be, the Guarantor would be required to pay the Additional Amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition 7(2), the Issuer or the Guarantor, as the case may be, shall deliver to the Fiscal Agent a certificate signed by two directors of the Issuer or, as the case may be, the Guarantor stating that the requirement referred to in (a) above will apply on the occasion of the next payment due in respect of the Notes and cannot be avoided by the Issuer or, as the case may be, the Guarantor taking reasonable measures available to it and an opinion of independent tax or legal advisers of recognised standing to the effect that the Issuer or, as the case may be, the Guarantor has or will become obliged to pay such Additional Amounts as a result of the change or amendment.

- (3) The Notes may, at the option of the Issuer or the Guarantor, be redeemed in whole or in part, on any date falling before 2 August 2029, upon not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 12, at a redemption price equal to the greater of (1) 100 per cent. of the principal amount of the Notes to be redeemed and (2) the sum of the present values of each remaining scheduled payments of principal and interest due on the Notes to be redeemed up to 2 August 2029 (exclusive of interest accrued to but excluding the date of redemption), discounted to the date of redemption on an annual basis (assuming a 365-day year or, in the case of a leap year, a 366-day year and the actual number of days elapsed in such year) at the Reference Bond Rate plus 0.20 per cent. per annum, plus, in each case, accrued and unpaid interest on the Notes to be redeemed, if any, to but excluding the date of redemption.

The Determination Agent shall, as soon as reasonably practicable after determining the same on the Reference Date, notify the Issuer and the Guarantor in writing of the Reference Bond Rate. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Determination Agent shall (in the absence of manifest error) be final and binding upon all parties.

In this Condition 7(3):

"Determination Agent" means a financial institution of international standing selected by the Issuer or the Guarantor in good faith at its own expense, which shall initially be The Hongkong and Shanghai Banking Corporation Limited;

"Reference Bond" means (1) the DBR 0 per cent. due 15 August 2029 (DE0001102473); or (2) if such bond is no longer outstanding, the government security or securities selected by the Determination Agent as having an actual or interpolated maturity comparable to the remaining term of the Notes to be redeemed from the redemption date to 2 August 2029 that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such Notes from the redemption date to 2 August 2029;

"Reference Bond Price" means, with respect to the date of redemption: (i) the average of the Reference Government Bond Dealer Quotations for such date of redemption, after excluding the highest and lowest of such Reference Government Bond Dealer Quotations; or (ii) if fewer than four such Reference Government Bond Dealer Quotations are available, the average of all such quotations;

"Reference Bond Rate" means, with respect to the date of redemption, the rate per annum equal to the annual yield to maturity (assuming a 365-day year or, in the case of a leap year, a 366-day year and the actual number of days elapsed in such year)

of the Reference Bond, calculated by the Determination Agent on the Reference Date using a price for the Reference Bond (expressed as a percentage of its principal amount) equal to the Reference Bond Price for such date of redemption;

“Reference Date” means the date set out in the relevant notice of redemption;

“Reference Government Bond Dealer” means each of any five investment banks of recognised standing that is (a) a primary government securities dealer or its successor, or (b) a market maker in pricing corporate bond issues, selected by the Determination Agent in good faith; and

“Reference Government Bond Dealer Quotations” means, with respect to each Reference Government Bond Dealer and the date of redemption, the average as determined by the Determination Agent, of the bid and asked prices for the Reference Bond (expressed in each case as a percentage of its principal amount) quoted in writing to the Determination Agent by such Reference Government Bond Dealer at or around 11:00 a.m. (Central European Time) on the Reference Date.

- (4) The Notes may, at the option of the Issuer or the Guarantor, be redeemed in whole or in part, on any date falling on or after 2 August 2029, upon not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 12, at a redemption price equal to the 100 per cent. of the principal amount of the Notes to be redeemed, plus accrued and unpaid interest on the Notes to be redeemed, if any, to, but excluding the date of redemption.
- (5) The Issuer, the Guarantor or any of their respective Subsidiaries (as defined above), if any, may at any time purchase Notes (provided that all unmatured Coupons appertaining to the Notes are purchased with the Notes) in any manner and at any price.
- (6) All Notes and/or Coupons which are redeemed will, and any Notes and/or Coupons purchased by or on behalf of the Issuer, the Guarantor or any of their respective Subsidiaries, if any, may (but need not) be cancelled, together with all relative unmatured Coupons attached to the Notes or surrendered with the Notes, and accordingly may not be reissued or resold. Notes purchased by the Issuer, the Guarantor or any of their respective Subsidiaries, if any, and not cancelled may be resold.
- (7) In the case of any redemption (other than redemption pursuant to Condition 7(1) above), a notice will be published (in accordance with Condition 12). Redemption may, in the discretion of the Issuer or the Guarantor, be subject to the satisfaction of one or more conditions precedent as specified in such notice. If such notice is subject to satisfaction of one or more conditions precedent, such notice shall state that, in the discretion of the Issuer or the Guarantor, the redemption date may be delayed until such time as any or all of such conditions are satisfied (or waived by the Issuer or the Guarantor in its sole discretion), or such redemption may not occur and such notice may be rescinded in the event that any or all of such conditions are not satisfied (or waived by the Issuer or the Guarantor in its sole discretion) by the redemption date, or by the redemption date so delayed. Except as set forth above, the Notes are not subject to redemption at the option of the Issuer or the Guarantor.

In the case of a partial redemption, the notice of redemption shall also contain the serial numbers of the Notes to be redeemed, which shall have been selected on a pro rata basis by the Issuer or the Guarantor in such manner as the Issuer or the Guarantor considers appropriate, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements. If the Notes are listed on a securities exchange, any redemption of less than all the Notes will be subject to compliance with applicable requirements, if any, of the securities exchange on which the Notes are listed.

8 Taxation

- (1) Subject to Condition 8(3), all payments of principal and interest in respect of the Notes, Coupons or the Guarantee shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the Cayman Islands (or any political subdivision or taxing authority thereof or therein having power to tax) unless such withholding or deduction is required by law. In that event, the Issuer or the Guarantor shall pay such additional amounts (“**Additional Amounts**”) as will result in receipt by the Noteholders or Couponholders of such amounts as would have been received in respect of the Notes, the Coupons or the Guarantee had no such withholding or deduction been required, except that no such Additional Amounts shall be payable:
 - (a) in respect of any tax, duty, assessment or other governmental charge that would not have been imposed but for any connection between the holder or beneficial owner of a Note or Coupon and the Cayman Islands or any political subdivision or any authority thereof or therein, as the case may be, otherwise than merely holding such Note or Coupon or receiving principal or interest in respect thereof;
 - (b) in respect of any Note or Coupon presented for payment more than 30 days after the Relevant Date, except to the extent that the holder thereof would have been entitled to such Additional Amounts on presenting the same for payment on the last day of such 30 day period; or
 - (c) to a Noteholder, Couponholder or to a third party on behalf of a person who would have been able to avoid such withholding or deduction by duly presenting the Notes or the Coupons to another Paying Agent.

For the purposes of these Conditions, the “**Relevant Date**” in relation to any Note or Coupon means (i) the due date for payment thereof and (ii) if the full amount payable on such due date has not been received by the Fiscal Agent on or prior to such due date, the first date on which such full amount has been so received and notice to that effect has been given to the Noteholders in accordance with Condition 12.

- (2) Unless the context otherwise requires, any reference in the Notes and these Conditions to principal or interest shall be deemed also to refer to any Additional Amounts which may be payable as described in Condition 8(1).
- (3) Notwithstanding any other provision of these Conditions, any amounts to be paid on the Notes and the Coupons by or on behalf of the Issuer or the Guarantor will be paid net of any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”), or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a “**FATCA Withholding**”). None of the Issuer, the Guarantor or any other person will be required to pay any additional amounts in respect of any FATCA Withholding.

9 Prescription

Claims in respect of principal, redemption price and interest will become void unless the relevant Notes and Coupons are presented for payment within ten years (in the case of principal or redemption price) and five years (in the case of interest) from the appropriate Relevant Date, subject to the provisions of Condition 6.

10 Events of Default

The occurrence of each of the following events will constitute an event of default (each an “**Event of Default**”) with respect to the Notes:

- (a) failure to pay principal of any Note within five days after the due date for such payment; or
 - (b) failure to pay interest on any Note within 30 days after the due date for such payment; or
 - (c) failure to perform any other covenant of the Issuer or the Guarantor in the Agency Agreement, the Guarantee or the Notes (excluding Condition 4(3)) which has continued for 60 days after there has been given, by registered or certified mail, to the Issuer or the Guarantor by the Fiscal Agent or by the holders of at least 25 per cent. in principal amount of the Notes then outstanding, a written notice specifying such failure and requiring it to be remedied and stating that such notice is a notice of default under the Agency Agreement, the Guarantee or the Notes, as the case may be; or
 - (d) (i) failure to pay upon final maturity (after giving effect to the expiration of any applicable grace period therefor) the principal of any Indebtedness for Borrowed Money of the Issuer, the Guarantor or any Principal Subsidiary (other than a Listed Principal Subsidiary or any of its Subsidiaries), (ii) acceleration of the maturity of any Indebtedness for Borrowed Money of the Issuer, the Guarantor or any Principal Subsidiary (other than a Listed Principal Subsidiary or any of its Subsidiaries) following a default by the Issuer, the Guarantor or such Principal Subsidiary, if such Indebtedness for Borrowed Money is not discharged, or such acceleration is not annulled, within 10 days after receipt of the written notice as provided in the Agency Agreement, or (iii) failure to pay any amount payable by the Issuer, the Guarantor or any Principal Subsidiary (other than a Listed Principal Subsidiary or any of its Subsidiaries) under any guarantee or indemnity in respect of any Indebtedness for Borrowed Money of any other Person; provided however, that:
 - (1) no such event set forth in (i), (ii) or (iii) of this paragraph (d) shall constitute an Event of Default unless the aggregate Indebtedness for Borrowed Money to which all such events relate exceeds HK\$380,000,000 (or its equivalent in any other currency or currencies converted at the date of the relevant event); and
 - (2) Indebtedness for Borrowed Money which is:
 - (x) in the form of secured project financing or secured limited recourse financing and such Indebtedness for Borrowed Money is not guaranteed by the Guarantor or a Principal Subsidiary (other than a Listed Principal Subsidiary or any of its Subsidiaries);
 - (y) incurred or guaranteed by a Subsidiary of the Guarantor:
 - (A) which has an issuer credit rating of either BB+ or higher by S&P or Fitch or Bal or higher by Moody’s; and
 - (B) which is not guaranteed by the Guarantor or a Principal Subsidiary (other than such Subsidiary of the Guarantor incurring or guaranteeing such Indebtedness and its Subsidiaries);
- (“**Non-Recourse Debt**”); or
- (z) incurred by any Subsidiary or the Guarantor before 3 June 2015 unless the relevant Indebtedness for Borrowed Money remains outstanding after 15 Business Days after the event referred to in subparagraphs (i), (ii) or (iii) of this paragraph (d);
- shall be deemed not to be Indebtedness for Borrowed Money for the purposes of this paragraph (d); or

For the purpose of this Condition:

“Business Day” means a day other than a Saturday or Sunday on which commercial banks and foreign exchange markets are open for business in London, Hong Kong and:

- (1) (in relation to any date for payment or purchase of a currency other than Euro) the principal financial centre of the country of that currency; or
- (2) (in relation to any date for payment or purchase of Euro) any day on which the TARGET 2 System is open for settlement of payments in Euro;

“Fitch” means Fitch Ratings, Inc., Fitch Ratings Ltd., their respective affiliates and subsidiaries or any successor to their respective rating businesses;

“Moody’s” means Moody’s Investors Service, Inc., its affiliates and subsidiaries or any successor to their respective rating businesses; and

“S&P” means S&P Global Ratings, its affiliates and subsidiaries or any successor to their respective rating businesses.

- (e) the Issuer, the Guarantor or any Principal Subsidiary (other than a Listed Principal Subsidiary or any of its Subsidiaries) becomes insolvent and is unable to pay its debts as they fall due, stops, suspends or threatens to stop or suspend payment of all or a material part of its debts, begins negotiations or takes any proceeding or other step with a view to readjustment, rescheduling or deferral of all of its Indebtedness for Borrowed Money (or any part of its Indebtedness for Borrowed Money which it will or might otherwise be unable to pay when due) or proposes or makes a general assignment or any arrangement or composition with or for the benefit of its creditors or a moratorium is agreed or declared in respect of or affecting all or a material part of the Indebtedness for Borrowed Money of the Issuer, the Guarantor or any Principal Subsidiaries (other than a Listed Principal Subsidiary or any of its Subsidiaries) or of the Issuer or the Guarantor and their respective Subsidiaries taken as a whole; or
- (f) a distress, attachment, execution or other legal process (other than one initiated in relation to a Non-Recourse Debt) is levied, enforced or sued out on or against all or any material part of the assets of the Issuer, the Guarantor or any Principal Subsidiary (other than a Listed Principal Subsidiary or any of its Subsidiaries) and is not discharged or stayed within 30 days (or such longer period as the holders of a majority in principal amount of the Notes may permit); or
- (g) any present or future encumbrance (other than any encumbrance securing a Non-Recourse Debt) on or over all or any material part of the assets of the Issuer, the Guarantor or any Principal Subsidiary (other than a Listed Principal Subsidiary or any of its Subsidiaries) becomes enforceable and any step (including the taking of possession or the appointment of a receiver, manager or similar officer) is taken to enforce that encumbrance; or
- (h) any bona fide step is taken by any person for the dissolution of the Issuer, the Guarantor or any Principal Subsidiary (other than a Listed Principal Subsidiary or any of its Subsidiaries), except (in each such case) for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (1) on terms approved by an Extraordinary Resolution of the Noteholders, or (2) in the case of a Principal Subsidiary, whereby the undertaking and assets of such Principal Subsidiary are transferred to or otherwise vested in the Guarantor or another of its Subsidiaries pursuant to a merger of such Principal Subsidiary with the Guarantor or such other Subsidiary or by way of a voluntary winding up or dissolution where there are surplus assets in such Principal Subsidiary and such surplus assets attributable to the Guarantor and/or such other Subsidiary are distributed to the Guarantor and/or such other Subsidiary; or

- (i) any event occurs which under the laws of any relevant jurisdiction has an analogous or equivalent effect to any of the events referred to in sub-paragraphs (e) through (h) above.

If an Event of Default (other than an Event of Default described in sub-paragraphs (e) to (i) above) with respect to the Notes shall occur and be continuing, the holders of at least 25 per cent. in aggregate principal amount of the Notes then outstanding by notice as provided in the Agency Agreement may declare the principal amount of such Notes and any accrued and unpaid interest thereon to be due and payable immediately. If an Event of Default referred to in sub-paragraphs (e) to (i) above with respect to the Notes shall occur, the principal amount of all the Notes and any accrued and unpaid interest thereon will automatically, and without any action by any Noteholder, become immediately due and payable. After any such acceleration but before a judgment or decree based on acceleration has been obtained, the holders of a majority in aggregate principal amount of the outstanding Notes may, under certain circumstances, rescind and annul such acceleration if all the then existing Events of Default have been cured or waived as provided in the Agency Agreement.

11 Replacement of Notes and Coupons

Should any Note or Coupon be lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Fiscal Agent in London (and for so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, the specified office of the Paying Agent in Singapore), subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with the replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes or Coupons must be surrendered before replacements will be issued.

12 Notices

All notices to the Noteholders will be valid if published in a leading English language daily newspaper with general circulation in Europe as the Issuer may decide and so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, in one daily newspaper published in Asia. It is expected that publication will normally be made in the Financial Times and the Asian Wall Street Journal. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are for the time being listed. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers.

13 Meetings of Noteholders and Modification

- (1) The Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the modification by Extraordinary Resolution of these Conditions or the provisions of the Agency Agreement or the Deed of Guarantee. The quorum at any meeting for passing an Extraordinary Resolution will be one or more persons present holding or representing a clear majority in principal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons present whatever the principal amount of the Notes held or represented by him or them, except that at any meeting, the business of which includes the modification of certain of these Conditions, the necessary quorum for passing an Extraordinary Resolution will be one or more persons present holding or representing not less than 75 per cent., or at any adjourned meeting not less than one-third, of the principal amount of the Notes for the time being outstanding. The Agency Agreement does not contain any provisions requiring higher quorums in any circumstances. An Extraordinary Resolution passed at any meeting of the Noteholders will be binding on all Noteholders and Couponholders, whether or not they are present at the meeting. The Agency

Agreement provides that a written resolution signed by or on behalf of the holders of not less than 90 per cent. of the aggregate principal amount of the Notes outstanding shall be valid and effective as an Extraordinary Resolution.

- (2) The Fiscal Agent may agree, without the consent of the Noteholders or Couponholders, to any modification of any of these Conditions or any of the provisions of the Agency Agreement or the Guarantee which is not, in the opinion of the Fiscal Agent, materially prejudicial to the interests of the Noteholders or to any modification which is of a formal, minor or technical nature or to correct a manifest or proven error.
- (3) Any modification made in accordance with these Conditions shall be binding on the Noteholders and the Couponholders and, unless the Fiscal Agent agrees otherwise, any modification shall be notified by the Issuer to the Noteholders as soon as practicable thereafter in accordance with Condition 12.

14 Further Issues

The Issuer may from time to time without the consent of the Noteholders or the Couponholders create and issue further notes, having terms and conditions the same as those of the Notes, or the same except for the date and the amount of the first payment of interest, which may be consolidated and form a single series with the outstanding Notes.

15 Currency Indemnity

The Issuer's obligations under the Notes or the Guarantor's obligations under the Guarantee, as the case may be, to make all payments in Euro will not be satisfied by any payment, recovery or any other realisation of proceeds in any currency other than Euro. If, for the purpose of obtaining a judgment in any court with respect to any obligation of the Issuer under any Notes or the Guarantor's obligations under the Guarantee, as the case may be, it shall become necessary to convert into any other currency or currency unit any amount in the currency or currency unit due under any Notes then such conversion shall be made by the Fiscal Agent at the market exchange rate (as determined by the Fiscal Agent) as in effect on the date of entry of the judgment (the "**Judgment Date**"); it being understood that the Fiscal Agent shall effect such conversion only after receipt of the relevant funds from the Issuer or, as the case may be, the Guarantor and that such conversion may require up to three Business Days (as defined in Condition 10) to effect after the receipt of such funds. If pursuant to any such judgment, conversion shall be made on a date (the "**Substitute Date**") other than the Judgment Date and there shall occur a change between the market exchange rate for Euro as in effect on the Substitute Date and the market exchange rate as in effect on the Judgment Date, the Issuer agrees to pay such additional amounts (if any) in Euro as may be necessary to ensure that the amount paid is equal to the amount in such other currency or currency unit which, when converted at the market exchange rate as in effect on the Judgment Date, is the amount due under any Notes. Any amount due from the Issuer under this Condition shall be due as a separate debt and is not to be affected by or merged into any judgment being obtained for any other sums due in respect of any Notes. In no event, however, shall the Issuer be required to pay more in Euro due under the Notes at the market exchange rate as in effect on the Judgment Date than the amount of Euro stated to be due under the Notes so that in any event the Issuer's obligations under the Notes or the Guarantor's obligations under the Guarantee will be effectively maintained as obligations in Euro and the Issuer shall be entitled to withhold (or be reimbursed for, as the case may be) any excess of the amount actually realised upon any such conversion on the Substitute Date over the amount due and payable on the Judgment Date.

16 Governing Law and Submission to Jurisdiction

The Agency Agreement, the Guarantee, the Notes and the Coupons, and any non-contractual obligations arising out of or in relation to any of them, are governed by, and will be construed in accordance with, English law.

The Issuer and the Guarantor irrevocably agree for the benefit of the Noteholders and the Couponholders that the courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Agency Agreement, the Guarantee, the Notes or the

Coupons (including, without limitation, disputes relating to any non-contractual obligations arising out of or in connection with any of them) and that accordingly any suit, action or proceedings arising out of or in connection therewith (together referred to as “**Proceedings**”) may be brought in the courts of England.

The Issuer and the Guarantor irrevocably and unconditionally waive and agree not to raise any objection which they may have now or subsequently to the laying of the venue of any Proceedings in the courts of England and any claim that any Proceedings have been brought in an inconvenient forum and have further irrevocably and unconditionally agreed that a judgment in any Proceedings brought in the courts of England shall be conclusive and binding upon the Issuer and the Guarantor and may be enforced in the courts of any other jurisdiction. Nothing in this Condition shall limit any right to take Proceedings against the Issuer or the Guarantor in any other court of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction, whether concurrently or not.

The Issuer hereby irrevocably and unconditionally appoints Hutchison Whampoa Agents (UK) Limited at its registered office in England (presently Hutchison House, 5 Hester Road, Battersea, London SW11 4AN, United Kingdom) as its agent for service of process in England in respect of any Proceedings and undertakes that in the event of it ceasing so to act it will appoint another person as its agent for that purpose.

17 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

TERMS AND CONDITIONS OF THE SERIES B NOTES

The following is the text of the Terms and Conditions of the Series B Notes which (subject to completion and modification and excluding italicised text) will be endorsed on each Series B Note in definitive form:

The €500,000,000 1.00 per cent. Guaranteed Green Notes due 2033 (in these Conditions, the “**Series B Notes**” or “**Notes**” which expression shall in these Conditions, unless the context otherwise requires, include any further Notes issued pursuant to Condition 14 and forming a single series with the Notes) of CK Hutchison Europe Finance (21) Limited (the “**Issuer**”) are issued subject to an agency agreement dated on or about 2 November 2021 (the “**Agency Agreement**”) made between the Issuer, CK Hutchison Holdings Limited (the “**Guarantor**”) as guarantor and The Bank of New York Mellon, London Branch as fiscal agent and principal paying agent (the “**Fiscal Agent**” and, together with any other paying agents appointed from time to time pursuant to the Agency Agreement, the “**Paying Agents**”). The issue of the Notes was authorised by a resolution of the board of directors of the Issuer passed on 22 October 2021 and the giving of the guarantee in respect of the Notes (the “**Guarantee**”) was authorised by a resolution of the board of directors of the Guarantor passed on 22 October 2021. The statements in these Conditions include summaries of, and are subject to, the detailed provisions of and definitions in the Agency Agreement. Copies of the Agency Agreement are available for inspection during normal business hours at the specified office of each of the Paying Agents. The holders of the Notes (the “**Noteholders**”) and the holders of the interest coupons appertaining to the Notes (the “**Couponholders**” and the “**Coupons**” respectively) are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement applicable to them. References in these Conditions to the Fiscal Agent and Paying Agent shall include any successor appointed under the Agency Agreement.

1 Form, Denomination and Title

- (1) The Notes are in bearer form, serially numbered, in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof, with Coupons attached on issue.
- (2) Title to the Notes and to the Coupons will pass by delivery.
- (3) The Issuer, the Guarantor and any Paying Agent may (to the fullest extent permitted by applicable laws) deem and treat the holder of any Note or Coupon as the absolute owner for all purposes (whether or not the Note or Coupon shall be overdue and notwithstanding any notice of ownership or writing on the Note or Coupon or any notice of previous loss or theft of the Note or Coupon).

2 Status of the Notes

The Notes and the Coupons are direct, unconditional, unsubordinated, general and (subject to the provisions of Condition 4) unsecured obligations of the Issuer and (subject as aforesaid) rank and will rank *pari passu*, without any preference among themselves, with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors’ rights.

3 Guarantee

The payment of the principal of and interest on the Notes and any Additional Amounts has been unconditionally and irrevocably guaranteed by the Guarantor. The payment obligations of the Guarantor under the Guarantee constitute direct, unconditional, unsubordinated, general and (subject to the provisions of Condition 4) unsecured obligations of the Guarantor and (subject as aforesaid) rank, and will at all times rank, *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Guarantor, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors’ rights.

4 Covenants

- (1) The Issuer will not create, incur, assume or permit to exist any Lien (as defined below) upon any of its property or assets, now owned or hereafter acquired, to secure any Indebtedness for Borrowed Money (as defined below) of the Issuer (or any secured guarantee or indemnity in respect thereof) without, in any such case, making effective provision whereby the Notes and the Coupons will be secured at least equally and rateably with such Indebtedness for Borrowed Money or by such other Lien as shall have been approved by the Noteholders as provided herein and in the Agency Agreement.

The Guarantor will not, and will not permit any of its Principal Subsidiaries (as defined below) (other than Listed Principal Subsidiaries (as defined below)) to, create, incur, assume or permit to exist any Lien upon any of its property or assets, now owned or hereafter acquired, to secure any Indebtedness for Borrowed Money of the Guarantor or such Principal Subsidiary (or any secured guarantee or indemnity in respect thereof) without, in any such case, making effective provision whereby the Guarantee will be secured either at least equally and rateably with such Indebtedness for Borrowed Money or by such other Lien as shall have been approved by the Noteholders as provided in the Agency Agreement, for so long as such Indebtedness for Borrowed Money will be so secured, unless, after giving effect thereto, the aggregate outstanding principal amount of all such secured Indebtedness for Borrowed Money (excluding that of Listed Principal Subsidiaries and their respective Subsidiaries (as defined below)) entered into after 2 November 2021 (the “**Issue Date**”) would not exceed 50 per cent. of the Guarantors’ Adjusted Consolidated Net Worth (as defined below).

If there occurs a breach of the foregoing restriction and that breach would not have occurred but for a change in the accounting standards applicable to the audited consolidated accounts of the Guarantor as at 31 December 2020 and for the financial year ended 31 December 2020 that affects the calculation of the Guarantor’s Adjusted Consolidated Net Worth, such breach shall be deemed not to have occurred provided that a written opinion from the auditors of the Guarantor is delivered to the Fiscal Agent opining on a calculation of the Guarantor’s Adjusted Consolidated Net Worth as if there had been no change in accounting standards showing that a breach of the foregoing restriction would not have occurred but for the relevant change in accounting standards. Such opinion shall be conclusive and binding on all Noteholders and Couponholders.

The foregoing restriction will not apply to:

- (a) Liens existing on or prior to the Issue Date;
- (b) Liens for taxes or assessments or other applicable governmental charges or levies;
- (c) Liens created or arising by operation of law or created in the ordinary course of business, including, but not limited to, landlords’ liens and statutory liens of carriers, warehousemen, mechanics, materialmen, vendors and other liens securing amounts which are not more than 60 days overdue or which are being contested in good faith;
- (d) Liens incurred or deposits made in the ordinary course of business in connection with workers’ compensation, unemployment insurance and other types of social security or to secure the performance of tenders, statutory obligations, surety and appeal bonds, bids, leases, government contracts, performance and return of money bonds and similar obligations;
- (e) easements, rights-of-way, zoning and similar restrictions and other similar charges or encumbrances not interfering with the ordinary conduct of the business of the Guarantor and such Principal Subsidiaries;

- (f) Liens created on any property or assets acquired, leased or developed after the Issue Date; provided however, that (i) any such Lien shall be confined to the property or assets acquired, leased or developed; (ii) the principal amount of the debt encumbered by such Lien shall not exceed the cost of the acquisition or development of such property or assets or any improvements thereto or thereon and (iii) any such Lien shall be created concurrently with or within three years following the acquisition, lease or development of such property or assets;
 - (g) rights of set-off of a financial institution with respect to deposits or other accounts of the Guarantor or such Principal Subsidiary held by such financial institution in an amount not to exceed the aggregate amount owed to such financial institution by the Guarantor or such Principal Subsidiary, as the case may be;
 - (h) Liens on documents and the goods they represent in connection with letters of credit and similar transactions entered into in the ordinary course of business;
 - (i) Liens arising in connection with industrial revenue, development or similar bonds or other means of project financing (not to exceed the value of the project financed and limited to the project financed);
 - (j) Liens in favour of the Guarantor or any Principal Subsidiary;
 - (k) leases, subleases, licences and sublicences granted to third parties in the ordinary course of business;
 - (l) attachment, judgment and other similar Liens arising in connection with court proceedings which are effectively stayed while the underlying claims are being contested in good faith by appropriate proceedings;
 - (m) any Lien against any property or assets of a Person (as defined below) existing at the time such Person becomes such a Principal Subsidiary or arising after such acquisition pursuant to contractual commitments entered into prior to and not in contemplation of such acquisition;
 - (n) any Lien existing on any property or assets prior to the acquisition thereof, which Lien was not created in connection with the acquisition thereof, except for Liens permitted pursuant to clause (f) above;
 - (o) Liens on any property or assets of the Guarantor or any such Principal Subsidiary in favour of any government or any subdivision thereof, securing the obligations of the Guarantor or such Principal Subsidiary under any contract or payment owed to such governmental entity pursuant to applicable laws, rules, regulations or statutes;
 - (p) Liens created in connection with any sale/leaseback transaction;
 - (q) any renewal or extension of any of the Liens described in the foregoing clauses which is limited to the original property or assets covered thereby; and
 - (r) Liens in respect of Indebtedness for Borrowed Money with respect to which the Guarantor or any Principal Subsidiary has paid money or deposited money or securities with a fiscal agent, trustee or depository to pay or discharge in full the obligations of the Guarantor and its Subsidiaries in respect thereof (other than the obligations that such money or securities so paid or deposited, and the proceeds therefrom, be sufficient to pay or discharge such obligations in full).
- (2) The Guarantor may not, without the consent of the holders of any outstanding (as defined in the Agency Agreement) Notes, consolidate with or merge into any other Person in a transaction in which the Guarantor is not the surviving entity, or convey, transfer or lease its properties and assets substantially as an entirety to, any Person unless, (i) any Person formed by such consolidation or into which the Guarantor is merged or to whom the Guarantor has conveyed, transferred or leased its properties and assets substantially as an entirety is a corporation, partnership, trust or other

entity validly existing under the laws of the jurisdiction of its organisation and such Person assumes the Guarantor's obligations under the Agency Agreement and the Guarantee, (ii) immediately after giving effect to the transaction no Event of Default (as defined in Condition 10), and no event which, after notice or lapse of time or both, would become an Event of Default, shall have occurred and be continuing, (iii) any such Person not organised and validly existing under the laws of the Cayman Islands shall expressly agree in a deed of covenant made in favour of the Noteholders that all payments pursuant to the Guarantee in respect of principal of and interest on the Notes shall be made without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the jurisdiction of organisation of such Person or any political subdivision or taxing authority thereof or therein, unless such taxes, duties, assessments or governmental charges are (a) required by such jurisdiction or any such subdivision or authority to be withheld or deducted, in which case such Person will pay such additional amounts of, or in respect of, principal and interest ("**Successor Additional Amounts**") as will result (after deduction of such taxes, duties, assessments or governmental charges and any additional taxes, duties, assessments or governmental charges payable in respect of such Successor Additional Amounts) in the payment to the Noteholders of the amounts which would have been receivable in respect of the Notes, the Coupons or the Guarantee had no such withholding been required, subject to the same exceptions and qualifications (other than the right to redeem the Notes as a result of such consolidation, merger, conveyance, lease or transfer) as apply with respect to the payment by the Guarantor of Additional Amounts in respect of the Guarantee (inserting references to the taxing jurisdiction where appropriate) or (b) as a result of FATCA withholding (as defined in Condition 8), (iv) if, as a result of the transaction, property of the Guarantor would become subject to a Lien that would not be permitted under Condition 4(1) above, the Guarantor or such successor Person takes such steps as shall be necessary to secure the Notes and the Guarantee equally and rateably with (or prior to) the indebtedness secured by such Lien, and (v) the Guarantor has delivered to the Fiscal Agent an officers' certificate and an opinion of counsel each stating that such consolidation, merger, conveyance, transfer or lease comply with this paragraph and that all conditions precedent herein provided for relating to such transaction have been complied with.

- (3) The Issuer has made an application for the Notes to be listed and quoted on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") but an application may instead be made to another stock exchange which is: (a) a member of the World Federation of Exchanges; or (b) located in a state that is a member of the Organisation for Economic Co-operation and Development. In connection with such application, the Issuer will use endeavours considered in its sole opinion to be reasonable to it to obtain the listing as promptly as practicable after the Issue Date (if not already obtained). The Issuer may elect to apply for a de-listing of the Notes from any stock exchange or markets of such stock exchange on which they are traded because the maintenance of such listing is or would be, in the opinion of the Issuer, unduly burdensome, including, without limitation, any requirement on the Issuer or the Guarantor to provide financial statements prepared in accordance with, or reconcile financial statements to, accounting principles or standards other than Hong Kong Financial Reporting Standards in which event the Issuer will use endeavours considered in its sole opinion to be reasonable to it to seek a replacement listing of such Notes on another section of any stock exchange on which they are traded or another stock exchange which is: (a) a member of the World Federation of Exchanges; or (b) located in a state that is a member of the Organisation for Economic Co-operation and Development, provided that obtaining or maintaining a listing on such section or stock exchange would not be, in the opinion of the Issuer, unduly burdensome, including, without limitation, any requirement on the Issuer or the Guarantor to provide financial statements prepared in accordance with, or reconcile financial statements to, accounting principles or standards other than Hong Kong Financial Reporting Standards. In the event that no listing is obtained or maintained which satisfies the foregoing requirements, the Issuer will use endeavours considered in its sole opinion to be reasonable to it to obtain a replacement listing elsewhere.

- (4) For the purposes of these Conditions:

“Adjusted Consolidated Net Worth” means the aggregate of (a) the amount paid up or credited as paid up on the issued share capital (including ordinary shares and preference shares) of the Guarantor; and (b) the amounts standing to the credit of the Guarantor’s consolidated reserves (including but not limited to any such balance on the share premium account, exchange reserves, revaluation reserves and retained profits or losses); and (c) the amount of non-controlling interests and perpetual capital securities; all as shown by the then latest audited consolidated statement of financial position of the Guarantor and its Subsidiaries; provided however, that the aggregate of the amounts described in clauses (a) through (c) above shall be adjusted (to the extent that the same has not been taken into account in such latest audited consolidated statement of financial position) by (i) deducting therefrom any amount directly or indirectly attributable to the Guarantor by which the Market Value of any asset is less than its book value in such latest audited consolidated statement of financial position, and/or (ii) adding thereto any amount directly or indirectly attributable to the Guarantor by which the Market Value of any asset is greater than its book value in such latest audited consolidated statement of financial position;

“Indebtedness for Borrowed Money” means any indebtedness for or in respect of money borrowed that has a final maturity of one year or more from its date of incurrence or issuance and that is evidenced by any agreement or other instrument, excluding trade payables; provided however, that for the purposes of determining the amount of Indebtedness for Borrowed Money outstanding at any relevant time, the amount included as Indebtedness for Borrowed Money in respect of leases (to the extent they qualify as **“Indebtedness for Borrowed Money”** pursuant to the foregoing) shall be the net amount from time to time characterised as **“obligations under finance leases”** in accordance with Hong Kong Accounting Standard 17 Leases as revised and published by the Hong Kong Institute of Certified Public Accountants in January 2017 (and, in this regard, an opinion from the auditors of the Guarantor opining on such amount shall be conclusive and binding on all Noteholders and Couponholders);

“Lien” means any mortgage, charge, pledge, lien, encumbrance, hypothecation, title retention, security interest or security arrangement of any kind provided that the term **“Lien”** shall not include an unsecured guarantee or Liens arising by operation of law;

“Listed Principal Subsidiary” means any Principal Subsidiary, the shares of which are at the relevant time listed on The Stock Exchange of Hong Kong Limited or any other recognised stock exchange;

“Market Value” means:

- (a) the best price at which the relevant asset (other than shares described falling within sub-paragraph (b) below) is expected to be sold on the relevant date assuming:
 - (i) a willing seller;
 - (ii) a reasonable period in which to negotiate the sale;
 - (iii) values will remain constant during the negotiation period;
 - (iv) the asset will be freely exposed to the market; and
 - (v) there is no special purchaser; and
- (b) in the case of shares in associated companies of the Guarantor and its Subsidiaries which are quoted on any stock exchange, the value of such shares having regard to the underlying net assets of such associated companies and the percentage holding of the Guarantor and its Subsidiaries in such associated companies,

in each such case as reasonably determined by the Guarantor after deducting (or, where such Market Value is to result in an adjustment to the then latest audited consolidated statement of financial position, adjusting for) an estimate of the direct tax liabilities (if any) which would arise on the sale of such asset at such price computed solely by reference to such sale price and the cost price for tax purposes;

“**Person**” means any person or entity;

“**Principal Subsidiary**” means, at any time, a Subsidiary of the Guarantor:

- (1) as to which one or more of the following conditions is satisfied:
 - (i) its net profits (before taxation and extraordinary items) or (in the case of a Subsidiary of the Guarantor which has Subsidiaries) consolidated net profits (before taxation and extraordinary items) attributable to the Guarantor are at least 10 per cent. of the consolidated net profits of the Guarantor and its Subsidiaries (before taxation and extraordinary items but after deducting non-controlling interests' share of the net profits (before taxation and extraordinary items) of the Subsidiaries); or
 - (ii) its net assets or (in the case of a Subsidiary of the Guarantor which has Subsidiaries) consolidated net assets attributable to the Guarantor represent 10 per cent. or more of the consolidated net assets (after deducting non-controlling interests in Subsidiaries) of the Guarantor and its Subsidiaries,

all as calculated by reference to the then latest audited accounts or annual accounts reviewed by the auditor (consolidated or, as the case may be, unconsolidated) of such Subsidiary, and as adjusted to conform with the group accounting policies and measurement basis of the Guarantor, and the then latest consolidated audited accounts of the Guarantor and its Subsidiaries, provided that:

- (x) in the case of a Subsidiary of the Guarantor acquired after the end of the financial period to which the then latest relevant audited accounts of the Guarantor and its Subsidiaries relate, the reference to the then latest audited accounts of the Guarantor and its Subsidiaries for the purposes of the calculation above shall, until audited accounts of the Guarantor and its Subsidiaries for the financial period in which the acquisition is made are published, be deemed to be a reference to the then latest consolidated audited accounts of the Guarantor and its Subsidiaries adjusted to consolidate the latest audited accounts or annual accounts reviewed by the auditor of such Subsidiary in such accounts;
 - (y) if, in the case of any Subsidiary of the Guarantor which itself has Subsidiaries, no consolidated accounts are prepared and audited, its consolidated net assets and consolidated net profits shall be determined on the basis of the combined accounts of the relevant Subsidiary and its Subsidiaries prepared for this purpose and opined on by the Guarantor's auditors; or
- (2) to which is transferred the whole or substantially the whole of the assets and undertaking of a Subsidiary of the Guarantor which immediately prior to such transfer was a Principal Subsidiary, provided that:
 - (a) the Subsidiary which so transfers its assets and undertaking shall forthwith upon the transfer (notwithstanding the provisions of paragraph (1) above as applicable to such Subsidiary) cease to be a Principal Subsidiary until the date on which the first audited consolidated accounts of the Guarantor and its Subsidiaries prepared as of a date later than such transfer are published, whereupon whether such Subsidiary shall constitute a Principal Subsidiary again by virtue of paragraph (1) above shall be determined on the basis of such financial statements; and

- (b) the Subsidiary to which the assets and undertaking are so transferred shall cease to be a Principal Subsidiary at the date on which the first audited consolidated accounts of the Guarantor and its Subsidiaries prepared as of a date later than such transfer are published, unless such Subsidiary would continue to be a Principal Subsidiary on the basis of such financial statements by virtue of the provisions of paragraph (1) above.

An opinion from the auditors of the Guarantor on a calculation to show whether or not a Subsidiary is a Principal Subsidiary shall be conclusive and binding on all Noteholders and Couponholders in the absence of manifest error; and

“Subsidiary” means in relation to an entity, any other entity which would be accounted for and consolidated in the latest audited consolidated financial statements of that entity as a subsidiary pursuant to the accounting standards applicable to such financial statements.

5 Interest

- (1) The Notes bear interest from and including 2 November 2021 (the **“Interest Commencement Date”**) to but excluding 2 November 2033 at the rate of 1.00 per cent. per annum, payable annually in arrear on 2 November of each year (each an **“Interest Payment Date”**). The first Interest Payment Date will be 2 November 2022, in respect of the period from and including the Interest Commencement Date to but excluding 2 November 2022.
- (2) Each Note will cease to bear interest from and including the due date for redemption unless, upon due presentation, payment of the principal in respect of the Note is improperly withheld or refused or unless default is otherwise made in respect of the payment. In such event, interest will continue to accrue up to but excluding whichever is the earlier of:
 - (a) the date on which all amounts due in respect of such Notes have been paid; and
 - (b) five days after the date on which the full amount of the moneys payable in respect of such Notes has been received by the Fiscal Agent and notice to that effect has been given to the Noteholders in accordance with Condition 12.
- (3) If interest is required to be calculated for a period of less than a full year, it shall be calculated on the basis of the actual number of days elapsed divided by 365 or (in the case of a leap year) 366. Interest payable under this Condition 5 will be paid in accordance with Condition 6.

6 Payments

- (1) Payments of principal, redemption price and interest in respect of each Note will be made only against presentation and surrender (or, in the case of part payment only, endorsement) of the Note, except that payments of interest due on an Interest Payment Date will be made against presentation and surrender (or, in the case of part payment only, endorsement) of the relevant Coupon, in each case at the specified office outside the United States of any of the Paying Agents.
- (2) Payments will be made by credit or transfer to an account denominated in Euro maintained by the payee with or, at the option of the payee, by a cheque in Euro drawn on, a bank in a city in which banks have access to the TARGET2 System (as defined below).
- (3) Each Note should be presented for payment together with all unmatured Coupons relating to it. Upon the date on which any Note becomes due and repayable, all unmatured Coupons appertaining to the Note (whether or not attached) shall become void and no payment shall be made in respect of such Coupons.

- (4) Payments in respect of principal, redemption price and interest on Notes are subject in all cases to any fiscal or other laws and regulations applicable in the place of payment, but without prejudice to the provisions of Condition 8.
- (5) A holder shall be entitled to present a Note or Coupon for payment only on a Presentation Date and shall not, except as provided in Condition 5, be entitled to any further interest or other payment if a Presentation Date is after the due date.

In this Condition:

“Presentation Date” means a day which (subject to Condition 9):

- (a) is or falls after the relevant due date;
- (b) is a Business Day; and
- (c) in the case of payment by credit or transfer to an account denominated in Euro in a bank in a city in which banks have access to the TARGET2 System, is a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in that city.

If payment to a holder is to be made by transfer to a Euro account maintained by the payee, and it is not practicable to transfer the relevant amount to such account for value on the relevant date of presentation as a result of differences in the time zones between Central European time and the location of such account, none of the Paying Agents shall be obliged so to do, but shall be obliged to transfer the relevant amount to such account for value on the first practicable day after such relevant date of presentation.

“Business Day” means a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System or any successor thereto (the **“TARGET2 System”**) is operating and on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the place of the specified office of the Paying Agent at which a Note or Coupon is presented for payment, London, Hong Kong and New York City.

- (6) The names of the initial Paying Agents and their initial specified offices are set out at the end of these Conditions. The Issuer and the Guarantor reserve the right at any time to vary or terminate the appointment of any Paying Agent and to appoint additional or other Paying Agents provided that they will at all times maintain (i) a Fiscal Agent and (ii) so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, a Paying Agent in Singapore. Notice of any termination or appointment and of any changes in specified offices will be given to the Noteholders promptly by the Issuer in accordance with Condition 12.

7 Redemption and Purchase

- (1) Unless previously redeemed or purchased and cancelled as provided below, the Issuer will redeem the Notes at their principal amount on 2 November 2033.
- (2) If (a) as a result of any change in, or amendment to, the laws or regulations of the Cayman Islands (or of any political subdivision or taxing authority thereof or therein) or any regulations or rulings promulgated thereunder or any change in the official interpretation or official application of such laws, regulations or rulings, or any change in the official application or interpretation of, or any execution of or amendment to, any treaty or treaties affecting taxation to which the Cayman Islands or such political subdivision or taxing authority is a party, which change, amendment or treaty becomes effective on or after 27 October 2021, on the next Interest Payment Date either the Issuer would be required to pay Additional Amounts as provided or referred to in Condition 8 or the Guarantor would be unable for reasons outside its control to procure payment by the Issuer and in making payment itself would be required to pay such Additional Amounts, and (b) the requirement cannot be avoided by the Issuer or,

as the case may be, the Guarantor taking reasonable measures available to it, the Issuer may at its option, having given not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 12 (which notice shall be irrevocable), redeem all the Notes, but not some only, at their principal amount together with interest accrued to but excluding the date of redemption, provided that no notice of redemption shall be given earlier than 90 days before the earliest date on which the Issuer or, as the case may be, the Guarantor would be required to pay the Additional Amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition 7(2), the Issuer or the Guarantor, as the case may be, shall deliver to the Fiscal Agent a certificate signed by two directors of the Issuer or, as the case may be, the Guarantor stating that the requirement referred to in (a) above will apply on the occasion of the next payment due in respect of the Notes and cannot be avoided by the Issuer or, as the case may be, the Guarantor taking reasonable measures available to it and an opinion of independent tax or legal advisers of recognised standing to the effect that the Issuer or, as the case may be, the Guarantor has or will become obliged to pay such Additional Amounts as a result of the change or amendment.

- (3) The Notes may, at the option of the Issuer or the Guarantor, be redeemed in whole or in part, on any date falling before 2 August 2033, upon not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 12, at a redemption price equal to the greater of (1) 100 per cent. of the principal amount of the Notes to be redeemed and (2) the sum of the present values of each remaining scheduled payments of principal and interest due on the Notes to be redeemed up to 2 August 2033 (exclusive of interest accrued to but excluding the date of redemption), discounted to the date of redemption on an annual basis (assuming a 365-day year or, in the case of a leap year, a 366-day year and the actual number of days elapsed in such year) at the Reference Bond Rate plus 0.20 per cent. per annum, plus, in each case, accrued and unpaid interest on the Notes to be redeemed, if any, to but excluding the date of redemption.

The Determination Agent shall, as soon as reasonably practicable after determining the same on the Reference Date, notify the Issuer and the Guarantor in writing of the Reference Bond Rate. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Determination Agent shall (in the absence of manifest error) be final and binding upon all parties.

In this Condition 7(3):

"Determination Agent" means a financial institution of international standing selected by the Issuer or the Guarantor in good faith at its own expense, which shall initially be The Hongkong and Shanghai Banking Corporation Limited;

"Reference Bond" means (1) the DBR 0 per cent. due 15 August 2031 (DE0001102564); or (2) if such bond is no longer outstanding, the government security or securities selected by the Determination Agent as having an actual or interpolated maturity comparable to the remaining term of the Notes to be redeemed from the redemption date to 2 August 2033 that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such Notes from the redemption date to 2 August 2033;

"Reference Bond Price" means, with respect to the date of redemption: (i) the average of the Reference Government Bond Dealer Quotations for such date of redemption, after excluding the highest and lowest of such Reference Government Bond Dealer Quotations; or (ii) if fewer than four such Reference Government Bond Dealer Quotations are available, the average of all such quotations;

"Reference Bond Rate" means, with respect to the date of redemption, the rate per annum equal to the annual yield to maturity (assuming a 365-day year or, in the case of a leap year, a 366-day year and the actual number of days elapsed in such year)

of the Reference Bond, calculated by the Determination Agent on the Reference Date using a price for the Reference Bond (expressed as a percentage of its principal amount) equal to the Reference Bond Price for such date of redemption;

“Reference Date” means the date set out in the relevant notice of redemption;

“Reference Government Bond Dealer” means each of any five investment banks of recognised standing that is (a) a primary government securities dealer or its successor, or (b) a market maker in pricing corporate bond issues, selected by the Determination Agent in good faith; and

“Reference Government Bond Dealer Quotations” means, with respect to each Reference Government Bond Dealer and the date of redemption, the average as determined by the Determination Agent, of the bid and asked prices for the Reference Bond (expressed in each case as a percentage of its principal amount) quoted in writing to the Determination Agent by such Reference Government Bond Dealer at or around 11:00 a.m. (Central European Time) on the Reference Date.

- (4) The Notes may, at the option of the Issuer or the Guarantor, be redeemed in whole or in part, on any date falling on or after 2 August 2033, upon not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 12, at a redemption price equal to the 100 per cent. of the principal amount of the Notes to be redeemed, plus accrued and unpaid interest on the Notes to be redeemed, if any, to, but excluding the date of redemption.
- (5) The Issuer, the Guarantor or any of their respective Subsidiaries (as defined above), if any, may at any time purchase Notes (provided that all unmatured Coupons appertaining to the Notes are purchased with the Notes) in any manner and at any price.
- (6) All Notes and/or Coupons which are redeemed will, and any Notes and/or Coupons purchased by or on behalf of the Issuer, the Guarantor or any of their respective Subsidiaries, if any, may (but need not) be cancelled, together with all relative unmatured Coupons attached to the Notes or surrendered with the Notes, and accordingly may not be reissued or resold. Notes purchased by the Issuer, the Guarantor or any of their respective Subsidiaries, if any, and not cancelled may be resold.
- (7) In the case of any redemption (other than redemption pursuant to Condition 7(1) above), a notice will be published (in accordance with Condition 12). Redemption may, in the discretion of the Issuer or the Guarantor, be subject to the satisfaction of one or more conditions precedent as specified in such notice. If such notice is subject to satisfaction of one or more conditions precedent, such notice shall state that, in the discretion of the Issuer or the Guarantor, the redemption date may be delayed until such time as any or all of such conditions are satisfied (or waived by the Issuer or the Guarantor in its sole discretion), or such redemption may not occur and such notice may be rescinded in the event that any or all of such conditions are not satisfied (or waived by the Issuer or the Guarantor in its sole discretion) by the redemption date, or by the redemption date so delayed. Except as set forth above, the Notes are not subject to redemption at the option of the Issuer or the Guarantor.

In the case of a partial redemption, the notice of redemption shall also contain the serial numbers of the Notes to be redeemed, which shall have been selected on a pro rata basis by the Issuer or the Guarantor in such manner as the Issuer or the Guarantor considers appropriate, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements. If the Notes are listed on a securities exchange, any redemption of less than all the Notes will be subject to compliance with applicable requirements, if any, of the securities exchange on which the Notes are listed.

8 Taxation

- (1) Subject to Condition 8(3), all payments of principal and interest in respect of the Notes, Coupons or the Guarantee shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the Cayman Islands (or any political subdivision or taxing authority thereof or therein having power to tax) unless such withholding or deduction is required by law. In that event, the Issuer or the Guarantor shall pay such additional amounts (“**Additional Amounts**”) as will result in receipt by the Noteholders or Couponholders of such amounts as would have been received in respect of the Notes, the Coupons or the Guarantee had no such withholding or deduction been required, except that no such Additional Amounts shall be payable:
 - (a) in respect of any tax, duty, assessment or other governmental charge that would not have been imposed but for any connection between the holder or beneficial owner of a Note or Coupon and the Cayman Islands or any political subdivision or any authority thereof or therein, as the case may be, otherwise than merely holding such Note or Coupon or receiving principal or interest in respect thereof;
 - (b) in respect of any Note or Coupon presented for payment more than 30 days after the Relevant Date, except to the extent that the holder thereof would have been entitled to such Additional Amounts on presenting the same for payment on the last day of such 30 day period; or
 - (c) to a Noteholder, Couponholder or to a third party on behalf of a person who would have been able to avoid such withholding or deduction by duly presenting the Notes or the Coupons to another Paying Agent.

For the purposes of these Conditions, the “**Relevant Date**” in relation to any Note or Coupon means (i) the due date for payment thereof and (ii) if the full amount payable on such due date has not been received by the Fiscal Agent on or prior to such due date, the first date on which such full amount has been so received and notice to that effect has been given to the Noteholders in accordance with Condition 12.

- (2) Unless the context otherwise requires, any reference in the Notes and these Conditions to principal or interest shall be deemed also to refer to any Additional Amounts which may be payable as described in Condition 8(1).
- (3) Notwithstanding any other provision of these Conditions, any amounts to be paid on the Notes and the Coupons by or on behalf of the Issuer or the Guarantor will be paid net of any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”), or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a “**FATCA Withholding**”). None of the Issuer, the Guarantor or any other person will be required to pay any additional amounts in respect of any FATCA Withholding.

9 Prescription

Claims in respect of principal, redemption price and interest will become void unless the relevant Notes and Coupons are presented for payment within ten years (in the case of principal or redemption price) and five years (in the case of interest) from the appropriate Relevant Date, subject to the provisions of Condition 6.

10 Events of Default

The occurrence of each of the following events will constitute an event of default (each an “**Event of Default**”) with respect to the Notes:

- (a) failure to pay principal of any Note within five days after the due date for such payment; or
 - (b) failure to pay interest on any Note within 30 days after the due date for such payment; or
 - (c) failure to perform any other covenant of the Issuer or the Guarantor in the Agency Agreement, the Guarantee or the Notes (excluding Condition 4(3)) which has continued for 60 days after there has been given, by registered or certified mail, to the Issuer or the Guarantor by the Fiscal Agent or by the holders of at least 25 per cent. in principal amount of the Notes then outstanding, a written notice specifying such failure and requiring it to be remedied and stating that such notice is a notice of default under the Agency Agreement, the Guarantee or the Notes, as the case may be; or
 - (d) (i) failure to pay upon final maturity (after giving effect to the expiration of any applicable grace period therefor) the principal of any Indebtedness for Borrowed Money of the Issuer, the Guarantor or any Principal Subsidiary (other than a Listed Principal Subsidiary or any of its Subsidiaries), (ii) acceleration of the maturity of any Indebtedness for Borrowed Money of the Issuer, the Guarantor or any Principal Subsidiary (other than a Listed Principal Subsidiary or any of its Subsidiaries) following a default by the Issuer, the Guarantor or such Principal Subsidiary, if such Indebtedness for Borrowed Money is not discharged, or such acceleration is not annulled, within 10 days after receipt of the written notice as provided in the Agency Agreement, or (iii) failure to pay any amount payable by the Issuer, the Guarantor or any Principal Subsidiary (other than a Listed Principal Subsidiary or any of its Subsidiaries) under any guarantee or indemnity in respect of any Indebtedness for Borrowed Money of any other Person; provided however, that:
 - (1) no such event set forth in (i), (ii) or (iii) of this paragraph (d) shall constitute an Event of Default unless the aggregate Indebtedness for Borrowed Money to which all such events relate exceeds HK\$380,000,000 (or its equivalent in any other currency or currencies converted at the date of the relevant event); and
 - (2) Indebtedness for Borrowed Money which is:
 - (x) in the form of secured project financing or secured limited recourse financing and such Indebtedness for Borrowed Money is not guaranteed by the Guarantor or a Principal Subsidiary (other than a Listed Principal Subsidiary or any of its Subsidiaries);
 - (y) incurred or guaranteed by a Subsidiary of the Guarantor:
 - (A) which has an issuer credit rating of either BB+ or higher by S&P or Fitch or Bal or higher by Moody’s; and
 - (B) which is not guaranteed by the Guarantor or a Principal Subsidiary (other than such Subsidiary of the Guarantor incurring or guaranteeing such Indebtedness and its Subsidiaries);
- (“**Non-Recourse Debt**”); or
- (z) incurred by any Subsidiary or the Guarantor before 3 June 2015 unless the relevant Indebtedness for Borrowed Money remains outstanding after 15 Business Days after the event referred to in subparagraphs (i), (ii) or (iii) of this paragraph (d);
- shall be deemed not to be Indebtedness for Borrowed Money for the purposes of this paragraph (d); or

For the purpose of this Condition:

“Business Day” means a day other than a Saturday or Sunday on which commercial banks and foreign exchange markets are open for business in London, Hong Kong and:

- (1) (in relation to any date for payment or purchase of a currency other than Euro) the principal financial centre of the country of that currency; or
- (2) (in relation to any date for payment or purchase of Euro) any day on which the TARGET 2 System is open for settlement of payments in Euro;

“Fitch” means Fitch Ratings, Inc., Fitch Ratings Ltd., their respective affiliates and subsidiaries or any successor to their respective rating businesses;

“Moody’s” means Moody’s Investors Service, Inc., its affiliates and subsidiaries or any successor to their respective rating businesses; and

“S&P” means S&P Global Ratings, its affiliates and subsidiaries or any successor to their respective rating businesses.

- (e) the Issuer, the Guarantor or any Principal Subsidiary (other than a Listed Principal Subsidiary or any of its Subsidiaries) becomes insolvent and is unable to pay its debts as they fall due, stops, suspends or threatens to stop or suspend payment of all or a material part of its debts, begins negotiations or takes any proceeding or other step with a view to readjustment, rescheduling or deferral of all of its Indebtedness for Borrowed Money (or any part of its Indebtedness for Borrowed Money which it will or might otherwise be unable to pay when due) or proposes or makes a general assignment or any arrangement or composition with or for the benefit of its creditors or a moratorium is agreed or declared in respect of or affecting all or a material part of the Indebtedness for Borrowed Money of the Issuer, the Guarantor or any Principal Subsidiaries (other than a Listed Principal Subsidiary or any of its Subsidiaries) or of the Issuer or the Guarantor and their respective Subsidiaries taken as a whole; or
- (f) a distress, attachment, execution or other legal process (other than one initiated in relation to a Non-Recourse Debt) is levied, enforced or sued out on or against all or any material part of the assets of the Issuer, the Guarantor or any Principal Subsidiary (other than a Listed Principal Subsidiary or any of its Subsidiaries) and is not discharged or stayed within 30 days (or such longer period as the holders of a majority in principal amount of the Notes may permit); or
- (g) any present or future encumbrance (other than any encumbrance securing a Non-Recourse Debt) on or over all or any material part of the assets of the Issuer, the Guarantor or any Principal Subsidiary (other than a Listed Principal Subsidiary or any of its Subsidiaries) becomes enforceable and any step (including the taking of possession or the appointment of a receiver, manager or similar officer) is taken to enforce that encumbrance; or
- (h) any bona fide step is taken by any person for the dissolution of the Issuer, the Guarantor or any Principal Subsidiary (other than a Listed Principal Subsidiary or any of its Subsidiaries), except (in each such case) for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (1) on terms approved by an Extraordinary Resolution of the Noteholders, or (2) in the case of a Principal Subsidiary, whereby the undertaking and assets of such Principal Subsidiary are transferred to or otherwise vested in the Guarantor or another of its Subsidiaries pursuant to a merger of such Principal Subsidiary with the Guarantor or such other Subsidiary or by way of a voluntary winding up or dissolution where there are surplus assets in such Principal Subsidiary and such surplus assets attributable to the Guarantor and/or such other Subsidiary are distributed to the Guarantor and/or such other Subsidiary; or

- (i) any event occurs which under the laws of any relevant jurisdiction has an analogous or equivalent effect to any of the events referred to in sub-paragraphs (e) through (h) above.

If an Event of Default (other than an Event of Default described in sub-paragraphs (e) to (i) above) with respect to the Notes shall occur and be continuing, the holders of at least 25 per cent. in aggregate principal amount of the Notes then outstanding by notice as provided in the Agency Agreement may declare the principal amount of such Notes and any accrued and unpaid interest thereon to be due and payable immediately. If an Event of Default referred to in sub-paragraphs (e) to (i) above with respect to the Notes shall occur, the principal amount of all the Notes and any accrued and unpaid interest thereon will automatically, and without any action by any Noteholder, become immediately due and payable. After any such acceleration but before a judgment or decree based on acceleration has been obtained, the holders of a majority in aggregate principal amount of the outstanding Notes may, under certain circumstances, rescind and annul such acceleration if all the then existing Events of Default have been cured or waived as provided in the Agency Agreement.

11 Replacement of Notes and Coupons

Should any Note or Coupon be lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Fiscal Agent in London (and for so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, the specified office of the Paying Agent in Singapore), subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with the replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes or Coupons must be surrendered before replacements will be issued.

12 Notices

All notices to the Noteholders will be valid if published in a leading English language daily newspaper with general circulation in Europe as the Issuer may decide and so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, in one daily newspaper published in Asia. It is expected that publication will normally be made in the Financial Times and the Asian Wall Street Journal. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are for the time being listed. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers.

13 Meetings of Noteholders and Modification

- (1) The Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the modification by Extraordinary Resolution of these Conditions or the provisions of the Agency Agreement or the Deed of Guarantee. The quorum at any meeting for passing an Extraordinary Resolution will be one or more persons present holding or representing a clear majority in principal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons present whatever the principal amount of the Notes held or represented by him or them, except that at any meeting, the business of which includes the modification of certain of these Conditions, the necessary quorum for passing an Extraordinary Resolution will be one or more persons present holding or representing not less than 75 per cent., or at any adjourned meeting not less than one-third, of the principal amount of the Notes for the time being outstanding. The Agency Agreement does not contain any provisions requiring higher quorums in any circumstances. An Extraordinary Resolution passed at any meeting of the Noteholders will be binding on all Noteholders and Couponholders, whether or not they are present at the meeting. The Agency

Agreement provides that a written resolution signed by or on behalf of the holders of not less than 90 per cent. of the aggregate principal amount of the Notes outstanding shall be valid and effective as an Extraordinary Resolution.

- (2) The Fiscal Agent may agree, without the consent of the Noteholders or Couponholders, to any modification of any of these Conditions or any of the provisions of the Agency Agreement or the Guarantee which is not, in the opinion of the Fiscal Agent, materially prejudicial to the interests of the Noteholders or to any modification which is of a formal, minor or technical nature or to correct a manifest or proven error.
- (3) Any modification made in accordance with these Conditions shall be binding on the Noteholders and the Couponholders and, unless the Fiscal Agent agrees otherwise, any modification shall be notified by the Issuer to the Noteholders as soon as practicable thereafter in accordance with Condition 12.

14 Further Issues

The Issuer may from time to time without the consent of the Noteholders or the Couponholders create and issue further notes, having terms and conditions the same as those of the Notes, or the same except for the date and the amount of the first payment of interest, which may be consolidated and form a single series with the outstanding Notes.

15 Currency Indemnity

The Issuer's obligations under the Notes or the Guarantor's obligations under the Guarantee, as the case may be, to make all payments in Euro will not be satisfied by any payment, recovery or any other realisation of proceeds in any currency other than Euro. If, for the purpose of obtaining a judgment in any court with respect to any obligation of the Issuer under any Notes or the Guarantor's obligations under the Guarantee, as the case may be, it shall become necessary to convert into any other currency or currency unit any amount in the currency or currency unit due under any Notes then such conversion shall be made by the Fiscal Agent at the market exchange rate (as determined by the Fiscal Agent) as in effect on the date of entry of the judgment (the "**Judgment Date**"); it being understood that the Fiscal Agent shall effect such conversion only after receipt of the relevant funds from the Issuer or, as the case may be, the Guarantor and that such conversion may require up to three Business Days (as defined in Condition 10) to effect after the receipt of such funds. If pursuant to any such judgment, conversion shall be made on a date (the "**Substitute Date**") other than the Judgment Date and there shall occur a change between the market exchange rate for Euro as in effect on the Substitute Date and the market exchange rate as in effect on the Judgment Date, the Issuer agrees to pay such additional amounts (if any) in Euro as may be necessary to ensure that the amount paid is equal to the amount in such other currency or currency unit which, when converted at the market exchange rate as in effect on the Judgment Date, is the amount due under any Notes. Any amount due from the Issuer under this Condition shall be due as a separate debt and is not to be affected by or merged into any judgment being obtained for any other sums due in respect of any Notes. In no event, however, shall the Issuer be required to pay more in Euro due under the Notes at the market exchange rate as in effect on the Judgment Date than the amount of Euro stated to be due under the Notes so that in any event the Issuer's obligations under the Notes or the Guarantor's obligations under the Guarantee will be effectively maintained as obligations in Euro and the Issuer shall be entitled to withhold (or be reimbursed for, as the case may be) any excess of the amount actually realised upon any such conversion on the Substitute Date over the amount due and payable on the Judgment Date.

16 Governing Law and Submission to Jurisdiction

The Agency Agreement, the Guarantee, the Notes and the Coupons, and any non-contractual obligations arising out of or in relation to any of them, are governed by, and will be construed in accordance with, English law.

The Issuer and the Guarantor irrevocably agree for the benefit of the Noteholders and the Couponholders that the courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Agency Agreement, the Guarantee, the Notes or the

Coupons (including, without limitation, disputes relating to any non-contractual obligations arising out of or in connection with any of them) and that accordingly any suit, action or proceedings arising out of or in connection therewith (together referred to as “**Proceedings**”) may be brought in the courts of England.

The Issuer and the Guarantor irrevocably and unconditionally waive and agree not to raise any objection which they may have now or subsequently to the laying of the venue of any Proceedings in the courts of England and any claim that any Proceedings have been brought in an inconvenient forum and have further irrevocably and unconditionally agreed that a judgment in any Proceedings brought in the courts of England shall be conclusive and binding upon the Issuer and the Guarantor and may be enforced in the courts of any other jurisdiction. Nothing in this Condition shall limit any right to take Proceedings against the Issuer or the Guarantor in any other court of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction, whether concurrently or not.

The Issuer hereby irrevocably and unconditionally appoints Hutchison Whampoa Agents (UK) Limited at its registered office in England (presently Hutchison House, 5 Hester Road, Battersea, London SW11 4AN, United Kingdom) as its agent for service of process in England in respect of any Proceedings and undertakes that in the event of it ceasing so to act it will appoint another person as its agent for that purpose.

17 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

The following is a summary of certain provisions to be contained in the Temporary Global Notes and/or the Permanent Global Notes (together the "Global Notes") which will apply to, and in some cases modify, the Conditions of the Series A Notes and the Conditions of the Series B Notes while the Notes are represented by the Global Notes.

1 Exchange

Each Permanent Global Note will be exchangeable in whole but not in part (free of charge to the holder) for definitive Notes only:

- (a) on or following the giving of a default notice pursuant to Condition 10 of such Permanent Global Note; or
- (b) if the Issuer has been notified that both Euroclear and Clearstream have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system is available; or
- (c) if the Issuer, or the Guarantor, as the case may be, has or will become subject to adverse tax consequences which would not be suffered were the Notes in definitive form.

In the case of (a), (b) or (c) above, the Issuer shall promptly give notice to the Noteholders by publication in a leading English language daily newspaper of general circulation in Europe as the Issuer may decide (which newspaper is expected to be the Financial Times) in accordance with Condition 12 of the relevant Series of Notes. In the case of (a) or (b) above, the holder of the relevant Permanent Global Note, acting on the instructions of one or more of the Accountholders (as defined in paragraph 4 below), may give notice to the Issuer and the Fiscal Agent and, in the case of (c) above, the Issuer may give notice to the Fiscal Agent of its intention to exchange the relevant Permanent Global Note for definitive Notes on or after the Exchange Date (as defined below).

On or after the Exchange Date, the holder of the relevant Permanent Global Note may (or, in the case of (c) above, the holder of the relevant Permanent Global Note shall on the Exchange Date) surrender the relevant Permanent Global Note to or to the order of the Fiscal Agent. In exchange for the relevant Permanent Global Note, the Issuer will deliver, or procure the delivery of, an equal aggregate principal amount of definitive Notes (having attached to them all Coupons in respect of interest which has not already been paid on the relevant Permanent Global Note), security printed in accordance with any applicable legal and stock exchange requirements and in or substantially in the form set out in the Agency Agreement. On exchange of the relevant Permanent Global Note, the Issuer will procure that it is cancelled.

"Exchange Date" means a day specified in the notice requiring exchange falling not less than 60 days after that on which such notice is given, being a day on which banks are open for general business in the place in which the specified office of the Fiscal Agent is located and, except in the case of exchange pursuant to (b) above, in the place in which the relevant clearing system is located.

2 Payments

On and after 13 December 2021, no payment will be made on each Temporary Global Note unless exchange for an interest in the relevant Permanent Global Note is improperly withheld or refused. Payments of principal and interest in respect of Notes represented by a Global Note will, subject as set out below, be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of such Global Note to the order of the Fiscal Agent or such other Paying Agent as shall have been notified to the Noteholders for such purposes. A record of each payment made will be endorsed on the appropriate part of the schedule to the relevant Global Note by or on behalf of the Fiscal Agent, which endorsement shall be prima facie evidence that such payment has been made in respect of the Notes. Payments of interest on each Temporary Global Note (if permitted by the first sentence of this paragraph) will be made only upon certification as to non-U.S. beneficial ownership unless such certification has already been made.

3 Notices

For so long as all of the Notes of a Series are represented by one or both of the Global Notes and such Global Note(s) is/are held on behalf of Euroclear and/or Clearstream, notices to Noteholders of that Series may be given by delivery of the relevant notice to Euroclear and/or Clearstream (as the case may be) for communication to the relevant Accountholders rather than by publication as required by Condition 12 of the relevant Series of Notes. Any such notice shall be deemed to have been given to the Noteholders on the second day after the day on which such notice is delivered to Euroclear and/or Clearstream (as the case may be) as aforesaid.

4 Accountholders

For so long as any of the Notes of a Series are represented by one or both of the Global Notes and such Global Note(s) is/are held on behalf of Euroclear and/or Clearstream, each person (other than Euroclear or Clearstream) who is for the time being shown in the records of Euroclear or Clearstream as the holder of a particular principal amount of such Notes of that Series (each an "Accountholder") (in which regard any certificate or other document issued by Euroclear or Clearstream as to the principal amount of such Notes standing to the account of any person shall, in the absence of manifest error, be conclusive and binding for all purposes) shall be treated as the holder of such principal amount of such Notes of that Series for all purposes (including, but not limited to, for the purposes of any quorum requirements of, or the right to demand a poll at, meetings of the Noteholders and giving notice to the Issuer pursuant to Condition 10 of the relevant Series of Notes) other than with respect to the payment of principal, redemption price and interest on such Notes of that Series, the right to which shall be vested, as against the Issuer and the Guarantor, solely in the bearer of the relevant Global Note in accordance with and subject to its terms. Each Accountholder must look solely to Euroclear or Clearstream, as the case may be, for its share of each payment made to the bearer of the relevant Global Note.

The Issuer covenants in favour of each Accountholder that it will make all payments in respect of the principal amount and redemption price of Notes of each Series for the time being shown in the records of Euroclear and/or Clearstream as being held by the Accountholder and represented by one or both of the Global Notes to the bearer of such Global Note and acknowledges that each Accountholder may take proceedings to enforce this covenant and any of the other rights which it has pursuant to the Issuer's promise to pay as contained in each Global Note.

If the principal in respect of the Notes of a Series is not paid when due and payable the holder of the relevant Global Note may elect that Direct Rights (as defined in the schedule to the relevant Global Note) shall come into effect. If Direct Rights come into effect each Accountholder in respect of which such Direct Rights have come into effect shall acquire all the rights which such Accountholder would have had if, immediately before such Direct Rights came into effect, it had been the holder of the definitive Notes issued on the issue date of the relevant Global Note in a principal amount equal to the principal amount of the relevant Accountholder as shown in the records of Euroclear and/or Clearstream, including the right to receive payments due in respect of such definitive Notes, other than payments already made under the relevant Global Note.

5 Prescription

Claims against the Issuer and the Guarantor in respect of principal, redemption price and interest on the Notes represented by a Global Note will be prescribed after ten years (in the case of principal or redemption price) and five years (in the case of interest) from the Relevant Date (as defined in Condition 8 of the relevant Series of Notes).

6 Cancellation

Cancellation of any Note represented by a Global Note and required by the Conditions of the relevant Series of Notes to be cancelled following its redemption or purchase will be effected by endorsement by or on behalf of the Fiscal Agent of the reduction in the principal amount of the relevant Global Note on the relevant part of the schedule thereto.

7 Euroclear and Clearstream

Notes represented by a Global Note are transferable in accordance with the rules and procedures for the time being of Euroclear and Clearstream, as appropriate. References in the Global Notes and this summary to Euroclear and/or Clearstream shall be deemed to include references to any other clearing system through which interests in the Notes are held.

8 Redemption at the option of the Issuer or the Guarantor

Each of the options of the Issuer or the Guarantor provided for in Conditions 7(2), 7(3) and 7(4), respectively, shall be exercised by the Issuer or the Guarantor giving notice to the Noteholders in accordance with paragraph 3 above, within the time limits set out in and containing the information required by that Condition and Condition 7(7) of the relevant series of Notes, except that the notice shall not be required to contain the serial numbers of Notes for redemption in the case of a partial redemption of Notes. So long as any Note is held on behalf of Euroclear or Clearstream or any other clearing system (the "Alternative Clearing System"), any redemption of less than all the Notes will be processed by Euroclear, Clearstream or any other Alternative Clearing System in accordance with its procedures applicable from time to time (which for the time being shall be on a pro rata basis in the case of Euroclear or Clearstream).

USE OF PROCEEDS

Use of Proceeds for the Notes (excluding the Green Notes)

The net proceeds of the sale of the Notes (excluding the Green Notes) after deducting commissions will be approximately €498 million and will initially be advanced by the Issuer to CKHH. CKHH intends to use the net proceeds of the offering to refinance certain indebtedness, including recourse or non-recourse indebtedness owed by CKHH, indebtedness falling due in the near term and indebtedness which would provide an economic benefit to CKHH upon early repayment. Such indebtedness has been incurred for general corporate purposes, including the funding of capital expenditures and investments in CKHH's core business activities. In the event that CKHH determines not to use certain of the proceeds for this purpose, such proceeds will be used for general corporate purposes, including the funding of capital expenditures.

Use of Proceeds for the Green Notes

The net proceeds of the sale of the Green Notes after deducting commissions will be approximately €492 million and will initially be advanced by the Issuer to CKHH.

CKHH intends to exclusively allocate such net proceeds or an amount equivalent thereof¹ (together referred to as the "Green Notes Net Proceeds") to finance or refinance, in whole or in part, assets, projects, investments and other related and supporting expenditure ("Eligible Projects") that may relate to one or more Eligible Project Categories as referred to below in accordance with CKHH's sustainable finance framework (the "Sustainable Finance Framework").

The Sustainable Finance Framework was developed with reference to the following guidelines.

- ICMA Green Bond Principles 2021 ("GBP")
- ICMA Social Bond Principles 2021 ("SBP")
- ICMA Sustainability Bond Guidelines 2021 ("SBG" and together with the GBP and SBP, the "Principles")
- LMA, APLMA and LSTA Green Loan Principles 2021
- LMA, APLMA and LTSA Social Loan Principles 2021

For the avoidance of doubt, the Sustainable Finance Framework is not, and shall not be deemed to be, incorporated into and/or form part of this Offering Circular.

The GBP are voluntary process guidelines that recommend transparency and disclosure and promote integrity in the development of the market by clarifying the approach for an issuance of bonds to finance or refinance qualifying expenditure relating to assets, projects or investments with environmental benefit. The Principles are administered by the International Capital Market Association.

"Eligible Project Categories" means one or more of the following:

- Renewable Energy
- Energy Efficiency
- Sustainable Transportation
- Circular Economy and Design

¹ Such equivalent amounts can include amounts which have no correlation to, and are entirely independent of, the Green Notes (other than it being in an amount equivalent to the net proceeds of the sale of the Green Notes).

Qualifying expenditure for Eligible Projects includes capital expenditure and certain operating expenditure such as amounts incurred to extend the useful life of the relevant assets, projects or investments or to enhance their environmental or social benefit in addition to late-stage research and development.

The Green Notes will not finance or refinance assets, projects, or investments directly relating to fossil fuels.

In the case of refinancing, Eligible Projects include those invested within the 36 months prior to closing of the relevant sustainable finance transaction.

Project Evaluation and Selection

CKHH's Sustainability Working Group (the "Sustainability Working Group") is responsible for nominating assets, projects, and investments for consideration as Eligible Projects after having assessed such potential assets, projects and investments against the criteria in the Sustainable Finance Framework for each Eligible Project Category. The Sustainability Working Group includes senior management from key departments that manage CKHH's material sustainability impacts.

CKHH's Sustainability Committee, a Board-level committee, will consider the assessments made by the Sustainability Working Group and, should it agree with the recommendations of the Sustainability Working Group, designate the relevant assets, projects and investments so nominated as Eligible Projects.

Management of Proceeds

The Sustainability Working Group will track receipt and allocation of the Green Notes Net Proceeds.

The Green Notes Net Proceeds will be deposited in general funding accounts pending allocation to Eligible Projects. Green Notes Net Proceeds awaiting allocation or re-allocation will be temporarily invested in cash or cash equivalents or liquid and marketable instruments not related to greenhouse gas-intensive activities, in accordance with CKHH's corporate treasury policy.

Reporting

With respect to the Green Notes, a report on both allocation and impact will be made on or before the first anniversary of settlement of the Green Notes. Allocation and impact reporting with respect to the Green Notes which remain outstanding will be made at least annually thereafter and on a timely basis in the case of material developments until Green Notes Net Proceeds are fully allocated to Eligible Projects.

External Review

CKHH worked with an independent third-party consultant with recognised expertise in environmental and social matters to (i) assess the Sustainable Finance Framework for alignment with the Principles; and (ii) obtain and make publicly available a "second party opinion" from such consultant with respect to such alignment.

For the avoidance of doubt, any second party opinion is not, and shall not be deemed to be, incorporated into and/or form part of this Offering Circular.

THE ISSUER

CK Hutchison Europe Finance (21) Limited, a wholly-owned subsidiary of the Guarantor, was incorporated as an exempted company with limited liability under the laws of the Cayman Islands on 27 August 2021 and registered in Hong Kong under Part 16 of the Companies Ordinance (Chapter 622 of the laws of Hong Kong). Its registered office is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The Issuer, whose primary purpose is to act as a financing subsidiary of the Guarantor, will remain a wholly-owned subsidiary of the Guarantor as long as the Notes issued by it are outstanding. The Issuer has no material assets.

The directors of the Issuer are as follows:

Name	Position
Frank John SIXT	Director
Dominic Kai Ming LAI	Director
Edith SHIH	Director

The registered office business address of the abovementioned directors for the purposes of their directorships of the Issuer is CK Hutchison Europe Finance (21) Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

Further information on the particulars and experience of the directors of CKHH is set forth below in "*Management of CKHH*".

The objects for which the Issuer are established are set forth in clause 3 of the Issuer's Memorandum of Association (copies of which are available as described under "*General Information*"). The Issuer has full power and authority to carry out any object not prohibited by the laws of the Cayman Islands.

The authorised share capital of the Issuer is US\$50,000, divided into 50,000 shares of US\$1.00 par value each, of which one ordinary share is issued and outstanding and has been fully paid.

No part of the equity securities of the Issuer is listed or dealt on any stock exchange and no listing or permission to deal in such securities is being or is proposed to be sought. As of the date of this Offering Circular, the Issuer does not have any debt outstanding.

The Issuer has no subsidiaries. The accounts of the Issuer are not subject to audit since it is not required to do so under the laws of the Cayman Islands. As such, the Issuer has not published, and does not propose to publish any of its accounts. The Issuer's non-audited accounts are not published and are prepared only for internal purposes. The Issuer is, however, required to keep such accounts and records as are necessary to give a true and fair view of the Issuer's affairs and to explain its transactions. If the Issuer publishes any of its accounts, such published accounts of the Issuer will, in the event that and for as long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require (or for as long as the Notes are listed on another stock exchange and its rules so require), be made available free of charge at the offices of the Fiscal Agent.

CAYMAN ISLANDS DATA PROTECTION

The Issuer has certain duties under the Data Protection Act (As Revised) of the Cayman Islands (the "DPA").

Prospective investors should note that, by virtue of making investments in the Notes and the associated interactions with the Issuer and its affiliates and/or delegates, or by virtue of providing the Issuer with personal information on individuals connected with the investor (for example directors, trustees, employees, representatives, shareholders, investors, clients, beneficial owners or agents) such individuals will be providing the Issuer and its affiliates and/or delegates with information which constitutes personal data within the meaning of the DPA. The Issuer may constitute a data controller in respect of this personal data and its affiliates and/or delegates may act as data processors (or data controllers in their own right in some circumstances).

By investing in the Notes, the Noteholders and individuals connected with the Noteholders shall be deemed to acknowledge that they have read in detail and understood the Privacy Notice set out below and that such Privacy Notice provides an outline of their data protection rights and obligations as they relate to the investment in the Notes.

Oversight of the DPA is the responsibility of the Ombudsman's office of the Cayman Islands. Breach of the DPA by the Issuer could lead to enforcement action by the Ombudsman, including the imposition of remediation orders, monetary penalties or referral for criminal prosecution.

PRIVACY NOTICE

Introduction

The purpose of this notice is to provide Noteholders and individuals connected with the Noteholders with information on the Issuer's use of their personal data in accordance with the DPA.

In the following discussion, "Issuer" refers to the Issuer and its or their affiliates and/or delegates, except where the context requires otherwise.

Investor Data

By virtue of making an investment in the Issuer and a Noteholder's associated interactions with the Issuer (including any subscription (whether past, present or future), including the recording of electronic communications or phone calls where applicable) or by virtue of a Noteholder otherwise providing the Issuer with personal information on individuals connected with the Noteholder as an investor (for example directors, trustees, employees, representatives, shareholders, investors, clients, beneficial owners or agents), the Noteholder will provide the Issuer with certain information which constitutes personal data within the meaning of the DPA ("Investor Data"). The Issuer may also obtain Investor Data from other public sources. Investor Data includes, without limitation, the following information relating to a Noteholder and/or any individuals connected with a Noteholder as an investor: name, residential address, email address, contact details, corporate contact information, signature, nationality, place of birth, date of birth, tax identification, credit history, correspondence records, passport number, bank account details, source of funds details and details relating to the Noteholder's investment activity.

In the Issuer's use of Investor Data, the Issuer may be characterised as a "data controller" for the purposes of the DPA. The Issuer's affiliates and delegates may act as "data processors" for the purposes of the DPA.

Who this Affects

If a Noteholder is a natural person, this will affect such Noteholder directly. If a Noteholder is a corporate investor (including, for these purposes, legal arrangements such as trusts or exempted limited partnerships) that provides the Issuer with Investor Data on individuals connected to such Noteholder for any reason in relation to such Noteholder's investment with the Issuer, this will be relevant for those individuals and such Noteholder should transmit the content of this Privacy Notice to such individuals or otherwise advise them of its content.

How the Issuer May Use Investor Data

The Issuer may collect, store and use Investor Data for lawful purposes, including, in particular:

- (i) where this is necessary for the performance of the rights and obligations under the Notes and any subscription agreements or purchase agreements and other documents relating to the Notes;
- (ii) where this is necessary for compliance with a legal and regulatory obligation to which CKHH is subject (such as compliance with anti-money laundering and FATCA/CRS requirements); and/or
- (iii) where this is necessary for the purposes of the legitimate interests of CKHH and such interests are not overridden by the Noteholder's interests, fundamental rights or freedoms.

Should the Issuer wish to use Investor Data for other specific purposes (which requires Noteholders' consent with respect to such specific purposes), the Issuer will contact the applicable Noteholder.

Why the Issuer May Transfer Personal Data of a Noteholder

In certain circumstances, the Issuer and/or its authorised affiliates or delegates may be legally obliged to share Investor Data and other information with respect to a Noteholder's interest in the Issuer with the relevant regulatory authorities such as the Cayman Islands Monetary Authority or the Tax Information Authority. They, in turn, may exchange this information with foreign authorities, including tax authorities.

The Issuer anticipates Investor Data will be disclosed by the Issuer or the Noteholders to others who provide services to the Issuer, CKHH or their respective affiliates (which may include certain entities located outside the Cayman Islands or the European Economic Area), who will process Investor Data on the Issuer's behalf.

The Data Protection Measures the Issuer Takes

Any transfer of Investor Data by the Issuer or its duly authorised affiliates and/or delegates outside of the Cayman Islands shall be in accordance with the requirements of the DPA.

The Issuer and/or its duly authorised affiliates and/or delegates shall apply appropriate technical and organisational information security measures designed to protect against unauthorised or unlawful processing of Investor Data, and against accidental loss or destruction of, or damage to, Investor Data.

The Issuer shall notify a Noteholder of any Investor Data breach that is reasonably likely to result in a risk to the interests, fundamental rights or freedoms of either such Noteholder or those data subjects to whom the relevant Investor Data relates.

CAPITALISATION OF CKHH

The following table sets forth the consolidated capitalisation of CKHH as of 30 June 2021 as adjusted to give effect to the offering of the Notes. The table has been prepared on a basis consistent with the principal accounting policies of CKHH as set out in CKHH's unaudited condensed consolidated financial statements for the six months ended 30 June 2021 that are incorporated by reference in this Offering Circular and should be read in conjunction with such unaudited condensed consolidated financial statements.

	Unaudited As of 30 June 2021		
	Actual (in million)	As adjusted (in million)	As adjusted (in million)
Short-term bank and other debts ⁽¹⁾ (including current portion of long-term debt)	HK\$74,507	HK\$74,507	US\$9,552
Long-term bank and other debts ⁽¹⁾ (net of current portion)	HK\$279,441	HK\$279,441	US\$35,826
Interest bearing loans from non-controlling shareholders	HK\$779	HK\$779	US\$100
Notes offered hereby ⁽²⁾	–	HK\$9,050	US\$1,160
Total ordinary shareholders' funds ⁽³⁾	HK\$513,733	HK\$513,733	US\$65,863
Perpetual capital securities	HK\$12,326	HK\$12,326	US\$1,580
Non-controlling interests	HK\$116,759	HK\$116,759	US\$14,969
Total capitalisation	<u>HK\$923,038</u>	<u>HK\$932,088</u>	<u>US\$119,498</u>
Total short-term bank and other debts ⁽¹⁾ and capitalisation	<u>HK\$997,545</u>	<u>HK\$1,006,595</u>	<u>US\$129,050</u>

⁽¹⁾ Short-term bank and other debts and long-term bank and other debts represent the respective current and non-current portion of bank and other debts. Bank and other debts comprise the principal amount and the unamortised fair value adjustments arising from acquisitions in respect of the bank and other debts, and are stated before the unamortised loan facilities fees and premiums or discounts related to debts and adjustments to carrying amounts pursuant to unrealised gains (losses) on interest rate swap contracts.

⁽²⁾ €1,000 million is translated based on an exchange rate of €1= HK\$9.0503 and €1= US\$1.1603.

⁽³⁾ Total ordinary shareholders' funds comprise share capital, share premium and reserves as of 30 June 2021. The number stated above is before deducting the proposed 2021 interim dividend of HK\$3,079 million.

As of 30 June 2021, the share capital comprised 3,848,410,000 issued and fully paid ordinary shares.

Except for the adjustments included in the table above and the developments described below, there has been no material change in the total capitalisation of CKHH since 30 June 2021.

- In July 2021, CK Hutchison Group Telecom prepaid EUR450 million (approximately HK\$4,172 million) of a floating rate term loan facility of EUR2,100 million maturing in October 2022;
- In July 2021, CK Hutchison Group Telecom prepaid EUR1,050 million (approximately HK\$9,734 million) of a floating rate term loan facility of EUR2,100 million maturing in October 2024;
- In July 2021, CK Hutchison Group Telecom prepaid EUR100 million (approximately HK\$927 million) of a floating rate term loan facility maturing in May 2023;

- In July 2021, US\$300 million (approximately HK\$2,340 million) guaranteed perpetual capital securities guaranteed by CKI were issued by Cheung Kong Infrastructure Finance (BVI) Limited;
- In July 2021, CKHH obtained a one year floating rate term loan facility of US\$1,800 million (approximately HK\$14,040 million);
- From July 2021 up to the date of this Offering Circular, CKHH repurchased 11,972,500 of its own shares for approximately HK\$676.5 million (US\$86.7 million) and cancelled 11,882,000 of the shares so repurchased, resulting in a reduction of issued share capital by HK\$12 million; and
- In October 2021, CKHH repaid US\$750 million (approximately HK\$5,850 million) guaranteed notes on maturity.

BUSINESS OF CKHH

Overview

CKHH, an exempted company incorporated in Cayman Islands on 11 December 2014 with limited liability under no. MC-294571 and registered in Hong Kong under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), is the holding company of the CKHH group of companies. CKHH was incorporated as part of the reorganisation and combination of Cheung Kong, Hutchison and their respective subsidiaries, associated companies and joint ventures to create CKHH, which, immediately after such reorganisation and combination, then held the non-property related businesses of both groups, and CK Asset Holdings Limited (formerly known as Cheung Kong Property Holdings Limited), which, immediately after such reorganisation and combination, then held the property and hotels businesses (the “Property Businesses”) of both groups (the “Reorganisation”). The Reorganisation was completed on 3 June 2015. Further details of the Reorganisation can be found in the section “*The Reorganisation*” below.

CKHH is a Hong Kong-based multinational conglomerate whose shares are listed on the SEHK. As of 30 June 2021, CKHH operated four core business divisions in about 50 countries: ports and related services; retail; infrastructure and telecommunications as well as Finance & Investments and Other operations. Following the merger between Cenovus Energy Inc. and Husky Energy in January 2021, CKHH’s 15.71% share of Cenovus Energy results were reported under Finance & Investments and Others segment and the energy business no longer constitutes a core business of CKHH. Significant developments in CKHH’s business since 30 June 2021 are summarised below under “*Recent Developments*”.

Based on the closing price of its shares on the SEHK on 30 June 2021, CKHH had a market capitalisation of approximately HK\$232,829 million (approximately US\$29,850 million). CKHH, its listed subsidiary, CKI and its listed associated company, Power Assets Holdings Limited (“Power Assets”), are three of the 50 constituent stocks of the Hang Seng Index in Hong Kong.

CKHH’s registered office is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. CKHH’s principal place of business is 12 Floor, Cheung Kong Center, 2 Queen’s Road Central, Hong Kong.

The Reorganisation

On 9 January 2015, the boards of Cheung Kong and Hutchison put forward to their respective shareholders the proposals whereby:

- (i) CKHH would become the holding company of the Cheung Kong group of companies by way of a scheme of arrangement;
- (ii) an indirect wholly-owned subsidiary of Hutchison would purchase from the Li Ka-Shing Trust approximately 6.24% shareholding interest in Husky Energy, an associate of Hutchison listed on the Toronto Stock Exchange;
- (iii) CKHH would become the holding company of the Hutchison group of companies by way of a scheme of arrangement (the “Hutchison Proposal”); and
- (iv) immediately following completion of (iii) above, the Property Businesses of both groups would be transferred into CK Asset Holdings Limited and then distributed out of the CKHH Group by way of a distribution in specie.

The Reorganisation was completed on 3 June 2015 and resulted in the non-Property Businesses and the Property Businesses of the Cheung Kong group of companies and the Hutchison group of companies being combined, and the combined non-Property Businesses and combined Property Businesses then being separated and held by two companies listed on the SEHK, namely CKHH and CK Asset Holdings Limited. The listing status of Hutchison on the SEHK was withdrawn on 3 June 2015.

Cheung Kong

Cheung Kong was incorporated in June 1971 and became a public listed company on the SEHK in November 1972. In 1979, Cheung Kong acquired a strategic stake of approximately 22.4% of the issued share capital of Hutchison. Immediately prior to the completion of the Reorganisation, Cheung Kong's shareholding in Hutchison was approximately 49.97%. Prior to the Reorganisation, Cheung Kong engaged principally in property development and investment in Hong Kong and in different regions of the world, including the Mainland, the UK and Singapore and developed high quality and large-scale properties for sale and investment in the residential, retail, office, hotel and industrial sectors.

Hutchison

Hutchison was initially established as the result of the merger between Hutchison International Limited and Hongkong and Whampoa Dock Company Limited. Hongkong and Whampoa Dock Company Limited, incorporated in 1866, was the first company to be registered in Hong Kong. Hutchison became a public listed company on the SEHK in 1978. Cheung Kong became a major shareholder of Hutchison in 1979 and Mr. Li Ka-shing, the then Chairman of Cheung Kong, became the Chairman of Hutchison in 1981. Immediately prior to the completion of the Reorganisation, Hutchison operated six core business divisions in over 50 countries: ports and related services; property and hotels; retail; infrastructure; energy and telecommunications as well as Finance & Investments and Other operations.

Spin-off Proposal

Under the Spin-off Proposal, immediately following completion of the Hutchison Proposal, the Property Businesses of Cheung Kong and Hutchison were transferred to CK Asset Holdings Limited, which, prior to the completion of the Spin-off Proposal, was wholly-owned by CKHH. All the CK Asset Holdings Limited shares were then distributed by CKHH by way of the distribution in specie to the CKHH shareholders at the distribution ratio of one CK Asset Holdings Limited share for every one CKHH share and CK Asset Holdings Limited was separately listed on the SEHK.

Presentation of financial information for the years ended 31 December 2018, 2019 and 2020

As Hong Kong Financial Reporting Standards are fully converged with International Financial Reporting Standards in the accounting for leases, for ease of reference, International Financial Reporting Standard 16 "Leases" ("IFRS 16") and the precedent lease accounting standard International Accounting Standard 17 "Leases" ("IAS 17") are referred to in this Offering Circular interchangeably with Hong Kong Financial Reporting Standard 16 "Leases" ("HKFRS 16") and Hong Kong Accounting Standard 17 "Leases" ("HKAS 17"), respectively. Following the adoption of IFRS 16 on 1 January 2019, CKHH's statutory results for the years ended 31 December 2019 and 2020 are on a IFRS 16 basis, whereas the statutory results for the year ended 31 December 2018 on a IAS 17 basis ("Pre-IFRS 16 basis") as previously reported. Hence, any comparison between the two bases of reporting would not be meaningful. CKHH 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"), allows a like-with-like comparison with the prior period results, and to better reflect management's view of CKHH's underlying operational performance. IAS 17 basis metrics financial information is regularly reviewed by management and used for resource allocation, performance assessment and internal decision-making. As a result, CKHH has provided an alternative presentation of CKHH's financial results prepared under the Pre-IFRS 16 basis relating to the accounting for leases for the years ended 31 December 2019 and 2020. Unless otherwise specified, the discussion of CKHH's operating results for the years ended 31 December 2019 and 2020 are on a Pre-IFRS 16 basis as mentioned above. The comparative information for the year ended 31 December 2018, which is on IAS 17 basis as mentioned above, can be found in the CKHH's financial results for the year ended 31 December 2019, which is included elsewhere in this Offering Circular. See also note 5(c) to CKHH's audited consolidated financial statements for the year ended 31 December 2020 for details on the effect of the adoption of HKFRS 16.

The results presented for the years ended 31 December 2018, 2019 and 2020 reflected the actual reported results of CKHH. The comparative information for the years ended 31 December 2018 and 2019 can be found in the CKHH's financial results for the years ended 31 December 2019 and 2020, respectively, which are included elsewhere in this Offering Circular.

Presentation of financial information for the six months ended 30 June 2020 and 2021

CKHH has also provided an alternative presentation of CKHH's financial results prepared under the Pre-IFRS 16 basis relating to the accounting for leases for the six months ended 30 June 2020 and 2021. Unless otherwise specified, the discussion of CKHH's operating results for the six months ended 30 June 2020 and 2021 is on a Pre-IFRS 16 basis as mentioned above. The comparative information for the six months ended 30 June 2020 can be found in the CKHH's financial results for the six months ended 30 June 2021, which are incorporated by reference and/or included elsewhere in this Offering Circular. See also note 5(c) to CKHH's unaudited condensed consolidated financial statements for the six months ended 30 June 2021 for details on the reconciliation from Pre-HKFRS 16 basis metrics to Post-HKFRS 16 basis metrics and the effect of the adoption of HKFRS 16.

Revenue

The following table shows the revenue including share of associates and joint ventures, by business divisions:

	Year Ended 31 December			Six Months Ended 30 June	
	2018 ⁽¹⁾	2019 ⁽¹⁾	2020 ⁽¹⁾	2020 ⁽¹⁾	2021
	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million
Ports and Related Services ⁽²⁾	35,175	35,375	32,865	16,031	19,933
Retail	168,991	169,225	159,619	73,627	82,621
Infrastructure ⁽³⁾	64,724	51,191	52,792	25,181	27,798
CK Hutchison Group Telecom	86,733	93,517	90,663	42,702	45,826
Hutchison Asia Telecommunications	8,220	8,984	9,147	4,521	4,350
Finance & Investments and Others	89,387	81,564	58,760	27,880	31,858
Total Revenue ⁽²⁾	<u>453,230</u>	<u>439,856</u>	<u>403,846</u>	<u>189,942</u>	<u>212,386</u>

⁽¹⁾ The years ended 31 December 2018, 2019 and 2020 and the six months ended 30 June 2020 comparatives have been reclassified to enable a better comparison of performance. Subsequent to merger completion between Cenovus Energy and Husky in January 2021, CKHH's 15.71% share of Cenovus Energy is reported under Finance & Investments and Others segment. CKHH's 40.19% sharing of Husky's results included in the Energy division for the years ended 31 December 2018, 2019 and 2020 and the six months ended 30 June 2020 have been reclassified to the Finance & Investments and Others segment to conform with the six months ended 30 June 2021 presentation.

⁽²⁾ Total revenue includes CKHH's proportionate share of associated companies and joint ventures' revenue, and was adjusted to exclude non-controlling interests' share of revenue of HPH Trust.

⁽³⁾ Total revenue for the years ended 31 December 2019 and 2020 and the six months ended 30 June 2020 and 2021 represented CKHH's share of revenue on the remaining 10% direct interest in the co-owned infrastructure investments with CKI. Total revenue for the year ended 31 December 2018 represented 10 months of CKHH's direct interest in the co-owned infrastructure investments with CKI and remaining 10% direct interest in these investments from November 2018 onwards.

EBITDA

Information concerning EBITDA has been included in CKHH's financial information and consolidated financial statements and is used by many industries and investors as one measure of gross cash flow generation. CKHH considers EBITDA to be an important performance measure which is used in CKHH's internal financial and management reporting to monitor business performance. EBITDA is not a measure of cash liquidity or financial performance under HKFRS and the EBITDA measures used by CKHH may not be comparable to other similarly titled measures of other companies. EBITDA should not necessarily be construed as an alternative to cash flows or results of operations as determined in accordance with HKFRS.

The following table shows the EBITDA including share of associates and joint ventures, by business divisions:

	Pre-IFRS 16 ⁽¹⁾				
	Year Ended 31 December			Six Months Ended 30 June	
	2018 ⁽²⁾	2019 ⁽²⁾	2020 ⁽²⁾	2020 ⁽²⁾	2021
	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million
Ports and Related Services ⁽³⁾	13,392	13,405	10,914	5,539	6,983
Retail	16,164	16,891	14,397	4,626	6,725
Infrastructure ⁽⁴⁾	35,422	28,488	29,066	13,768	14,803
CK Hutchison Group Telecom	30,357	35,341	48,540	14,921	25,623
Hutchison Asia Telecommunications	1,028	2,167	2,034	872	803
Finance & Investments and Others	17,217	15,776	(8,007)	7,220	653
Total EBITDA⁽³⁾	113,580	112,068	96,944	46,946	55,590

(1) As Hong Kong Financial Reporting Standards are fully converged with International Financial Reporting Standards in the accounting for leases, for ease of reference, IFRS 16 and the precedent lease accounting standard IAS 17 are referred to in this Offering Circular interchangeably with HKFRS 16 and HKAS 17, respectively. Following the adoption of IFRS 16 on 1 January 2019, CKHH's statutory results for the years ended 31 December 2019 and 2020 and the six months ended 30 June 2020 and 2021 are on a IFRS 16 basis, whereas the statutory results for the year ended 31 December 2018 are on a Pre-IFRS 16 basis as previously reported. Hence, any comparison between the two bases of reporting would not be meaningful. CKHH believes that the Pre-IFRS 16 basis metrics, which are not intended to be a substitute for, or superior to, the reported metrics on the Post-IFRS 16 basis, allows a like-with-like comparison with the prior period results, and to better reflect management's view of CKHH's underlying operational performance. IAS 17 basis metrics financial information is regularly reviewed by management and used for resource allocation, performance assessment and internal decision-making. As a result, CKHH has provided an alternative presentation of CKHH's EBITDA prepared under the Pre-IFRS 16 basis relating to the accounting for leases for the years ended 31 December 2019 and 2020 and the six months ended 30 June 2020 and 2021. Unless otherwise specified, the discussion of CKHH's operating results for the years ended 31 December 2019 and 2020 and the six months ended 30 June 2020 and 2021 are on a Pre-IFRS 16 basis as mentioned above.

Under Post-IFRS 16 basis, CKHH's EBITDA for the years ended 31 December 2019 and 2020 and the six months ended 30 June 2020 and 2021 were as follows:

	Post-IFRS 16			
	Year Ended 31 December		Six Months Ended 30 June	
	2019 ⁽²⁾	2020 ⁽²⁾	2020 ⁽²⁾	2021
	HK\$ million	HK\$ million	HK\$ million	HK\$ million
Ports and Related Services ⁽³⁾	16,092	13,748	6,958	8,406
Retail	27,023	24,557	9,627	11,869
Infrastructure ⁽⁴⁾	28,751	29,367	13,911	14,954
CK Hutchison Group Telecom	42,417	56,706	18,665	29,830
Hutchison Asia Telecommunications	4,328	4,362	2,065	1,869
Finance & Investments and Others	17,438	(6,392)	8,115	1,239
Total EBITDA⁽³⁾	136,049	122,348	59,341	68,167

(2) The years ended 31 December 2018, 2019 and 2020 and the six months ended 30 June 2020 comparatives have been reclassified to enable a better comparison of performance. Subsequent to merger completion between Cenovus Energy and Husky in January 2021, CKHH's 15.71% share of Cenovus Energy is reported under Finance & Investments and Others segment. CKHH's 40.19% sharing of Husky's results included in the Energy

division for the years ended 31 December 2018, 2019 and 2020 and the six months ended 30 June 2020 have been reclassified to the Finance & Investments and Others segment to conform with the six months ended 30 June 2021 presentation.

- (3) Total EBITDA include CKHH's proportionate share of associated companies and joint ventures' EBITDA, and was adjusted to exclude non-controlling interests' share of EBITDA of HPH Trust.
- (4) Total EBITDA for the years ended 31 December 2019 and 2020 and the six months ended 30 June 2020 and 2021 represented CKHH's share of EBITDA on the remaining 10% direct interest in the co-owned infrastructure investments with CKI. Total EBITDA for the year ended 31 December 2018 represented 10 months of CKHH's direct interest in the co-owned infrastructure investments with CKI and remaining 10% direct interest in these investments from November 2018 onwards.

EBIT

The following table shows the EBIT including share of associates and joint ventures, by business divisions:

	Pre-IFRS 16 ⁽¹⁾				
	Year Ended 31 December			Six Months Ended 30 June	
	2018 ⁽²⁾	2019 ⁽²⁾	2020 ⁽²⁾	2020 ⁽²⁾	2021
	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million
Ports and Related Services ⁽³⁾	8,726	9,061	6,717	3,454	4,769
Retail	13,078	13,671	10,933	2,970	4,939
Infrastructure ⁽⁴⁾	24,038	19,220	18,488	8,989	9,686
CK Hutchison Group Telecom	18,409	21,131	32,581	7,777	15,996
Hutchison Asia Telecommunications	321	1,055	544	194	(76)
Finance & Investments and Others	8,313	6,970	(15,409)	3,293	(2,541)
Total EBIT⁽³⁾	72,885	71,108	53,854	26,677	32,773

- (1) As Hong Kong Financial Reporting Standards are fully converged with International Financial Reporting Standards in the accounting for leases, for ease of reference, IFRS 16 and the precedent lease accounting standard IAS 17 are referred to in this Offering Circular interchangeably with HKFRS 16 and HKAS 17, respectively. Following the adoption of IFRS 16 on 1 January 2019, CKHH's statutory results for the years ended 31 December 2019 and 2020 and the six months ended 30 June 2020 and 2021 are on a IFRS 16 basis, whereas the statutory results for the year ended 31 December 2018 is on a Pre-IFRS 16 basis as previously reported. Hence, any comparison between the two bases of reporting would not be meaningful. CKHH believes that the Pre-IFRS 16 basis metrics, which are not intended to be a substitute for, or superior to, the reported metrics on the Post-IFRS 16 basis, allows a like-with-like comparison with the prior period results, and to better reflect management's view of CKHH's underlying operational performance. IAS 17 basis metrics financial information is regularly reviewed by management and used for resource allocation, performance assessment and internal decision-making. As a result, CKHH has provided an alternative presentation of CKHH's EBIT prepared under the Pre-IFRS 16 basis relating to the accounting for leases for the years ended 31 December 2019 and 2020 and the six months ended 30 June 2020 and 2021. Unless otherwise specified, the discussion of CKHH's operating results for the years ended 31 December 2019 and 2020 and the six months ended 30 June 2020 and 2021 are on a Pre-IFRS 16 basis as mentioned above.

Under Post-IFRS 16 basis, CKHH's EBIT for the years ended 31 December 2019 and 2020 and the six months ended 30 June 2020 and 2021 were as follows:

	Post-IFRS 16			
	Year Ended 31 December		Six Months Ended 30 June	
	2019 ⁽²⁾	2020 ⁽²⁾	2020 ⁽²⁾	2021
	HK\$ million	HK\$ million	HK\$ million	HK\$ million
Ports and Related Services ⁽³⁾	10,216	8,055	4,122	5,372
Retail	14,705	11,889	3,381	5,489
Infrastructure ⁽⁴⁾	19,259	18,537	9,010	9,709
CK Hutchison Group Telecom	21,987	33,484	7,946	16,485
Hutchison Asia Telecommunications	2,032	1,480	708	272
Finance & Investments and Others	7,145	(15,141)	3,452	(2,518)
Total EBIT⁽³⁾	75,344	58,304	28,619	34,809

- (2) The years ended 31 December 2018, 2019 and 2020 and the six months ended 30 June 2020 comparatives have been reclassified to enable a better comparison of performance. Subsequent to merger completion between Cenovus Energy and Husky in January 2021, CKHH's 15.71% share of Cenovus Energy is reported under Finance & Investments and Others segment. CKHH's 40.19% sharing of Husky's results included in the Energy division for the years ended 31 December 2018, 2019 and 2020 and the six months ended 30 June 2020 have been reclassified to the Finance & Investments and Others segment to conform with the six months ended 30 June 2021 presentation.
- (3) Total EBIT include CKHH's proportionate share of associated companies and joint ventures' EBIT, and was adjusted to exclude non-controlling interests' share of EBIT of HPH Trust.
- (4) Total EBIT for years ended 31 December 2019 and 2020 and the six months ended 30 June 2020 and 2021 represented CKHH's share of EBIT on the remaining 10% direct interest in the co-owned infrastructure investments with CKI. Total EBIT for the year ended 31 December 2018 represented 10 months of CKHH's direct interest in the co-owned infrastructure investments with CKI and remaining 10% direct interest in these investments from November 2018 onwards.

Ratios and Other Information:

Under Pre-IFRS 16 basis, CKHH's EBITDA for the six months ended 30 June 2021 and 2020 covered total interest expenses and other finance costs, including share of associates and joint ventures, by 7.7 times⁽¹⁾ and 6.3 times⁽¹⁾, respectively and CKHH's EBIT for the six months ended 30 June 2021 and 2020 covered total interest expenses and other finance costs, including share of associates and joint ventures, by 4.6 times⁽¹⁾ and 3.6 times⁽¹⁾, respectively.

Under Pre-IFRS 16 basis, CKHH's EBITDA for the years ended 31 December 2020 and 2019 covered total interest expenses and other finance costs, including share of associates and joint ventures, by 6.4 times⁽²⁾ and 7.2 times⁽²⁾, respectively and CKHH's EBIT for the years ended 31 December 2020 and 2019 covered total interest expenses and other finance costs, including share of associates and joint ventures, by 3.6 times⁽²⁾ and 4.5 times⁽²⁾, respectively.

CKHH's EBITDA and EBIT for the year ended 31 December 2018 covered total interest expenses and other finance costs, including share of associates and joint ventures, by 6.3 times and 4.0 times, respectively.

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- (1) Under Post-IFRS 16 basis, CKHH's EBITDA for the six months ended 30 June 2021 and 2020 covered total interest expenses and other finance costs, including share of associates and joint ventures, by 7.3 times and 6.2 times, respectively and CKHH's EBIT for the six months ended 30 June 2021 and 2020 covered total interest expenses and other finance costs, including share of associates and joint ventures, by 3.7 times and 3.0 times, respectively.
- (2) Under Post-IFRS 16 basis, CKHH's EBITDA for the years ended 31 December 2020 and 2019 covered total interest expenses and other finance costs, including share of associates and joint ventures, by 6.2 times and 6.8 times, respectively and CKHH's EBIT for the years ended 31 December 2020 and 2019 covered total interest expenses and other finance costs, including share of associates and joint ventures, by 3.0 times and 3.7 times, respectively.

Ports and Related Services

The ports and related services division comprises the 80%-owned subsidiaries, Hutchison Port Holdings and Hutchison Ports Investments S.à.r.l. (collectively “Hutchison Ports”), and HPH Trust, the 30.07% owned associate listed on the Main Board of the SGX-ST. As of 30 June 2021, CKHH had interests in 52 ports comprising 288 operational berths⁽¹⁾ in 26 countries in Asia, the Middle East, Africa, Europe, the Americas and Australasia. In 2020 and the six months ended 30 June 2021, CKHH’s ports and related services division handled combined container throughput of 83.7 million TEU and 42.9 million TEU, respectively. As of 30 June 2021, CKHH has interests in various locations including:

- the Mainland, where Hutchison Ports holds interests in Shanghai Mingdong Container Terminals (“SMCT”), Shanghai Pudong International Container Terminals (“SPICT”), Shanghai Container Terminals (“SCT”), Ningbo Beilun International Container Terminals (“NBCT”), as well as ports in Southern China, and CKHH, through its associate, HPH Trust holds interests in Phase I, II, III and West Port at Yantian International Container Terminals (“YICT”) and Huizhou International Container Terminals (“HICT”). In June 2021, HPH Trust entered into a joint venture agreement with Shenzhen Yantian Group Company Limited to construct, develop, operate and manage phase I of a container terminal located in the eastern side of the YICT.
- Hong Kong, the ninth busiest container port in the world in 2020 in terms of container throughput, where CKHH, through its associate, HPH Trust, holds interests in: Hongkong International Terminals (“HIT”); Asia Container Terminals (“ACT HK”), a strategic partnership between HPH Trust and COSCO SHIPPING Ports Limited; as well as COSCO-HIT Terminals (“CHT”), a 50/50 joint venture between HIT and COSCO SHIPPING Ports Limited;
- the Netherlands, where Hutchison Ports holds interests in Europe Container Terminals (“ECT”) and Delta II in Rotterdam, Amsterdam Container Terminals (“ACT”) and TMA Logistics (“TMA”) in Amsterdam;
- the UK, where Hutchison Ports holds interests in Hutchison Ports (UK), which operates in the Port of Felixstowe (“PFL”), London Thamesport (“LTP”) and Harwich International Port (“HWH”);
- Continental Europe, where Hutchison Ports holds interests in Barcelona Europe South Terminal (“BEST”) in Spain and Gdynia Container Terminal (“GCT”) in Poland, as well as Hutchison Ports Sweden which has container-handling facilities at the Port of Nynäshamn (“CTN”, which commenced operations at the end of May 2020), Norvikudden, and had the right to operate Container Terminal Frihamnen (“CTF”, which was closed and returned to the port authority in June 2020) in Sweden;
- Malaysia, where Hutchison Ports holds interests in Westports Malaysia (“KMT”) at Port Klang;
- Indonesia, where Hutchison Ports holds interests in Jakarta International Container Terminal (“JICT”) in Tanjung Priok and Terminal Petikemas Koja (“KOJA”) at the Port of Tanjung Priok next to JICT;
- South Korea, where Hutchison Ports operates one deep-water container terminal in Busan through Hutchison Korea Terminals (“HKT”) and one terminal in Gwangyang through Korea International Terminals (“KIT”);
- Thailand, where Hutchison Ports holds interests in Thai Laemchabang Terminal (“TLT”) and Hutchison Laemchabang Terminal (“HLT”) at Laem Chabang;

(1) Based on 300 metres per berth and is computed by dividing the total berth length by 300 metres, which may be different to the number of physical container berths for vessel mooring. Unless otherwise stated, the number of berths stated elsewhere in this Offering Circular represent the number of physical berths.

- Pakistan, where Hutchison Ports holds interests in Karachi International Container Terminal (“KICT”) at the Port of Karachi and South Asia Pakistan Terminals (“SAPT”) at the estuary of the Keamari Groyne basin;
- Vietnam, where Hutchison Ports holds interests in Saigon International Terminals Vietnam (“SITV”) in Ba Ria Vung Tau Province, in southern Vietnam;
- Myanmar, where Hutchison Ports holds interests in Myanmar International Terminals Thilawa (“MITT”) at Thilawa;
- Australia, where Hutchison Ports holds interests in Brisbane Container Terminals (“BCT”) at the Port of Brisbane and Sydney International Container Terminals (“SICTL”) at Port Botany;
- Saudi Arabia, where Hutchison Ports held interests in International Ports Services (“IPS”) at Dammam. The concession expired at the end of September 2020. In February 2021, Hutchison Ports agreed with the Royal Commission in Jubail and Yanbu, to invest and operate multipurpose terminals within the Jazan City for Primary and Downstream Industries in Saudi Arabia which will be developed in two phases;
- Egypt, where Hutchison Ports holds interests in Alexandria International Container Terminals (“AICT”), which operates terminals at Alexandria and El Dekheila Ports. In August 2020, Hutchison Ports entered into a long-term agreement with the Egyptian Navy to develop and operate a new container terminal in Abu Qir;
- The United Arab Emirates (“UAE”), where Hutchison Ports holds interests in Hutchison Ajman International Terminals (“HAJT”) in Ajman, Hutchison Ports RAK (“RAK”) in Ras Al Khaimah and Hutchison Ports UAQ (“UAQ”) in Umm Al Quwain;
- Oman, where Hutchison Ports holds interests in Oman International Container Terminal (“OICT”) at the Port of Sohar;
- Iraq, where Hutchison Ports holds interest in NAWAH for Ports Management LLC, a container terminal at the Port of Basra (“Basra”);
- Mexico, where Hutchison Ports holds interests in Internacional de Contenedores Asociados de Veracruz (“ICAVE”), which is located at the Port of Veracruz on the east coast, as well as other port operations in Ensenada, Manzanillo and Lazaro Cardenas which are located on the west coast;
- Argentina, where Hutchison Ports holds interests in Buenos Aires Container Terminal Services (“BACTSSA”) at the Port of Buenos Aires;
- the Bahamas, where Hutchison Ports holds interests in Freeport Container Port (“FCP”) on Grand Bahama Island;
- Panama, where Hutchison Ports holds interests in Panama Ports Company (“PPC”), which manages and operates the ports of Cristobal and Balboa, located on the Atlantic and Pacific side respectively of the Panama Canal; and
- Tanzania, where Hutchison Ports holds interests in Tanzania International Container Terminal Services (“TICT”) at Dar es Salaam.

The division also has interests in other logistics and transportation-related businesses. These include cruise ship terminals, airport operations, distribution centres, rail services and ship repair facilities.

Retail

CKHH currently holds a 75.05% interest in A.S. Watson, the world’s largest international health and beauty retailer with a 140 million loyalty member base and an operator of major chains of supermarkets and consumer electronics and electrical appliances stores. As of 30 June 2021, A.S. Watson had 16,206 stores in 27 markets mainly in Europe, Hong Kong, the Mainland and other markets in Asia. A.S. Watson also manufactures and distributes water and beverage products in Hong Kong and the Mainland.

Infrastructure

CK Infrastructure Holdings Limited (“CKI”)

CKHH currently holds a 75.67%⁽¹⁾ interest in CKI, the largest publicly listed infrastructure company in Hong Kong in terms of market capitalisation, with principal operations in Hong Kong, the Mainland, the UK, Continental Europe, Australia, New Zealand, Canada and the United States. As of 30 June 2021, CKI’s major interests include:

- a 35.96% interest in Power Assets Holdings Limited (“Power Assets”), a listed company in Hong Kong that holds a 33.37% interest in HK Electric Investments and HK Electric Investments Limited (collectively “HKEI”). HKEI’s wholly-owned subsidiary, Hongkong Electric, generates, transmits and is the sole distributor of electricity to Hong Kong Island and Lamma Island. CKI’s interest in Power Assets reduced from 38.01% to 35.96% following the disposal of its 2.05% interest in Power Assets in January 2019;
- together with Power Assets, an 80% interest (CKI: 40%; Power Assets: 40%) in UK Power Networks Holdings Limited (“UK Power Networks”), which owns, operates and manages three regulated electricity distribution networks in the UK that cover London, the South East and the East of England. UK Power Networks is also engaged in certain non-regulated electricity distribution businesses in the UK, including the distribution of electricity to a number of privately owned sites;
- together with Power Assets, a 60% interest (CKI: 52%; Power Assets: 8%) in Northumbrian Water Group Limited (“Northumbrian Water”), a group comprising one of the ten regulated water and sewerage companies in England and Wales, which provides water and waste water services in the North East of England and water services in the South East of England. In addition, Northumbrian Water’s operations include the Kielder Reservoir, the largest man-made reservoir in Northern Europe, as well as a portfolio of water and waste water contracts;
- together with Power Assets, an 88.35% interest (CKI: 47.06%; Power Assets: 41.29%) in Northern Gas Networks Holdings Limited (“Northern Gas”), which distributes gas to homes and businesses across the North of England, an area covering the North East, Northern Cumbria and much of Yorkshire;
- together with Power Assets, a 75% interest (CKI: 39%; Power Assets: 36%) in each of West Gas Networks Limited (“West Gas Networks”) and Western Gas Networks Limited (“Western Gas Networks”), which together owns a 100% interest in Wales & West Utilities Limited (“Wales & West Utilities”). Wales & West Utilities is a gas distribution network that serves Wales and the South West of England;
- together with Power Assets, a 75% interest (CKI: 65%; Power Assets: 10%) in UK Rails S.à r.l. (“UK Rails”), one of the three major rolling stock owning companies that were established at the time of privatisation of the UK rail industry. UK Rails offers a diverse range of rolling stock, including regional, commuter and high speed passenger trains, as well as freight locomotives, on long term contracts to train and freight operating companies;
- together with Power Assets, a 100% interest (on a 50/50 basis) in Electricity First Limited, which owns a 50% interest in Seabank Power Limited (“Seabank Power”). Seabank Power owns and operates Seabank Power Station located near Bristol, England;
- a 4.75% interest in Southern Water Group (“Southern Water”), a regulated business which supplies fresh, quality drinking water, as well as treating and recycling waste water in the South East of England across Sussex, Kent, Hampshire and the Isle of Wight;

(1) Based on CKHH’s profit sharing ratio in CKI.

- together with Power Assets, a 72.5% interest (CKI: 45.5%; Power Assets: 27%) in Dutch Enviro Energy Holdings B.V. (“Dutch Enviro Energy”) which in turn owns AVR-Afvalverwerking B.V. (“AVR”). AVR is principally engaged in the business of waste processing and production and supply of sustainable energy from the incineration of waste in the Netherlands;
- together with Power Assets, a 100% interest (on a 50/50 basis) in Portugal Renewable Energy – PTRW, Unipessoal Lda (“Portugal Renewable Energy”), which in turn owns a 100% interest in Iberwind – Desenvolvimento e Projectos, S.A. (“Iberwind”). Iberwind is principally engaged in the business of electricity generation from wind power in Portugal. Disposal of CKI’s and Power Assets’ respective 50% interest in Portugal Renewable Energy was completed in October 2020;
- a 35% interest in ista, a fully integrated energy management services provider that runs submetering businesses across 22 countries for heat and water consumption. It also sells a range of metre hardware and provides a range of related services such as maintenance, metre reading, data processing and billing;
- together with Power Assets, a 51% interest (CKI: 23.07%; Power Assets: 27.93%) in each of (i) SA Power Networks, the primary electricity distributor in the State of South Australia; (ii) Powercor Australia Limited (“Powercor”), the largest electricity distributor in the State of Victoria; and (iii) the CitiPower Trust (“CitiPower”), another major electricity distributor in the State of Victoria;
- together with Power Assets, a 100% interest (on a 50/50 basis) in Australian Energy Operations Pty Ltd which owns and operates 71 kilometres of transmission lines and terminal stations in Victoria, Australia that connect Mount Mercer, Lal Lal, Moorabool and Ararat wind farms to the national power grid;
- together with Power Assets, a 72.48% interest (CKI: 44.97%; Power Assets: 27.51%) in Australian Gas Networks Holdings Pty Ltd (“AGN”), one of the largest natural gas distribution companies in Australia that owns natural gas distribution networks and transmission pipelines in South Australia, Victoria, Queensland, New South Wales and the Northern Territory;
- together with Power Assets, a 60% interest (CKI: 40%; Power Assets: 20%) in CK William Group, international owner and operator of energy utility assets, providing low emissions and remote energy generation solutions, gas transmission through the Dampier Bunbury Pipeline in Western Australia and distribution of gas and electricity in Victoria;
- together with Power Assets, a 100% interest (on a 50/50 basis) in Wellington Electricity Distribution Network Limited (“Wellington Electricity”), which supplies electricity to the city of Wellington, the capital of New Zealand, and extends to the Porirua and Hutt Valley regions of New Zealand;
- a 100% interest in Enviro (NZ) Limited (“EnviroNZ”), a diversified, vertically integrated waste management business that has national coverage across New Zealand. It is one of only two vertically integrated waste collection and disposal companies operating throughout New Zealand, offering waste-related services to approximately half a million commercial and household customers via collection services, landfills and transfer stations across the country;
- together with Power Assets, a 100% interest (on a 50/50 basis) in Canadian Power Holdings Inc. (“Canadian Power”), which is the owner of Meridian Cogeneration Plant and Okanagan Wind and owns a 49.99% partnership interest in TransAlta Cogeneration, L.P. The Meridian Cogeneration Plant is a natural gas-fired cogeneration plant in Saskatchewan, Canada. TransAlta Cogeneration, L.P. has ownership stakes in four electricity generation plants, including three natural gas-fired cogeneration plants in Alberta and Ontario, Canada and a gas-fired generation plant in Alberta, Canada. Okanagan Wind operates two wind farms located in the Okanagan region of British Columbia, Canada;

- together with Power Assets, a 75% interest (CKI: 65%; Power Assets: 10%) in Park’N Fly (“Park’N Fly”), the largest off-airport car park provider in Canada and the only national operator. The company provides parking facilities at most major airports in Canada, including Toronto, Vancouver, Montreal, Edmonton, Ottawa and Winnipeg;
- together with Power Assets, a 65% interest (CKI: 16.25%; Power Assets: 48.75%) in Husky Midstream Limited Partnership (“HMLP”), which holds a portfolio of oil pipeline assets in Canada including approximately 2,200 kilometres of oil pipeline across the provinces of Alberta and Saskatchewan, oil storage capacity of 5.9 million barrels at the Hardisty and Lloydminster terminals, and other ancillary assets in Alberta and Saskatchewan. The remaining 35% interest in HMLP is held by Cenovus Energy, an associated company in which CKHH owned a 15.71% interest as of 30 June 2021;
- a 25% interest in Reliance, which operates in the building equipment services sector providing water heaters, heating, ventilation and air conditioning (“HVAC”) equipment, comfort protection plans and other services to homeowners in Canada and the United States;
- interests in joint ventures that own and operate approximately 149.8 kilometres of toll roads and bridges in the Mainland; and
- various interests in an infrastructure materials business that produces cement, concrete, asphalt and aggregates mainly in Hong Kong and the Mainland.

CKI and Power Assets acquired 30% and 20% economic benefits respectively in CKHH’s direct interests in the six co-owned infrastructure investments – Northumbrian Water, UK Rails, West Gas Networks and Western Gas Networks, AGN, Park’N Fly and Dutch Enviro Energy for a consideration of approximately HK\$7,200 million and HK\$4,800 million respectively under the Economic Benefits Agreements entered between CKHH, CK Asset Holdings Limited (“CKAH”), CKI and Power Assets during 2018. By the end of 2019, CKI and Power Assets completed the supplemental agreements with CKHH for the effective transfer of the proportionate voting rights of the co-owned investments in Europe and Canada from CKHH to the respective parties. As such, CKI’s and Power Assets’ respective interests in these co-owned infrastructure investments as of 30 June 2021 as stated above include their respective additional interest arising from the supplemental agreements.

Co-owned infrastructure investments

Post-Reorganisation, CKHH’s infrastructure division held direct interests in six co-owned infrastructure investments (“Co-owned Infrastructure Investments”) with CKI, comprising 40% interest in Northumbrian Water, 30% interest in each of West Gas Networks and Western Gas Networks, 50% interest in UK Rails, 35% interest in Dutch Enviro Energy, 27.51% interest in AGN and 50% interest in Park’N Fly.

In October 2018, CKHH completed the divestiture of an aggregated 90% economic benefits in its direct interest in the Co-owned Infrastructure Investments for a cash consideration of HK\$21.6 billion under the Economic Benefits Agreements entered with CKAH, CKI and Power Assets, which resulted in a reduction of CKHH’s economic interest in its direct interest in these projects to 10% of the shareholding interests as stated above. By the end of 2019, CKHH completed the supplemental agreements with CKAH, CKI and Power Assets for the effective transfer of the proportionate voting rights of the co-owned investments in Europe and Canada from CKHH to the respective parties. Accordingly, Northumbrian Water, UK Rails and Park’N Fly ceased to be consolidated by CKHH as subsidiaries.

Telecommunications

CKHH is a leading worldwide operator of mobile telecommunications networks with CK Hutchison Group Telecom or CKHGT consolidating unlisted mobile telecommunications businesses in Europe (“3 Group Europe”) and an approximate 66.09% interest in HTHKH which is listed on the main board of SEHK; Hutchison Asia Telecommunications (“HAT”) consists of telecommunications operations in Indonesia, Vietnam and Sri Lanka; and an approximate 87.87% interest in Hutchison Telecommunications (Australia) Limited (“HTAL”).

- **3 Group Europe** comprises mobile telecommunications businesses in the UK, Sweden, Denmark, Austria and Ireland, offering mobile telecommunications services under the brand name “Three” or “**3**”, and in Italy where Wind Tre S.p.A. (“Wind Tre”), in which CKHH previously indirectly held a 50% interest until it became a wholly-owned operation of CKHH following the completion of the acquisition by CKHH from Veon the remaining 50% interest in Wind Tre in September 2018. As of 30 June 2021, CKHH’s **3 Group Europe** operations had approximately 43.8 million registered customers.
 - In the UK, Hutchison 3G UK Limited (“**3 UK**”) serviced a registered customer base of approximately 12.9 million as of 30 June 2021.
 - In Italy, Wind Tre serviced a registered mobile customer base of approximately 21.0 million as well as 2.9 million fixed line customers as of 30 June 2021.
 - In Sweden, Hi3G Access AB (“Hi3G Access”), in which CKHH holds a 60% interest, serviced a registered customer base of approximately 2.2 million as of 30 June 2021.
 - In Denmark, Hi3G Denmark ApS (“Hi3G Denmark”), in which CKHH holds a 60% interest and a wholly-owned subsidiary of Hi3G Access, serviced a registered customer base of approximately 1.5 million as of 30 June 2021.
 - In Austria, Hutchison Drei Austria GmbH (“**3 Austria**”) serviced a registered customer base of approximately 3.4 million as of 30 June 2021.
 - In Ireland, Three Ireland (Hutchison) Limited (“**3 Ireland**”) serviced a registered customer base of approximately 2.8 million as of 30 June 2021.

In November 2020, CKHH entered into an agreement to dispose of its European telecommunications tower assets for an aggregate consideration of €10 billion. The disposals of tower assets in Denmark, Austria and Ireland, pursuant to this agreement, were completed in December 2020. Disposals of the remaining tower assets in Sweden and Italy were completed in January 2021 and June 2021, respectively, with the disposal of the tower assets in the UK which is currently undergoing regulatory approval.

- HTHKH, which was listed on the SEHK in May 2009, is a mobile telecommunications operator that provides services in Hong Kong and Macau under the **3**, MO and MO+ Brands. HTHKH has a combined active mobile customer base of approximately 3.2 million in Hong Kong and Macau as of 30 June 2021.
- HAT holds interests in mobile operations in Indonesia, Vietnam and Sri Lanka. HAT has an active mobile customer base of approximately 60 million as of 30 June 2021. In September 2021, CKHH announced that it has entered into definitive agreement with Ooredoo Telecom to combine their respective Indonesian telecommunications businesses. PT Hutchison 3 Indonesia (“H3I”) will be merged into PT Indosat Tbk (“Indosat”). Upon merger closing, Indosat will continue as the surviving legal entity and named as PT Indosat Ooredoo Hutchison Tbk (“Indosat Ooredoo Hutchison”) and maintain its listing on the Indonesia Stock Exchange. Indosat Ooredoo Hutchison will be jointly controlled by Ooredoo Telecom and CKHH. The transaction is expected to complete by the end of 2021, subject to the shareholders and regulatory approvals.
- HTAL, an 87.87% owned subsidiary listed on the Australian Securities Exchange (“ASX”), has a 25.05% interest in TPG Telecom Limited (formerly known as Vodafone Hutchison Australia or “VHA”, a 50-50 joint venture with Vodafone Group Plc before its merger with TPG Corporation Limited (formerly named TPG Telecom Limited) which became effective on 26 June 2020). Post-merger, TPG Telecom Limited was listed on the ASX on 30 June 2020 and is 25.05% held by HTAL. CKHH’s share of TPG Telecom Limited’s results is included under the Finance & Investments and Others segment.

Finance & Investments and Others

CKHH receives income from its Finance & Investments and Others segment, which is responsible for the management of CKHH's cash deposits, liquid assets held in managed funds and other investments. CKHH operates a central cash management system for all of its subsidiaries, except for listed subsidiaries and certain overseas entities conducting businesses in non-Hong Kong or non-U.S. dollar currencies. Income from this division includes interest income, dividends from equity investments, profits and losses from sale of securities, and foreign exchange gains and losses of non-Hong Kong dollar denominated liquid assets. The interest expense and finance costs related to CKHH's various operating businesses are not attributed to this division but are borne by the operating businesses.

CKHH's share of the results of Hutchison Whampoa (China) Limited ("HWCL"), Hutchison E-Commerce operations, listed associate TOM Group, the Marionnaud Group, listed associate CK Life Sciences Int'l., (Holdings) Inc. ("CKLS"), listed subsidiary HTAL, which has a 25.05% interest in TPG Telecom Limited, as well as listed associate, Cenovus Energy, are reported under this division.

- HWCL operates various manufacturing, service and distribution joint ventures in the Mainland, Hong Kong and the UK, and also owns 38.47% of HUTCHMED (China) Limited ("HUTCHMED", formerly known as Hutchison China MediTech Limited or "Chi-Med"), which is listed on the Main Board of the SEHK, the AIM Market of the London Stock Exchange in the UK and the Nasdaq Global Select Market ("Nasdaq") in the U.S. HUTCHMED is an innovative, commercial-stage, biopharmaceutical company committed to the discovery and global development and commercialisation of targeted therapies and immunotherapies for the treatment of cancer and immunological diseases. During 2019, CKHH partially disposed of its interest in HUTCHMED, reducing CKHH's shareholding from 60.15% to 49.86%. Subsequent to the follow-on offering of HUTCHMED's ADS in January 2020 and private placements in July and November 2020, CKHH's shareholding was further diluted from 49.85% to 45.69%. The private placement in April 2021 and initial public offering in Hong Kong resulted in further dilution of shareholding to 39.19% as of June 2021;
- CKHH has an approximate 45.32% interest in CKLS, a company listed on SEHK. CKLS is engaged in the business of research and development, manufacturing, commercialisation, marketing, sale of, and investment in nutraceuticals, pharmaceuticals and agriculture-related products and assets as well as investment in various financial and investment products;
- CKHH has an approximate 36.1% interest in the TOM Group, a technology and media company listed on the SEHK. TOM Group has technology operations in e-commerce, social network, mobile internet; and investments in fintech and advanced data analytics sectors. In addition, its media businesses cover both publishing and advertising segments;
- CKHH has a 100% interest in the Marionnaud Group, a luxury perfumery and cosmetic retail chain in Europe; and
- CKHH has a 15.71%⁽¹⁾ interest in Cenovus Energy Inc, a Canadian integrated oil and natural gas company listed on the Toronto Stock Exchange and New York Stock Exchange. Following the merger of Cenovus Energy and Husky Energy in January 2021, CKHH's 15.71% share in Cenovus Energy's results forms part of the Finance & Investments and Others segment and CKHH no longer reports energy business as a core business.

(1) Together with the warrants (on a partially-diluted basis assuming the exercise of the Cenovus Energy common share purchase warrants held by CKHH), CKHH's share in Cenovus Energy represent a further 1.08% to 16.79%.

Recent Developments

Ports and Related Services

- In September 2021, Hutchison Ports has entered into a shareholders' agreement with King Salman Energy Park of Saudi Arabia, a wholly owned subsidiary of Saudi Aramco, for the formation of a joint venture to manage and operate the dry port and bonded logistics zone in the SPARK energy industrial city. Designed to ensure ease of access to global markets. SPARK is a sustainable, global energy hub in Saudi Arabia's Eastern Province. The mega project which spans over 50 square kilometres is a manufacturing, service center and logistics hub for the energy sectors and is an integral part of the Saudi Vision 2030. The future joint venture will be the exclusive operator of the logistic zone inside the SPARK facility.

Telecommunication

- In September 2021, CKHH announced that it has entered into definitive agreement with Ooredoo Telecom to combine their respective Indonesian telecommunications businesses. PT Hutchison 3 Indonesia ("H3I") will be merged into PT Indosat Tbk ("Indosat") and upon merger closing, Indosat will continue as the surviving legal entity and named as PT Indosat Ooredoo Hutchison Tbk ("Indosat Ooredoo Hutchison") and maintain its listing on the Indonesia Stock Exchange. Indosat Ooredoo Hutchison will be jointly controlled by Ooredoo Telecom and CKHH. The transaction is expected to complete by the end of 2021, subject to the shareholders and regulatory approvals.

Finance & Investments and Others

- In July 2021, CK Hutchison Group Telecom prepaid EUR450 million (approximately HK\$4,172 million) of a floating rate term loan facility of EUR2,100 million maturing in October 2022;
- In July 2021, CK Hutchison Group Telecom prepaid EUR1,050 million (approximately HK\$9,734 million) of a floating rate term loan facility of EUR2,100 million maturing in October 2024;
- In July 2021, CK Hutchison Group Telecom prepaid EUR100 million (approximately HK\$927 million) of a floating rate term loan facility maturing in May 2023;
- In July 2021, US\$300 million (approximately HK\$2,340 million) guaranteed perpetual capital securities guaranteed by CKI were issued by Cheung Kong Infrastructure Finance (BVI) Limited;
- In July 2021, CKHH obtained a one year floating rate term loan facility of US\$1,800 million (approximately HK\$14,040 million);
- From July 2021 up to the date of this Offering Circular, CKHH repurchased 11,972,500 of its own shares for approximately HK\$676.5 million (US\$86.7 million) and cancelled 11,882,000 of the shares so repurchased, resulting in a reduction of issued share capital by HK\$12 million; and
- In October 2021, CKHH repaid US\$750 million (approximately HK\$5,850 million) guaranteed notes on maturity.

BUSINESS STRATEGY

In the current global economic environment, CKHH focuses on maintaining financial discipline and the strength of its financial position in order to successfully execute its business strategies. CKHH's overall business strategy is to focus on and continue to cautiously expand its core businesses and its market share in all markets in which it operates, mainly by organic growth, and through selective acquisitions where opportunities exist. CKHH has focused primarily in the markets which it has existing operations and with a stable economic and political environment. CKHH expects to continue to cautiously expand in its core businesses in line with demand for its products and services. CKHH also seeks to establish a strong and diversified local presence in each market in which it operates.

CKHH's divisions have the following specific business strategies:

- The ports and related services division plans to continue to optimise the performance of its existing port operations and to continue to grow and expand its existing position as a leading global competitor in container terminal operations. The division plans to pursue selective expansion opportunities to meet demand in its existing port locations to maintain market share and to cautiously expand into new markets elsewhere around the world. In addition, the division seeks to maximise the operational efficiencies among its global port operations as well as to improve the operating results of the ports through strict cost management strategies in order to maintain stable growth.
- The retail division seeks to build its leading market position by expanding its businesses through organic growth with new store openings mainly in markets with high growth potential. CKHH believes that it can use its retail expertise as a global retailer to expand and continue to grow its operations. In addition to network expansion, the retail division has been creating differentiation through developing its own brand products and building customer relationship management and digital capabilities that provide multi-channel shopping experiences, as well as increase insight into customer preferences to enhance the effectiveness of marketing campaigns. The division will also drive the digital transformation to accelerate the integration of its physical store portfolio and online channels.
- CKI seeks to ascertain further opportunities to invest in infrastructure projects with stable returns and accretive earnings and cashflow profiles.
- CK Hutchison Group Telecom aims to offer its customers the best network quality and coverage. Key strategies include:
 - **Operational strategies.** CKHGT aims to offer its customer the best network quality and coverage through (i) improving its network through data-centric digitalisation to optimise service quality, increase overall network coverage and expand market share; (ii) IT transformation programme, retail point-of-sales, billing systems and new product catalogues to enhance customer experience; and (iii) being actively involved in developing 5G and standardising operation support systems and core network for 5G. CKHGT has already obtained sufficient 5G spectrums in all operations and has launched 5G services in almost all markets in which it operates.
 - **Business strategies.** CKHGT focuses on (i) increasing contract customer base to protect short term volatility; (ii) expanding revenue streams to increase margins and drive growth, including fixed-wireless access, data analytics, accessories sales, and financial services; and (iii) increasing margin by enhancing cost structure and capturing full cost efficiencies from network and IT transformations.

- **Financial strategies.** CKHGT aims to maintain investment grade rating and CKHH's standard of financial management, discipline and system. In addition, CKHGT demonstrates its operational efficiency and disciplined cost control, and aims to maintain a strong balance sheet, through (i) prudent financial management and strong financial flexibility through regular and close cash flow monitoring; (ii) stringent capex approval policies consistent with CKHH's standards; and (iii) strict dividend policy based on net debt to EBITDA threshold, which provides an implicit form of parental support to maintain liquidity of all operating units. In addition, the additional financial capacity resulting from the tower assets disposal proceeds will be used to support CKHGT's future growth and merger and acquisition opportunities.

Ports and Related Services

The ports and related services division comprises Hutchison Ports, and HPH Trust, the 30.07% owned associate listed on the Main Board of the SGX-ST. CKHH is one of the world's largest privately-owned container terminal operators in terms of throughput handled and CKHH has interests in container terminals operating in six of the 10 busiest ports by container throughput in the world⁽¹⁾: Shanghai, the Mainland; Ningbo, the Mainland; Shenzhen, the Mainland; Busan, South Korea, Hong Kong and Rotterdam, the Netherlands. The division handled combined container throughput of 83.7 million TEU and 42.9 million TEU in 2020 and the six months ended 30 June 2021, respectively. As of 30 June 2021, CKHH had interests in 52 ports comprising 288 operational berths⁽²⁾ in 26 countries.

The market for ports and related services is dependent on a variety of factors. The geographic location of each port is important to its traffic flow. A terminal operator must also have sufficient capacity to meet the demands of its customers. In addition, through its interests in Shanghai, Ningbo, and Delta ports and, through its associate HPH Trust, Yantian Port and Huizhou Port, CKHH is one of the largest private container terminal operators in the Mainland. Through its European operations, CKHH is positioned as one of the market leaders in container terminal operations with businesses in the UK, the Netherlands, Belgium, Germany, Spain, Poland and Sweden. CKHH also operates the largest container terminal operation in Indonesia and Thailand. Shipping lines focus on turnaround time at ports in order to minimise the amount of time their vessels spend at ports. CKHH utilises the latest technology and management systems in all of its port operations in order to maximise turnaround performance.

(1) Based on an independent marketing research information source.

(2) Based on 300 metres per berth and is computed by dividing the total berth length by 300 metres, which may be different to the number of physical container berths for vessel mooring. Unless otherwise stated, the number of berths stated elsewhere in this Offering Circular represent the number of physical berths.

The following table set out the container throughput by type of shipment and geographic location, respectively, of the portfolio of ports operated by CKHH's subsidiaries, associates and joint ventures:

Container Throughput⁽³⁾

	Year Ended 31 December 2020	Six Months Ended 30 June 2021
	in thousands of TEU	in thousands of TEU
Local	52,667.6	26,603.9
Transshipment.....	30,999.5	16,324.4
Total	<u>83,667.1</u>	<u>42,928.3</u>
HPH Trust	23,673.4	11,653.3
The Mainland and Other Hong Kong.....	13,505.1	6,753.4
Europe	15,197.0	8,093.4
Asia, Australia and Others.....	31,291.6	16,428.2
Total	<u>83,667.1</u>	<u>42,928.3</u>

HPH TRUST

Yantian Port

YICT, a joint venture between HPH Trust and Shenzhen Yantian Port Group, is located in Da Peng Bay, three kilometres from the Hong Kong border.

HPH Trust has a 56.4% interest in YICT, which owns and manages Phases I and II of Yantian Port, the first deep-water port in the southern Mainland. Phases I and II of Yantian Port provide 130 hectares of yard space, five container berths and one barge berth. Yantian Phase III, in which HPH Trust holds a 51.6% interest, was formed to develop terminal facilities at Phase III and Phase III expansion of Yantian Port. A new container berth at Phase III expansion was put into operation in May 2016. Together they provide a total yard space of 226 hectares and 11 container berths.

HPH Trust holds a 51.6% interest in Yantian West Port Phases I and II, which are adjacent to existing Yantian Port Phases I and II facilities. Yantian West Port Phase I provides one container berth and two barge berths with yard space of 17 hectares. Yantian West Port Phase II has been completed and provides three container berths with yard space of 44 hectares. The first berth of Yantian West Port Phase II commenced operation in February 2016, and the other two berths commenced operation in January 2018.

In June 2021, HPH Trust entered into a joint venture agreement with Shenzhen Yantian Port Group to construct, develop, operate and manage phase I of a container terminal with an approximate size of 120 hectares located in the eastern side of YICT, with an approximately 1,470-metre quay length.

Yantian Port handled throughput of 13.3 million TEU in 2020 and 6.5 million TEU in the six months ended 30 June 2021.

Hong Kong Kwai Tsing Port Operations

HPH Trust holds a 100% interest in HIT. HIT's scope of operations in Hong Kong, one of the busiest ports in the world in terms of throughput in 2020, includes the loading and unloading of containers to and from container vessels, the storage of containers and cargoes and the handling of containers within the container terminal premises. HIT operates 12 container berths and four barge berths at its four terminals at Kwai Tsing. In addition, HIT's

(3) The published statistics from the Hong Kong Marine Department are not directly comparable to the throughput figures of HIT, CHT and ACT HK included in the figure for HPH Trust above. HIT, CHT and ACT HK figures include volumes in relation lighterwork, etc. and are more comparable to statistics used by the industry.

50% joint venture, CHT, operates two container berths and five barge berths at Kwai Tsing. HIT and CHT occupy approximately 141 hectares of terminal space which is held under leases granted by the Hong Kong Government expiring in 2047. Historically, the Hong Kong Government has controlled the amount of land used for container terminals.

HPH Trust currently holds an effective interest of 40% in ACT HK, which owns and operates two container berths at Container Terminal 8 West, adjacent to the HPH Trust's existing container terminals, at Kwai Chung, Hong Kong.

In December 2016, HIT, CHT and ACT HK entered into a Co-Management Agreement for which they will collaborate towards the efficient management and operation of 16 berths across Terminals 4, 6, 7, 8 and 9 in Kwai Tsing, Hong Kong with effect from 1 January 2017.

On 8 January 2019, HIT, CHT, ACT HK and Modern Terminals Limited entered into a Hong Kong Seaport Joint Operating Alliance Agreement (the "Joint Operating Agreement") on which they will collaborate for the efficient management and operation of the 23 berths across Terminals 1, 2, 4, 5, 6, 7, 8 and 9 in Kwai Tsing, Hong Kong. The Joint Operating Agreement has been progressively implemented from 1 April 2019. The alliance has been approved by Hong Kong Competition Commission subject to a number of obligations, which include price caps and maintaining service levels, that will remain in place for up to eight years (and, for one of the service level obligations, for the duration of the Joint Operating Agreement).

Throughput of HIT, CHT and ACT HK together amounted to 10.1 million TEU in 2020 and 5.0 million TEU in the six months ended 30 June 2021.

Huizhou International Container Terminals Limited

HPH Trust holds an effective interest of 41.3% in HICT, the first dedicated container terminal in Huizhou Port, which is located close to the manufacturing hinterland in eastern Guangdong and has two berths, with a total berth length of 800 metres, an area of 60 hectares, a depth alongside of 15.7 metres and approaching channel of 15.2 metres. In December 2016, Hutchison Ports disposed its 80% interest in HICT to HPH Trust.

HICT handled throughput of 270,100 TEU in 2020 and 145,500 TEU in the six months ended 30 June 2021.

Ports in the Mainland and Other Hong Kong

Shanghai Ports

Shanghai was the busiest port in the world in terms of container throughput in 2019 and 2020. Hutchison Ports' interests in Shanghai ports include interests in SMCT, SPICT and SCT. CKHH's Shanghai ports, comprising 17 container berths handled 8.9 million TEU in 2020 and 4.5 million TEU in the six months ended 30 June 2021.

The following table summarises the combined container throughput of CKHH's Shanghai ports:

Shanghai Ports Container Throughput

	Year Ended 31 December 2020	Six Months Ended 30 June 2021
	in thousands of TEU	in thousands of TEU
Local	5,538.5	2,765.0
Transshipment.....	3,392.9	1,776.4
Total	8,931.4	4,541.4

Shanghai Mingdong Container Terminals Limited. Hutchison Ports' interest in SMCT reduced from 50% to 30% following a partial disposal of its interest in June 2020. SMCT, located at Phase V of the Waigaoqiao in Shanghai, consists of four container berths and two barge berths along a 1,300-metre quay. SMCT is currently leasing the Waigaoqiao Phase VI container terminal with three container berths along a 958 metre quay.

Shanghai Pudong International Container Terminals Limited. Hutchison Ports owns a 30% interest in SPICT. SPICT operates three container berths at Phase I of the Waigaoqiao in Shanghai. It also offers supporting services that include a container freight station and reefer facilities.

Shanghai Container Terminals Limited. Hutchison Ports owns a 40% equity interest in SCT, which is a joint venture with Shanghai International Port (Group) Co. Ltd. SCT's Zhanghuabang and Jungonglu terminals are leased to Shanghai International Port (Group) Co. Ltd. for handling domestic cargo.

Other Mainland Ports

Ningbo Beilun International Container Terminals Limited. Ningbo-Zhoushan port was the third busiest port in the world in terms of container throughput in 2019 and 2020. Hutchison Ports holds a 49% interest in NBCT. NBCT is a container-handling facility situated at Ningbo Beilun Port, a natural deep-water port on the southeast coast of China. The facility is situated on 76.2 hectares of land and is equipped with three container berths. NBCT handled 2.1 million TEU in 2020 and 1.0 million TEU in the six months ended 30 June 2021.

Hutchison Delta Ports Limited ("Delta Ports"). Delta Ports, a wholly-owned subsidiary of Hutchison Ports, manages Hutchison Ports' existing interests in river and coastal ports in the Mainland and invests in, develops and operates new river and coastal ports in the Mainland in conjunction with local government entities as its joint venture partners. Delta Ports currently operates and manages joint venture facilities in Nanhai, Jiangmen and Xiamen of which Hutchison Ports' economic interest in the two River Ports (Jiangmen International Container Terminals and Nanhai International Container Terminals) were assigned to HPH Trust prior to its IPO, but Hutchison Ports retains the legal interest in these operations. The two River Ports are 50%-owned joint venture facilities and the Xiamen port is 49%-owned by Hutchison Ports. In November 2018, Hutchison Ports divested its entire 70% interest in Shantou port.

Nanhai, Jiangmen and Xiamen handled a total of 1.5 million TEU and 106,700 tonnes of non-containerised cargo in 2020 and 0.8 million TEU and 10,700 tonnes of non-containerised cargo in the six months ended 30 June 2021.

Huizhou Port Industrial Corporation Limited ("HPIC"). Hutchison Ports holds a 33.59% interest in HPIC. HPIC, located at Quanwan Port zone in the Daya Bay Economic and Technological Development Zone of Huizhou, is a multi-purpose facility that mainly handles non-containerised cargo such as refined oil, sand and cement.

HPIC handled 15.4 million tonnes of oil and other non-containerised cargo in 2020 and 5.9 million tonnes of oil and other non-containerised cargo in the six months ended 30 June 2021.

River Trade Terminal Co. Ltd. ("RTT"). Hutchison Ports has a 50% equity interest in RTT, which handles and consolidates container and break-bulk cargo originating from southern China river ports prior to dispatch to Kwai Tsing, Hong Kong. RTT handled throughput of approximately 1.0 million TEU in 2020 and 0.4 million TEU in the six months ended 30 June 2021.

Ports in Europe

The Netherlands, Germany and Belgium

Europe Container Terminals. Hutchison Ports has a 93.5% equity interest in ECT in Rotterdam, the Netherlands. Through ECT, Hutchison Ports has an 89.37% equity interest in ECT Delta Terminal B.V. and a 60.78% equity interest in Euromax Terminal Rotterdam B.V. in Rotterdam, the Netherlands. ECT is one of the largest container operators in Europe in terms of

container throughput, operating two deep-sea terminals with 10 container berths. ECT also has equity interests in inland facilities in the ports of Venlo and Moerdijk in the Netherlands, Duisburg in Germany and Willebroek in Belgium.

The following table summarises the combined container throughput with respect to ECT:

The Netherlands, Germany and Belgium Container Throughput

	Year Ended 31 December 2020	Six Months Ended 30 June 2021
	in thousands of TEU	in thousands of TEU
Local	5,800.8	2,890.6
Transshipment.....	2,975.4	1,486.8
Total.....	<u>8,776.2</u>	<u>4,377.4</u>

Hutchison Ports Delta II. In June 2021, Hutchison Ports acquired 100% equity interest in Delta II which is adjacent to the existing ECT Delta terminal in Rotterdam.

Amsterdam Container Terminals. Hutchison Ports has a 100% equity interest in ACT which comprises three berths with a total length of 1,015 metres. The operation is currently engaged in general cargo, project cargoes and short-sea container traffic.

TMA Logistics. In December 2017, Hutchison Ports acquired a 50% equity interest in TMA Logistics B.V., which handles general cargo, project cargo and short-sea container traffic together with warehousing, transport and agency operations.

UK

CKHH's UK port operations consist of PFL, LTP and HWH with 11 container berths and 2 non-container berths. CKHH's UK ports handled 3.6 million TEU in 2020 and 1.8 million TEU in the six months ended 30 June 2021. PFL and LTP together handled approximately 37% of the UK container throughput in 2020.

Port of Felixstowe Limited. Hutchison Ports has a 100% equity interest in PFL, the largest container facility in the UK. PFL's terminals include: Trinity, which can berth seven deep-sea container ships at any one time and Dooley, primarily a roll-on/roll-off facility. The 920-metre deep water berths 8 and 9 was extended in 2015 and can handle two of the largest container ships afloat concurrently.

Thamesport (London) Limited. Hutchison Ports has an 80% equity interest in LTP in the UK. LTP is a container and general cargo terminal on the Thames estuary 35 miles from London.

Harwich International (Holdings) Limited. Hutchison Ports has a 100% equity interest in HWH, which is situated one mile from PFL on the opposite side of the Harwich Haven estuary. It has strong links with Northern Europe, particularly through regular passenger and freight roll-on/roll-off services and cruise vessels. It also handles liquid bulk and agricultural products.

The following table summarises the combined container throughput with respect to PFL and LTP:

UK Container Throughput

	Year Ended 31 December 2020	Six Months Ended 30 June 2021
	in thousands of TEU	in thousands of TEU
Local	3,421.6	1,746.8
Transshipment.....	178.9	70.0
Total.....	<u>3,600.5</u>	<u>1,816.8</u>

Spain

Barcelona Europe South Terminal. Hutchison Ports has a 100% equity interest in BEST, which has a 45-year concession, extendable to 50 years, at the Port of Barcelona, Spain. The semi-automated terminal at BEST has a quay length of 1,500 metres. BEST handled 2.0 million TEU in 2020 and 1.3 million TEU in the six months ended 30 June 2021.

Poland

Gdynia Container Terminal. The Port of Gdynia is located on the southern coast of the Baltic Sea, where approximately 97% of Polish sea-borne containerised cargo is handled. Hutchison Ports has a 100% equity interest in GCT at the Port of Gdynia. GCT handled 400,400 TEU in 2020 and 203,600 TEU in the six months ended 30 June 2021.

Sweden

Hutchison Ports Sweden. Hutchison Ports held the right to operate Container Terminal Frihamnen (“CTF”) for 11 years from 1 March 2009 until 31 December 2020. In February 2017, Hutchison Ports signed an agreement with Ports of Stockholm to develop and operate new container-handling facilities at the Port of Nynäshamn (“CTN”), Norvikudden, approximately 60 kilometres south of Stockholm, under a 25-year concession, extendable to 30 years. The new CTN terminal commenced operations at the end of May 2020 and all services at CTF were migrated to CTN in June 2020. CTF was closed and returned to the port authority in June 2020. CTF and CTN handled 49,900 TEU in 2020. CTN handled 23,600 TEU in the six months ended 30 June 2021.

Ports in Asia, Australia and others

Malaysia

Westports Malaysia. Westports Holdings Berhad (“Westports”), Hutchison Ports’ 23.55% listed associate, is listed on the Malaysia Stock Exchange. Westports is the holding company of KMT at Port Klang, Malaysia. KMT is an integrated terminal situated at Port Klang. It offers container-handling services, with the capability of also handling dry bulk, liquid bulk and other conventional cargo. KMT has 20 container berths and handled 10.5 million TEU in 2020 and 5.3 million TEU in the six months ended 30 June 2021.

Indonesia

Jakarta International Container Terminal. Hutchison Ports has a 49% economic interest in JICT, located at Tanjung Priok Port in Jakarta. JICT is the largest terminal port operator in Indonesia with seven container berths. JICT completed its final phase of the expansion programme in November 2016, which has shortened the gate transaction time, and is delivering improved service levels to its customers.

Terminal Petikemas Koja. Hutchison Ports has an effective 45.09% interest in KOJA at Tanjung Priok Port in Jakarta. KOJA is adjacent to JICT and has three container berths. The expansion programme at KOJA has been completed. As a result of the investments associated with this expansion programme, KOJA increased its capacity to approximately 1 million TEU.

In 2014, Hutchison Ports signed conditional agreements for 20-year extensions to the concessions of JICT and KOJA. The agreements became effective on 6 July 2015 following approval from the Indonesian Government.

The following table summarises JICT's and KOJA's container throughput:

Indonesia Container Throughput

	Year Ended 31 December 2020	Six Months Ended 30 June 2021
	in thousands of TEU	in thousands of TEU
Local	2,486.2	1,340.6
Transshipment.....	170.6	82.8
Total.....	2,656.8	1,423.4

South Korea

Hutchison Korea Terminals. Hutchison Ports operates a five-berth deep-water container terminal in Busan, the world's seventh largest container port in terms of throughput in 2020.

Korea International Terminals. Hutchison Ports has an equity interest of 88.9% in KIT. KIT is located at the Gwangyang Port Phase II in South Korea with a total of four berths.

The combined throughput handled by HKT and KIT in South Korea was 2.5 million TEU in 2020 and 1.4 million TEU in the six months ended 30 June 2021.

Thailand

Thai Laemchabang Terminal. Hutchison Ports has an 87.5% interest in TLT, which owns a multi-purpose facility with two container berths. The terminal is located at Laem Chabang Port on the Gulf of Thailand, which is 100 kilometres from Bangkok and 25 kilometres from Pattaya.

Hutchison Laemchabang Terminal. Hutchison Ports has an 80% interest in HLT. CKHH has construction, management and operation rights over an 11-berth facility and 141 hectares of land in Laem Chabang port for 30 years, with an option to renew for two further 10-year periods. Four of the total six terminals are currently in operation with the remaining terminals expected to commence operations in phases.

The terminals in Laem Chabang handled combined throughput of 3.2 million TEU in 2020 and 1.8 million TEU in the six months ended 30 June 2021.

Pakistan

Karachi International Container Terminal. Hutchison Ports has a 100% equity interest in KICT, which is one of the container terminal operators at the Port of Karachi in Pakistan. KICT operates five container berths.

South Asia Pakistan Terminals. Hutchison Ports has a 90% equity interest in SAPT, a new port with a concession period of 25 years, extendable for another 25 years. Operation of the first and second berth of phase one commenced in the fourth quarter of 2016 and in May 2017 respectively. SAPT is situated at the estuary of the Keamari Groyne basin and the new terminal provides convenient access to ships entering Karachi. Upon full completion of the terminal construction, SAPT will have four berths with a total quay length of 1,500 metres, a yard area of up to 85 hectares and depth alongside up to 18 metres.

The terminals in Pakistan handled combined throughput of 1.5 million TEU in 2020 and 0.9 million TEU in the six months ended 30 June 2021.

Vietnam

Saigon International Terminals Vietnam. Hutchison Ports has a 70% interest in SITV. SITV is located approximately 55 kilometres from the Ho Chi Minh City hinterland in Vietnam. It is a modern container terminal situated close to the manufacturing centres in the Ba Ria Vung Tau Province.

Myanmar

Myanmar International Terminals Thilawa. Hutchison Ports has a 100% interest in MITT which has a long-term concession to operate a five berth general cargo and container port facility. The terminal is located 25 kilometres from Yangon, the largest city in Myanmar and the country's international trade portal.

Australia

Brisbane Container Terminals. Hutchison Ports has a 100% equity interest in BCT which operates a container terminal at Berths 11 and 12 in the Port of Brisbane, Queensland, Australia.

Sydney International Container Terminals. Hutchison Ports has a 100% equity interest in SICTL which operates the third container terminal at Port Botany, New South Wales, Australia.

The terminals in Australia handled a combined throughput of 517,400 TEU in 2020 and 328,900 TEU in the six months ended 30 June 2021.

Saudi Arabia

International Ports Services. Hutchison Ports has a 51% interest in IPS, which operates a seven container berths and four multi-purpose berths deep-water facility capable of handling containers, roll-on/roll-off cargo and break-bulk refrigerated cargo at King Abdul Aziz Ports, Dammam, in Saudi Arabia. IPS handled 1.0 million TEU in 2020. IPS's concession expired at the end of September 2020.

Jazan. In February 2021, Hutchison Ports agreed with the Royal Commission in Jubail and Yanbu, to invest and operate multipurpose terminals within the Jazan City for Primary and Downstream Industries in Saudi Arabia which will be developed in two phases and offering a combined total of 1,270 metres of berth length in Phase 1.

Egypt

Alexandria International Container Terminals. Hutchison Ports has an 73.33% interest in two terminals at Ports of Alexandria and El Dekheila on the Mediterranean Sea. In July 2020, the equity shareholding was reduced from 80.33% to 73.33% following a partial disposal of interest. AICT handled 849,700 TEU in 2020 and 445,200 TEU in the six months ended 30 June 2021.

Abu Qir Container Terminal. In August 2020, Hutchison Ports entered into a long-term agreement with the Egyptian Navy to develop and operate a new container terminal in Abu Qir, expected to be operational in 2023.

Oman

Oman International Container Terminal. Hutchison Ports has a 65% interest in a container terminal in the Port of Sohar. The Port of Sohar is located outside the Strait of Hormuz in the Gulf of Oman, approximately 200 kilometres from Muscat and 160 kilometres from Dubai. OICT handled 807,200 TEU in 2020 and 386,700 TEU in the six months ended 30 June 2021. OICT operates Terminal C with a quay length of 970 metres and a depth alongside of 18 metres.

UAE

Hutchison Ajman International Terminals. CKHH was granted a 10-year concession period commencing on 1 January 2012 to develop and operate Ajman Port in the UAE. HAJT is located 25 kilometres from Dubai and 10 kilometres from Sharjah, where most of the UAE's manufacturing and trading companies are located. The main container and general cargo berths

of the terminal have a total quay length of 1,250 metres and a yard area of 12.9 hectares. HAJT handled 160,000 TEU in 2020 and 104,100 TEU in the six months ended 30 June 2021. While a development plan and a longer term extension are under negotiation, an extension agreement was signed with the Department of Ports and Customs in June 2021, extending the current concession for 3+1 years to 31 December 2025.

Hutchison Ports RAK. Hutchison Ports has a 60% equity interest in RAK. In October 2017, CKHH was granted a 25-year concession period to operate at Saqr Port in Ras Al Khaimah of the UAE, located in close proximity to the RAK Maritime City Free Zone and the industrial zones of Al Hamra and Al Ghail. Currently, it has a quay length of 815 metres and a yard area of 20 hectares.

Hutchison Ports UAQ. Hutchison Ports has a 60% equity interest in UAQ. In December 2017, CKHH was granted a concession to operate in Umm Al Quwain of the UAE. Currently, it has a quay length of 845 metres and a yard area of 23 hectares.

Iraq

NAWAH for Ports Management LLC. In July 2017, Hutchison Ports acquired 51% interest in a container terminal in the Port of Basra, an existing port with a concession of 15 years, extendable for 10 years based on mutual agreement with Port Authority. The Port of Basra is located in downtown Basra City, Iraq, on the banks of Shatt Al Arab River. Currently, it has a quay length of 158 metres and a yard area of 2 hectares. Operations are currently being suspended based on management's assessment of the unfavourable operating conditions.

Mexico

CKHH's Mexico port operations consist of operations in Veracruz, Lazaro Cardenas, Ensenada and Manzanillo.

Internacional de Contenedores Asociados de Veracruz. Hutchison Ports has a 100% equity interest in ICAVE, which is located at the Port of Veracruz on the east coast of Mexico. In addition to facilities for handling containers, ICAVE is equipped with a container freight station, intermodal station, and empty container depot and external storage and repair facilities. In April 2016, ICAVE was granted a 20-year extension of the current concession for the relocation of ICAVE's current terminal facilities to the new port of Veracruz, on the east coast of Mexico. In June 2019, ICAVE has commenced operation at the new port of Veracruz.

Lazaro Cardenas Terminal Portuaria de Contenedores ("LCT"). Hutchison Ports has a 100% interest in LCT, which is located in the State of Michoacan, on the Pacific coast of Mexico. Phase I & II of the new terminal development has a total quay length of 930 metres.

Lazaro Cardenas Multipurpose Terminal ("LCMT"). Hutchison Ports has a 100% interest in a multi-purpose terminal, LCMT at the Port of Lazaro Cardenas for a concession period of 20 years. It has a total area of 20 hectares, a 286-metre berth with depth alongside of 14 metres.

Ensenada International Terminal ("EIT"). Hutchison Ports has a 100% equity interest in EIT, located 110 kilometres south of the U.S.-Mexico border along the Pacific Ocean. EIT is a multi-use terminal oriented to manage containers and bulk goods. In February 2017, EIT was granted a 20-year extension of the current concession.

The following table summarises the combined container throughput with respect to the Mexico operations:

Mexico Container Throughput

	Year Ended 31 December 2020	Six Months Ended 30 June 2021
	in thousands of TEU	in thousands of TEU
Local	1,869.1	1,024.9
Transshipment.....	233.1	197.4
Total.....	<u>2,102.2</u>	<u>1,222.3</u>

Argentina

Buenos Aires Container Terminal Services. Hutchison Ports has a 100% equity interest in BACTSSA, which is located at Terminal 5 at the Port of Buenos Aires, Argentina. BACTSSA handled 221,200 TEU in 2020 and 91,000 TEU in the six months ended 30 June 2021. In August 2019, BACTSSA has agreed with the local port authority for a 1-year extension to the then 4-year concession which expired in May 2020. The extended concession has expired in May 2021, but the Court has ordered the Port Authority to suspend end of concession procedures for six months to resolve dispute with BACTSSA on concession extension matters.

The Bahamas

Freeport Container Port. Hutchison Ports has a 51% interest in FCP on Grand Bahama Island in the Bahamas serving as a transshipment hub for the eastern seaboard of the U.S. and the east/west line haul routes through the region. The facility has more than 1,000 metres of quay and 49 hectares of container yard. FCP handled 1.3 million TEU in 2020 and 0.8 million TEU in the six months ended 30 June 2021.

Panama

Panama Ports Company. Hutchison Ports has a 90% interest in PPC, which operates the ports of Balboa on the Pacific Ocean side and Cristobal on the Atlantic Ocean side of the Panama Canal, under a long-term concession agreement and has created a modern post-Panamax transshipment facility with 8 container berths. The ports of Cristobal and Balboa provide the link and strategic access for the transatlantic and transpacific trades to the east and west coasts of the Americas. In addition, Balboa is strategically located to participate in the transshipment trade between Asia, the west coast of the U.S., and the west and east coasts of Central and South America and the Caribbean.

The following table summarises Panama's container throughput:

Panama Container Throughput

	Year Ended 31 December 2020	Six Months Ended 30 June 2021
	in thousands of TEU	in thousands of TEU
Local	213.3	121.2
Transshipment.....	2,870.6	1,647.8
Total.....	<u>3,083.9</u>	<u>1,769.0</u>

Tanzania

Tanzania International Container Terminal Services. In March 2020, Hutchison Ports decreased its shareholding from 66.5% to 60% in TICT, which is located at Dar es Salaam. TICT has a total quay length of 725 metres and a yard area of 14 hectares. TICT handled 601,600 TEU in 2020 and 325,100 TEU in the six months ended 30 June 2021.

Port Related Services

Hongkong United Dockyards Limited (“HUD”) provides both marine and general engineering services, including those from its Tsing Yi facility which includes a floating dry-dock and workshops complex. In addition to ship maintenance and repair, HUD is a contractor for mechanical and electrical engineering and is also interested in steel fabrication. HUD is the largest tug operator in Hong Kong, deploying 13 tugs. The operation provides services including harbour towage, off-shore towage, salvage, and oil spill response, as well as tug design, new building, supervision and project consultancy. It also operates six vessels on long-term contracts for maritime transportation of refuse for the Hong Kong Government. HUD also has a structural steel cut and bend facility on the premises.

Hutchison Ports has a 50% interest in Freeport Harbour Company (“FHC”), a major cruise ship passenger terminal on Grand Bahama Island in the Bahamas. FHC also held a 100% interest in The Grand Bahama Airport Company, which operates the international airport on the island. FHC have disposed 100% interest of The Grand Bahama Airport Company on 31 May 2021.

Hutchison Ports has a 100% equity interest in Ensenada Cruiseport Village (“ECV”) in Mexico, which is an important international port for worldwide and Pacific Coast cruise ships. ECV also has marina facilities.

Hutchison Ports has a 100% equity interest in Terminal Internacional de Manzanillo (“TIMSA”). TIMSA is a multi-purpose stevedoring operation, which provides services at the Port of Manzanillo, Mexico. The port is strategically situated along the west coast of Mexico and is connected to major trade routes linking the Americas and Asia.

Hutchison Ports has a 100% equity interest in Talleres Navales del Golfo in Mexico, which provides maintenance, technical support, conservation and repair services to vessels, platforms and other kinds of maritime structures.

Hutchison Ports has an 80% economic interest in Terminal Intermodal Logistica de Hidalgo, which operates an intermodal terminal in the Mexican State of Hidalgo, strategically situated near Mexico City.

Hutchison Ports has a 20.83% interest in Hong Kong Air Cargo Terminals Ltd in Hong Kong, which provides air cargo handling services to airlines at Hong Kong International Airport.

Hutchison Ports has a 3.56% (after share dilution on 17 September 2021) interest in Orient Overseas (International) Limited, a company listed on the Hong Kong Stock Exchange.

HPH Trust has a 100% interest in Asia Port Services, which operates ancillary services including container depots, trucking, feeder and a shipping agency.

In July 2020, HPH Trust increased its interest in Shenzhen Hutchison Inland Container Depots Co., Ltd from 81.7% to 86.57%. Shenzhen Hutchison Inland Container Depots Co., Ltd operates a container depot and warehousing facilities in Shenzhen in the Mainland to provide logistics services, including cargo consolidation, storage and distribution, quality inspection, warehousing, container storage and repair, transportation and other related services. This facility serves to enhance container traffic through Yantian Port.

In October 2019, Hutchison Ports entered into definitive agreements with KA Petra Sdn Bhd (“KA Petra”), a ship-to-ship transfer specialist in Malaysia, to jointly develop what is expected to be the world’s largest ship-to-ship transfer hub in Malaysia. Under the terms of the agreements, KA Petra is expected to have 70% interest in the project, whilst Hutchison Ports will have a strategic 30% stake. The transaction is subject to satisfaction of certain conditions precedent including obtaining regulatory approvals.

Retail

CKHH's strategy in its retail operation is to continue to build on its portfolio, through a policy of carefully managed growth, while tightly controlling costs. CKHH believes that it can leverage the retail expertise gained to expand and grow its retail operations through digital transformation to accelerate the integration of its physical store portfolio and online channels. As customers become increasingly cost and quality conscious, CKHH strives to provide customers with quality products at competitive prices through its exclusives and own brand products. As of 30 June 2021, CKHH operates retail businesses across 27 markets, predominantly in Europe, Hong Kong, the Mainland and other markets in Asia. CKHH believes that significant benefits flow from the economies of scale inherent in operating a global retail organisation. All A.S. Watson's retail stores are rented, preserving the operational flexibility of the division. As of 30 June 2021, CKHH's interest in A.S. Watson is 75.05%.

In May 2019, A.S. Watson's China supermarket business completed the formation of a joint venture with Yonghui Superstores Co. Limited ("Yonghui") and Tencent Holdings Limited ("Tencent") to create the largest grocery retail business in Guangdong, China. The joint venture has combined the PARKnSHOP China supermarket asset with Yonghui's portfolio in Guangdong and leverages Tencent's digital and data analytical capabilities. Subsequent to the joint venture formation, A.S. Watson, Yonghui and Tencent holds 40%, 50% and 10% interest in the joint venture respectively.

In September 2020, A.S. Watson and Al-Futtaim jointly announced that they have reached an exclusive franchise agreement to launch the flagship health and beauty brand Watsons in the Gulf Cooperation Council ("GCC"). The first store was opened in Dubai, the United Arab Emirates, in October 2020.

All the numbers of stores quoted in the following paragraphs are as of 30 June 2021 unless otherwise specified.

Health & Beauty China

Watsons China is the leading retailers of health and beauty products in the Mainland with 4,134 stores.

Health & Beauty Asia

The Watsons business is the leading retailer of health and beauty products in Asia with strong brand name recognition and extensive geographical coverage with 574 stores in Taiwan, 585 in Malaysia, 937 in the Philippines, 193 in Hong Kong and Macau, 595 in Thailand, 98 in Singapore, 153 in Indonesia, 7 in Vietnam and 342 in Turkey. There were 3 stores for the franchise business with Al-Futtaim located in the GCC.

Health & Beauty Western Europe

A.S. Watson owns 7 leading retail chains (Kruidvat, Trekpleister, Rossmann, Superdrug, Savers, The Perfume Shop and ICI Paris XL) with 5,670 stores in Western Europe.

A.S. Watson owns Superdrug and Savers in the UK and Ireland. Superdrug is one of the UK's leading health & beauty retailers operating 799 stores. Savers, a chain of discount health and beauty stores in the UK, has 513 stores. The company also owns a specialty perfumery retailer, The Perfume Shop in the UK and Ireland, which comprises 220 perfumery stores in the UK and Ireland.

ICI Paris XL is another leading perfumery chain in Europe with 283 stores in the Netherlands, Belgium and Luxembourg.

A.S. Watson also owns 3 leading retail chains (Kruidvat, Trekpleister and Rossmann) with 3,855 stores in Western Europe.

Health & Beauty Eastern Europe

A.S. Watson owns 3 leading retail chains (Rossmann, Drogas and Watsons) with 2,468 stores in 7 countries (Poland, Hungary, Czech Republic, Latvia, Lithuania, Russia and Ukraine) in Eastern Europe.

Other Retail

PARKnSHOP is a leading supermarket chain with 268 locations in Hong Kong and Macau. It is one of the market leaders in Hong Kong and has further expanded its offerings into the higher end food retailing market through branded store formats. In the Southern part of the Mainland, PARKnSHOP Yonghui operates supermarkets, selling fresh food, general merchandise and household products, with 76 stores in Guangdong Province.

Fortress is one of the leading retailers of consumer electronics and electrical appliances in Hong Kong. The chain of 78 Fortress stores throughout Hong Kong and Macau offers a wide range of products and after-sales product services.

Watson's Wine is one of the leading Hong Kong wine retailers with 25 outlets in Hong Kong and Macau. The outlet in the Mainland was closed in February 2020.

The manufacturing division of A.S. Watson manufactures and distributes local and international branded drinking water, juices and other beverages in both Hong Kong and the Mainland.

A.S. Watson's "Watsons" brand is one of the leading brands of drinking water in Hong Kong. A.S. Watson's water business continues to develop in the Mainland, with strong sales in the Southern region, Shanghai and Beijing. "Mr. Juicy" is one of the best-selling brands of fruit juice in Hong Kong and is also increasingly distributed throughout the Southern Mainland.

Infrastructure

CKI

CKHH's current interest in CKI, a subsidiary listed on the SEHK, is 75.67%⁽¹⁾. Based on the closing price of its shares on the SEHK on 30 June 2021, CKI had a market capitalisation of approximately HK\$122,726 million (approximately US\$15,734 million) and became one of the Hang Seng Index constituents on 14 March 2016.

CKI looks for projects with strong economic fundamentals and prefers to invest in operational projects or in projects that are already under construction in order to benefit from immediate or imminent cashflow and to reduce project development risks. CKI's objective is to obtain a relatively secure investment return from its infrastructure businesses by ensuring a stable minimum financial return, with the potential for participation in excess profits. In addition, it has focused on diversification and globalisation initiatives and will continue to pursue opportunities when they arise.

Certain regulated operations of CKI's investments are subject to price control by regulatory authorities. The relevant regulatory authorities will reset the price control terms for certain projects in accordance with predetermined schedules.

(1) Based on CKHH's profit sharing ratio in CKI.

The following table summarises certain information with respect to CKI:

CK Infrastructure Holdings Limited

	<u>Year Ended/ As of 31 December 2020</u>	<u>Six Months Ended/ As of 30 June 2021</u>
Profit attributable to shareholders.....	HK\$7,320 million	HK\$3,011 million
Earnings per share	HK\$2.91	HK\$1.20
Dividend per share.....	HK\$2.47	HK\$0.69
Equity attributable to shareholders of CKI – shareholders' funds	HK\$111,442 million	HK\$115,024 million
Net debt.....	HK\$19,111 million	HK\$28,046 million
Net debt to net total capital ratio.....	13.1%	19.0%

CKI's current interest in Power Assets, a HK-listed associate, is 35.96%.

Power Assets Holdings Limited

Power Assets is listed on the SEHK. Based on the closing price of its shares on the SEHK on 30 June 2021, Power Assets had a market capitalisation of approximately HK\$101,698 million (approximately US\$13,038 million). Power Assets completed the separate listing of its Hong Kong electricity business by way of the listing of the share stapled units jointly issued by HKEI on the Main Board of the SEHK on 29 January 2014. Power Assets currently holds 33.37% of HKEI which became an associated company of Power Assets following its separate listing. HKEI's wholly-owned subsidiary, Hongkong Electric, generates, transmits and is the sole distributor of electricity to Hong Kong Island and Lamma Island. Currently, Hongkong Electric supplies electricity to over half a million customers. Total unit sales in 2020 were 10,134 million kWh, a 3.7% decrease from the 10,519 million kWh sold in 2019.

The operations of Hongkong Electric are subject to the Scheme of Control Agreement ("SCA") with the Hong Kong Government.

In April 2017, Hongkong Electric and HKEI signed a new SCA with the Hong Kong Government for a period of 15 years commencing 1 January 2019. The agreement provides for an 8% permitted rate of return on average net fixed assets.

Power Assets holds a 45% interest in Jinwan Power Plant in the Mainland as of 30 June 2021. The operation rights of Zhuhai Power Plant and Siping Cogen Power Plant, in which Power Assets previously had 45% interest, ceased in 2019.

Power Assets also holds 45% interests in two wind farms, one 48 MW farm in Dali, Yunnan Province and one 49.5 MW farm in Laoting, Hebei Province.

Power Assets has a 25% interest in Ratchaburi Power Company Limited, which owns and operates a 1,400 MW gas-fired power plant project located in Ratchaburi Province, Thailand.

Power Assets also holds interests in the following operations:

- 40% interest in UK Power Networks (CKI's direct interest: 40%);
- 8% interest in Northumbrian Water (CKI's direct interest: 52%);
- 41.29% interest in Northern Gas Networks (CKI's direct interest: 47.06%);
- 36% interest in Wales & West Utilities (CKI's direct interest: 39%);
- 10% interest in UK Rails (CKI's direct interest: 65%);
- 25% interest in Seabank Power (CKI's direct interest: 25%);
- 27.93% in each of SA Power Networks, Powercor and CitiPower (CKI's direct interest in each: 23.07%);
- 27% interest in Dutch Enviro Energy (CKI's direct interest: 45.5%);

- 50% interest in Portugal Renewable Energy (CKI's direct interest: 50%) which was disposed of in October 2020;
- 27.51% interest in AGN (CKI's direct interest: 44.97%);
- 50% interest in Australian Energy Operations (CKI's direct interest: 50%);
- 20% interest in CK William Group (CKI's direct interest: 40%);
- 50% interest in Wellington Electricity (CKI's direct interest: 50%);
- 50% interest in Canadian Power (CKI's direct interest: 50%);
- 10% interest in Park'N Fly (CKI's direct interest: 65%); and
- 48.75% interest in HMLP (CKI's direct interest: 16.25%).

Power Assets may pursue other international investment opportunities on a selective basis including equity investments in infrastructure assets and, where appropriate, participating in partnership with CKI.

The following table summarises certain information with respect to Power Assets:

Power Assets Holdings Limited

	<u>Year Ended/ As of 31 December 2020</u>	<u>Six Months Ended/ As of 30 June 2021</u>
Profit attributable to shareholders.....	HK\$6,132 million	HK\$2,509 million
Earnings per share	HK\$2.87	HK\$1.18
Dividend per share.....	HK\$2.81	HK\$0.78
(Net cash)/Net debt.....	(HK\$1,787 million)	HK\$274 million

UK Projects

UK Power Networks Holdings Limited

CKI and Power Assets each currently hold a 40% interest in UK Power Networks, which comprises three regional networks with a distribution area that covers London, the South East and the East of England. These networks serve over 8.4 million customers and provide approximately 28% of the electrical power in the UK. In addition, UK Power Networks' businesses include a non-regulated business comprising the distribution of electricity to a number of privately owned sites.

Northumbrian Water Group Limited

CKI and Power Assets hold a 52% and 8% interest in Northumbrian Water, respectively. Northumbrian Water is one of the ten regulated water and sewerage companies in England and Wales and provides water and waste water services to approximately 2.7 million people in the North East of England and water services to approximately 1.9 million people in the South East of England. In addition, Northumbrian Water's operations include Kielder Reservoir, the largest man-made reservoir in Northern Europe, as well as a portfolio of long term water and waste water contracts. CKHH's effective interest in Northumbrian Water is 45.53%.

Northern Gas Networks Holdings Limited

CKI and Power Assets currently hold a 47.06% and a 41.29% interest, respectively in Northern Gas. It is one of the eight major gas distribution networks in the UK. The region contains a mixture of large cities (Newcastle, Sunderland, Leeds, Hull and Bradford) and a significant rural area including North Yorkshire and Cumbria. Northern Gas delivers gas to 2.7 million homes and businesses.

Wales & West Utilities

CKI and Power Assets currently hold a 39% and 36% interest, respectively, in Wales & West Utilities, which is a gas distribution network that serves Wales and the South West of England. Wales & West Utilities provides service to a population of 7.5 million and the network covers an area of 42,000 square kilometres. The total length of main gas pipeline is about 35,000 kilometres. CKHH's effective interest in Wales & West Utilities is 42.31%.

UK Rails

CKI and Power Assets hold a 65% and 10% interest, respectively, in UK Rails which in turn owns Eversholt UK Rails Group, one of the three major rolling stock owning companies that were established at the time of privatisation of the UK rail industry. UK Rails offers a diverse range of rolling stock, including regional, commuter and high speed passenger trains, as well as freight locomotives, on long term contracts to train and freight operating companies. CKHH's effective interest in UK Rails is 56.91%.

Seabank Power Limited

CKI, together with Power Assets, holds a 50% interest in Seabank Power, which owns and operates Seabank Power Station located near Bristol, England and comprises two combined cycle gas turbine generating units with an aggregate capacity of approximately 1,150 MW.

Southern Water Group

CKI holds a 4.75% interest in Southern Water which is a regulated business which supplies fresh, quality drinking water to approximately 2.5 million customers, as well as treating and recycling waste water from approximately 4.6 million customers in the South East of England across Sussex, Kent, Hampshire and the Isle of Wight.

Other Continental European Projects

Dutch Enviro Energy Holdings B.V.

CKI and Power Assets hold 45.5% and 27% interest, respectively, in Dutch Enviro Energy which in turn owns AVR. AVR is principally engaged in the business of waste processing and production and supply of sustainable energy from the incineration of waste in the Netherlands. CKHH's effective interest in Dutch Enviro Energy is 45.28%.

Portugal Renewable Energy

CKI, together with Power Assets owned a 100% interest (on a 50/50 basis) in Portugal Renewable Energy, which in turn owns a 100% interest in Iberwind. Iberwind was principally engaged in the business of electricity generation from wind power in Portugal. Its portfolio comprised 31 wind farms with a power generation capacity of 726 MW with an annual production of 1.80 TWh. Disposal of CKI's and Power Assets' respective 50% interest in Portugal Renewable Energy was completed in October 2020.

ista

CKI holds a 35% interest in ista, a fully integrated energy management services provider which provides submetering services across 22 countries and over 13 million dwellings.

Australian Projects

CKI, together with Power Assets, owns a 51% interest (CKI: 23.07%; Power Assets: 27.93%) in:

- SA Power Networks, the owner and manager of South Australia's primary electricity distributor, which delivers electricity to 897,000 residential and business customers. The network has a route length of over 89,000 kilometres including over 400 zone substations, 76,000 transformers and 616,000 poles;

- Powercor, the owner and manager of the largest electricity distributors in Victoria, Australia, which delivers electricity to approximately 844,000 customers in central and western Victoria and Melbourne's outer western suburbs; and
- CitiPower, owns and operates a distribution network which supplies electricity to approximately 332,000 customers in Melbourne's central business district and inner suburbs. These customers include some of Australia's largest companies and most important cultural and sporting icons.

CKI, together with Power Assets, owns a 100% interest (on a 50/50 basis) in Australian Energy Operations Pty Ltd which owns and operates 71 kilometres of transmission lines and terminal stations in Victoria, Australia that connect Mount Mercer, Lal Lal, Moorabool and Ararat wind farms to the national power grid.

CKI, together with Power Assets, owns a 72.48% interest (CKI: 44.97%; Power Assets: 27.51%) in AGN, one of the largest natural gas distribution companies in Australia with approximately 25,000 kilometres of natural gas distribution networks and 1,400 kilometres of transmission pipelines serving around 1.345 million customers in South Australia, Victoria, Queensland, New South Wales and the Northern Territory. CKHH's effective interest in AGN is 52% (including economic benefit interest).

CKI, together with Power Assets, owns a 60% interest (CKI: 40%; Power Assets: 20%) in CK William Group, an international owner and operator of energy utility assets, providing low emissions and remote energy generation solutions, gas transmission through the Dampier Bunbury Pipeline in Western Australia and distribution of gas and electricity in Victoria. CK William Group is also an operator of energy utility assets in the U.S., Canada and Europe.

New Zealand Projects

Wellington Electricity Distribution Network

CKI, together with Power Assets, owns a 100% interest (on a 50/50 basis) in Wellington Electricity, which supplies electricity to the city of Wellington, the capital of New Zealand. The distribution network extends to the Porirua and Hutt Valley regions of New Zealand and has a system length of over 4,700 kilometres.

Enviro (NZ) Limited

CKI holds a 100% interest of EnviroNZ, a diversified, vertically integrated waste management business that has national coverage across New Zealand. It is one of only two vertically integrated waste collection and disposal companies operating throughout New Zealand, offering waste-related services to approximately half a million commercial and household customers via collection services, landfills and transfer stations across the country.

Canadian Projects

Canadian Power Holdings Inc.

CKI, together with Power Assets, owns a 100% interest (on a 50/50 basis) in Canadian Power, which is the owner of Meridian Cogeneration Plant and Okanagan Wind and owns a 49.99% partnership interest in TransAlta Cogeneration, L.P.. The Meridian Cogeneration Plant is a natural gas-fired cogeneration plant with an installed capacity of 220 MW in Saskatchewan, Canada. TransAlta Cogeneration, L.P. has ownership stakes in four electricity generation plants in Canada with total capacity of approximately 1,064 MW. Okanagan Wind operates two wind farms located in the Okanagan region of British Columbia, Canada with a combined capacity of approximately 30 MW. The wind farms supply electricity to a Canadian electric utility in the province of British Columbia under a 40-year power purchase agreement until 2057.

Park'N Fly

CKI and Power Assets holds a 65% and 10% interest, respectively, in Park'N Fly, an off-airport car park business in Toronto, Vancouver, Montreal, Edmonton, Ottawa and Winnipeg. CKHH's effective interest in Park'N Fly is 56.91%.

Husky Midstream Limited Partnership

CKI, together with Power Assets, owns 65% interest (CKI: 16.25%; Power Assets: 48.75%) in HMLP, which holds a portfolio of oil pipeline assets in Canada including approximately 2,200 kilometres of oil pipeline across the provinces of Alberta and Saskatchewan, oil storage capacity of 4.9 million barrels at the Hardisty and Lloydminster terminals, and other ancillary assets in Alberta and Saskatchewan.

Reliance

CKI holds a 25% interest in Reliance, building equipment services sector providing water heaters, HVAC equipment, comfort protection plans and other services to homeowners in Canada and the United States, serving approximately 1.9 million customers.

Mainland Projects

Power Plants

Through Power Assets, CKI has interests in a power project with an aggregate design capacity of 1,200 MW in the Mainland as of 30 June 2021. The following table summarises certain information with respect to such power project.

<u>Business</u>	<u>Business Scale</u>	<u>Power Assets' Interest⁽¹⁾</u>	<u>Commencement Date of Operations</u>	<u>Expiration Date</u>
Jinwan Power Plant	Two units of coal-fired power plants with a total installed capacity of 1,200 MW	45.0%	February 2007	2035

⁽¹⁾ This represents the approximate share of Power Assets' contribution to the total investment of each project in the form of registered capital contribution as of 30 June 2021. It does not necessarily represent either the profit distribution ratio or the ratio of the distribution of assets upon the termination or expiration of the joint venture.

Wind Farms

Through Power Assets' 45% interests, CKI has interests in two wind farms, one 48 MW farm in Dali, Yunnan Province and one 49.5 MW farm in Laoting, Hebei Province.

Roads and Bridges in the Mainland

As of 30 June 2021, CKI had interests in various projects with a total length of 140 kilometres of toll roads and 9.8 kilometres of toll bridges in the Mainland.

In December 2019, Tangshan Tangle Road ceased operations. In October 2020, Jiangmen Chaolian Bridge was disposed of.

The following table summarises certain information with respect to CKI's transportation projects in the Mainland as of 30 June 2021:

CKI'S TRANSPORTATION PROJECTS

Business	Business Scale (kilometres "km")	CKI's Interest %⁽¹⁾	Commencement Date of Operation	Expiration Date
Shantou Bay Bridge	2.5 km toll bridge ⁽²⁾	30.0	December 1995	2028
Shen-Shan Highway (Eastern Section)	140.0 km toll road	33.5	November 1996	2028
Panyu Beidou Bridge.....	3.3 km toll bridge	40.0	January 2001	2024

⁽¹⁾ This represents the approximate share of CKI's contribution to the total investment of each project in the form of registered capital contribution and shareholders' loans as of 30 June 2021. It does not necessarily represent either the profit distribution ratio or the ratio of the distribution of assets upon the termination or expiration of the joint venture.

⁽²⁾ The toll bridge including the approach roads is 6.5 kilometres in length.

Infrastructure Materials

CKI, through Green Island Cement (Holdings) Limited ("Green Island"), Green Island International (BVI) Limited, Alliance Construction Materials Limited ("ACML") and other subsidiaries and associates, is an integrated construction materials manufacturer involved in the production, distribution and sale of cement, concrete, asphalt, limestone and aggregates.

Cement

Green Island operates an integrated cement business, starting from resource extraction and going through development and cement manufacturing to ultimate down-stream distribution in both Hong Kong and the Mainland. In addition, Green Island is involved in the disposal of solid waste (principally fly ash) which is produced as a waste product of power generation by coal-fired power stations.

Concrete

ACML is a major producer of concrete and aggregates in Hong Kong. ACML has one quarry in operation in the Mainland with probable aggregate reserves adequate for consumption for the next decade. ACML has an annual production capacity of approximately 3.2 million cubic metres of concrete and 3.0 million tonnes of aggregates.

Energy

From January 2021 onwards, after the completion of merger between Cenovus Energy and Husky Energy, CKHH's share of Cenovus Energy's results were reported under Finance & Investments and Others segment and the energy business no longer constitutes a core business of CKHH. CKHH's 40.19% sharing of Husky's results included in the Energy division for the years ended 31 December 2018, 2019 and 2020 and the six months ended 30 June 2020 have been reclassified to the Finance & Investments and Others segment to conform with the six months ended 30 June 2021 presentation.

Telecommunications

CKHH is one of the world's leading mobile telecommunications operators and one of the first operators in the world to offer 3G services primarily under the brand name "Three" or "3". The mobile telecommunications businesses span across six countries in Europe, Hong Kong and Macau, as well as four countries in the Asia-Pacific region.

CKHH's telecommunications division currently comprises:

- CK Hutchison Group Telecom, which consolidates 3 Group Europe (comprising unlisted mobile businesses in the UK, Sweden, Denmark, Austria (including fixed-line business), Ireland and Italy (including fixed-line business)) and listed subsidiary HTHKH (in which CKHH currently holds an approximate 66.09% interest) comprising mobile businesses in Hong Kong and Macau;
- mobile operations in Indonesia, Vietnam and Sri Lanka; and
- an approximate 87.87% interest in HTAL, a listed subsidiary in Australia, which has a 25.05% interest in TPG Telecom Limited (formerly known as Vodafone Hutchison Australia or "VHA").

CKHH has made substantial investments to build mobile telecommunications operations in certain key mature mobile telecommunications markets in Europe, Hong Kong and Macau, and Australia, and continues to leverage the strong network coverage and capacity in the Indonesia, Vietnam and Sri Lanka markets to grow its customer base organically. CKHH intends to continue to grow its mobile telecommunications businesses and remain profitable, as well as grow profitability through the expansion of data service offerings and competitive tariff plans to stimulate customer growth.

As part of its strategy, CKHH has formed alliances with leading international telecommunications providers and investors including:

- Investor AB, the largest diversified holding company in Sweden;
- Telefonica, one of the largest telecommunications companies in the world;
- Conexus Mobile Alliance, one of Asia's biggest mobile alliances;
- Vodafone, one of the world's largest telecommunications companies;
- Etisalat, one of the leading telecommunication groups in emerging markets; and
- Cellnex Telecom ("Cellnex"), a leading infrastructure operator for wireless telecommunications and broadcasting in Europe.

In July 2018, CKHH announced that it had reached an agreement to acquire the entire interest of Veon in the Wind Tre joint venture at a cash consideration of €2.45 billion. The transaction was completed in September 2018. Subsequent to the completion, Wind Tre became a wholly-owned subsidiary of CKHH.

In July 2020, the structural separation to form a new telecommunication infrastructure company with 29,100 sites across six European countries, CK Hutchison Networks ("CKHN"), into a wholly-owned subsidiary of CK Hutchison Group Telecom was completed. In November 2020, CKHH entered into an agreement to dispose of its European telecommunications tower assets to Cellnex for an aggregate consideration of €10 billion. Following the transactions, CKHH will be able to increase its focus on developing its networks and IT platforms, and will retain the option to accelerate the rollout of its 5G networks, while benefiting from significant additional financial capacity to support future growth and opportunities. The disposals of tower assets in Denmark, Austria and Ireland, pursuant to this agreement, were completed in December 2020. Disposals of the remaining tower assets in Sweden and Italy were completed in January 2021 and June 2021 respectively, with the disposal of tower assets in the UK which is currently undergoing regulatory approval. Pursuant to the agreement with Cellnex, upon completion of disposal of the respective tower assets, a local master services agreement will be entered into between the relevant tower company and CKHH's respective mobile business in that jurisdiction, and the tower company will provide telecommunications infrastructure services and built-to-suit services to the respective mobile business in that relevant jurisdiction in the ordinary and usual course of business.

In September 2021, CKHH announced that it has entered into definitive agreement with Ooredoo Telecom to combine their respective Indonesian telecommunications businesses. PT Hutchison 3 Indonesia (“H3I”) will be merged into PT Indosat Tbk (“Indosat”) and upon merger closing, Indosat will continue as the surviving legal entity and named as PT Indosat Ooredoo Hutchison Tbk (“Indosat Ooredoo Hutchison”) and maintain its listing on the Indonesia Stock Exchange. Indosat Ooredoo Hutchison will be jointly controlled by Ooredoo Telecom and CKHH. The transaction is expected to complete by the end of 2021, subject to the shareholders and regulatory approvals.

CK Hutchison Group Telecom

In July 2019, CKHH formed a new wholly-owned telecommunication holding company, CK Hutchison Group Telecom Holdings Limited, which consolidates CKHH’s 3 Group Europe and HTHKH under one holding entity (collectively CK Hutchison Group Telecom or CKHGT), providing a diversified telecommunication asset platform across eight geographical locations. In August 2019, the investment grade-rated CK Hutchison Group Telecom refinanced all external debt of Wind Tre of approximately €10 billion, and has started generating interest cost savings from 2020 onwards. In December 2020, the disposals of tower assets to Cellnex in Denmark, Austria and Ireland, were completed in December 2020 and CKHGT recognised a gain of HK\$16,583 million (US\$2,126 million). In 2021, the disposals of tower assets to Cellnex in Sweden and Italy were completed in January and June 2021 respectively, resulting in a gain of approximately HK\$25.3 billion (US\$3.2 billion).

Key Business Indicators (“KBIs”)

The KBIs for the businesses of CK Hutchison Group Telecom as included in CKHH’s 2021 Interim Report are as follows:

	Registered Customers Base					
	Registered Customers at 30 June 2021 ('000)			Registered Customer Growth (%) from 31 December 2020 to 30 June 2021		
	Non-contract	Contract	Total	Non-contract	Contract	Total
UK	5,074	7,827	12,901	-8%	+3%	-2%
Italy ⁽¹⁾	10,950	10,044	20,994	-2%	-3%	-2%
Sweden	709	1,558	2,267	+4%	+2%	+3%
Denmark	638	844	1,482	+3%	-1%	+1%
Austria	874	2,495	3,369	-6%	-4%	-5%
Ireland	813	1,964	2,777	-2%	+10%	+6%
3 Group Europe						
Total	19,058	24,732	43,790	-4%	–	-2%
HTHKH	2,433	1,423	3,856	+1%	–	+1%
	Active ⁽²⁾ Customers Base					
	Active Customers at 30 June 2021 ('000)			Active Customer Growth (%) from 31 December 2020 to 30 June 2021		
	Non-contract	Contract	Total	Non-contract	Contract	Total
UK	1,719	7,730	9,449	-22%	+3%	-3%
Italy ⁽¹⁾	9,751	9,479	19,230	-2%	-2%	-2%
Sweden	654	1,558	2,212	+4%	+2%	+3%
Denmark	632	844	1,476	+3%	-1%	+1%
Austria	355	2,488	2,843	+4%	-4%	-3%
Ireland	813	1,964	2,777	-2%	+10%	+6%
3 Group Europe						
Total	13,924	24,063	37,987	-4%	–	-1%
HTHKH	1,810	1,423	3,233	-2%	–	-1%

**12-month Trailing Average Revenue per Active User
("ARPU")⁽³⁾ to 30 June 2021**

	<u>Non-contract</u>	<u>Contract</u>	<u>Blended Total</u>	% Variance compared to 30 June 2020
UK.....	£4.97	£21.98	£18.24	+3%
Italy ⁽⁶⁾	€10.62	€12.57	€11.58	-1%
Sweden.....	SEK116.54	SEK312.78	SEK255.81	-7%
Denmark.....	DKK86.38	DKK145.41	DKK120.65	-4%
Austria.....	€11.82	€21.93	€20.73	+1%
Ireland.....	€14.72	€16.57	€15.99	-14%
3 Group Europe Average	€10.22	€19.11	€15.75	-
HTHKH.....	HK\$8.78	HK\$194.60	HK\$91.05	-3%

**12-month Trailing Net Average Revenue per Active User
("Net ARPU")⁽⁴⁾ to 30 June 2021**

	<u>Non-contract</u>	<u>Contract</u>	<u>Blended Total</u>	% Variance compared to 30 June 2020
UK.....	£4.97	£15.04	£12.82	+2%
Italy.....	€10.62	€11.21	€10.91	-1%
Sweden.....	SEK116.54	SEK206.73	SEK180.55	-4%
Denmark.....	DKK86.38	DKK134.58	DKK114.36	-4%
Austria.....	€11.82	€18.11	€17.36	+1%
Ireland.....	€14.72	€12.74	€13.37	-16%
3 Group Europe Average	€10.22	€14.69	€13.00	-1%
HTHKH.....	HK\$8.78	HK\$171.24	HK\$80.71	-2%

**12-month Trailing Net Average Margin per Active User
("Net AMPU")⁽⁵⁾ to 30 June 2021**

	<u>Non-contract</u>	<u>Contract</u>	<u>Blended Total</u>	% Variance compared to 30 June 2020
UK.....	£4.34	£13.29	£11.32	+3%
Italy.....	€9.16	€9.66	€9.41	+2%
Sweden.....	SEK100.51	SEK180.59	SEK157.34	-2%
Denmark.....	DKK73.01	DKK111.36	DKK95.27	-4%
Austria.....	€10.13	€16.09	€15.39	-
Ireland.....	€13.50	€11.55	€12.16	-15%
3 Group Europe Average	€8.86	€12.87	€11.35	+1%
HTHKH.....	HK\$7.51	HK\$148.39	HK\$69.89	-4%

⁽¹⁾ In addition to that set out in the table, Wind Tre has 2.9 million fixed line customers.

⁽²⁾ An active customer is one that generated revenue from an outgoing call, incoming call or data/content service in the preceding three months.

⁽³⁾ 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.

⁽⁴⁾ 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.

⁽⁵⁾ 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.

⁽⁶⁾ Wind Tre's ARPU for the period ended 30 June 2020 has been restated to conform with the definition of **3** Italy before the merger with WIND.

3 Group Europe

Overview

As a leading global player in the mobile telecommunications arena, 3 Group Europe is continuing to look towards the development of new services and network enhancement. 3 Group Europe is continuing to upgrade their network capabilities and enhance customer experience to ensure that their service quality meets market demands.

With the upgrade of CKHH's networks for increased speed and capacity and the increasing demand for smartphone and related products, 3 Group Europe has become a significant competitor and, in some countries, the market leader in the provision of mobile broadband internet access and high speed mobile data services on smartphones or mobile devices.

CKHH's 3 Group Europe includes mobile telecommunications businesses in the UK, Italy (including fixed-line business), Sweden, Denmark, Austria (including fixed-line business) and Ireland. As of 30 June 2021, 3 Group Europe had approximately 43.8 million registered mobile customers and 38.0 million active mobile customers.

UK

CKHH currently has a 100% interest in 3 UK, which is one of four networks licensed to operate a national 3G, 4G (LTE) and 5G network in the UK. The current network coverage by population exceeds 98%. 3 UK launched 4G (LTE) services in December 2013, with its 4G (LTE) network coverage by population reaching 94% as of 30 June 2021, and launched its 5G services in August 2019.

3 UK holds the following spectrum which it uses optimally to operate national 3G, 4G (LTE) and 5G services.

Licence	Spectrum Lot	Blocks	Paired/ Unpaired	Available Spectrum	Expiry
700 MHz.....	5 MHz	2	Paired	20 MHz	Indefinite
800 MHz.....	5 MHz	1	Paired	10 MHz	Indefinite
1400 MHz	5 MHz	4	Unpaired	20 MHz	Indefinite
1800 MHz	5 MHz	3	Paired	30 MHz	Indefinite
2100 MHz	5 MHz	3	Paired	30 MHz	Indefinite
2100 MHz	5 MHz	1	Unpaired	5 MHz	Indefinite
3400 MHz	5 MHz	4	Unpaired	20 MHz	Indefinite
3500 MHz	40 MHz	1	Unpaired	40 MHz	Indefinite
3600 MHz	80 MHz	1	Unpaired	80 MHz	Indefinite
3900 MHz	84 MHz	1	Unpaired	84 MHz	Indefinite
28 GHz (National)	112 MHz	2	Unpaired	224 MHz	Indefinite
28 GHz (Regional)	112 MHz	2	Unpaired	224 MHz	Indefinite
40 GHz	1000 MHz	2	Unpaired	2000 MHz	Indefinite

Revenue for the six months ended 30 June 2021 increased by 5% in local currency to £1,176 million compared to the first half of 2020. EBITDA of £252 million remains flat compared to the first half of 2020, mainly driven by improvements in other margins from MVNOs, together with lower costs associated to acquisition and retention activities due to lockdown, fully offset the lower net customer service margin from lower weighted average customer base. EBIT of £44 million decreased by 49% in local currency compared to the first half of 2020, mainly due to increased depreciation from higher asset base driven by IT investments and accelerated 5G network rollout.

3 UK has a shared network agreement with Everything Everywhere Limited via its 50/50 joint venture Mobile Broadband Network Limited. The shared network currently has over 98% outdoor coverage of the UK population.

Italy

Prior to 5 November 2016, CKHH held a 97.414% shareholding interest in **3 Italia S.p.A.**, which operated one of four national mobile networks in Italy. The remaining 2.586% shareholding in **3 Italia S.p.A.** was held by Private Equity International S.A. (“PE International”), a company belonging to the Intesa Sanpaolo group, one of the leading Italian banking groups.

On 5 November 2016, CKHH and Veon formed a joint venture company, VIP-CKH Luxembourg S.à r.l. (“VCL”), in which CKHH and Veon each indirectly owned a 50% interest. VCL combined the ownership and operations of the Italian telecommunications businesses of **3 Italia S.p.A.** and WIND Acquisition Holdings Finance S.p.A. under VCL’s wholly-owned subsidiary, Wind Tre. The combined businesses trade under the “Wind”, “Tre”, and “Wind Tre Business” brands.

CKHH’s 50% interest in VCL includes a 1.293% indirect economic interest in VCL received by PE International in exchange for its 2.586% shareholding in **3 Italia S.p.A.** prior to 5 November 2016.

In September 2018, CKHH acquired the entire interest of Veon in the Wind Tre joint venture at a cash consideration of €2.45 billion. Wind Tre became a wholly-owned subsidiary of CKHH and contributed accretively as a wholly-owned subsidiary for four months in 2018. As of 30 June 2021, Wind Tre had approximately 21.0 million registered mobile customers and approximately 2.9 million fixed-line customers.

Wind Tre’s 4G (LTE) network coverage by population reached 100% as of 30 June 2021. Wind Tre launched its 5G services in 2020.

As of 31 December 2018, Wind Tre had incurred indebtedness under certain notes and loan facilities (both drawn and undrawn) in an aggregate principal amount of €10.7 billion on the back of security over the shares of capital stock of Wind Tre, certain subordinated shareholder loans advanced to Wind Tre and certain other assets held by Wind Tre. All such indebtedness and security have been discharged and released respectively in August 2019.

The results of the telecommunications businesses in Italy included in CKHH’s consolidated income statement for the years ended 31 December 2019 and 2020 represented CKHH’s 100% contribution, whereas 2018 was based on 50% contribution from Wind Tre from January to August and 100% from September to December. In addition, the accounting standards require CKHH to account for Wind Tre’s assets and liabilities at their acquisition-date fair values when Wind Tre became a joint venture and again when it became a subsidiary of CKHH. Accordingly, adjustments to the results of the telecommunications businesses in Italy have been made as a result of the acquisitions when CKHH’s interest in Wind Tre is incorporated into CKHH’s consolidated results.

Revenue for the six months ended 30 June 2021 decreased by 10% in local currency to €2,085 million, while EBITDA of €892 million and EBIT €373 million decreased by 7% and 35% in local currency respectively, compared to the first half of 2020. The lower EBITDA was mainly driven by intense competition resulting in revenue decline, partly offset by cost savings and certain dispute settlement benefit in the first half of 2021. The lower EBIT was mainly due to higher depreciation and amortisation from the enlarged asset base as network enhancement continues.

Wind Tre holds the following spectrum for use in operating a national mobile network.

Licence	Spectrum Lot	Blocks	Paired/ Unpaired	Available Spectrum	Expiry
800 MHz.....	5 MHz	2	Paired	20 MHz	2029
900 MHz.....	5 MHz	2	Paired	20 MHz	2029
1800 MHz	5 MHz	4	Paired	40 MHz	2029
2000 MHz	5 MHz	2	Unpaired	10 MHz	2029
2100 MHz	5 MHz	4	Paired	40 MHz	2029
2600 MHz	5 MHz	4	Paired	40 MHz	2029
2600 MHz	15 MHz	2	Unpaired	30 MHz	2029
3600 MHz	20 MHz	1	Unpaired	20 MHz	2037
27 GHz	200 MHz	1	Unpaired	200 MHz	2037

Scandinavia

CKHH has a 60% interest in Hi3G Access, which owns and operates 3G and 4G mobile telecommunications networks in Scandinavia. Investor AB (publ), an owner of high quality Nordic-based international companies, holds the remaining 40% interest.

The mobile telecommunications businesses in Scandinavia comprise operations in Sweden and Denmark. CKHH has invested in these businesses through Hi3G Access, which also provides central management and financial control.

Pursuant to the agreement with Cellnex, the disposal of tower assets in Sweden was completed in January 2021. Result comparison below was made against normalised first half 2020 results which exclude the proforma contribution from tower assets of 3 Sweden for comparability purpose.

In Sweden, revenue for the six months ended 30 June 2021 was SEK3,259 million, which was flat compared to the first half of 2020 in local currency. Total margin in 2021 reported 5% growth in local currency compared to the first half of 2020 primarily driven by a growth of 7% in active customers. On a normalised basis and in local currency, EBITDA and EBIT for the six months ended 30 June 2021 was SEK1,037 million and SEK451 million, 6% and 2% higher than the first half of 2020 respectively, primarily driven by the total margin growth, stringent control on total CACs, partly offset by higher operating costs and depreciation and amortization from enlarged network base and new spectrum licence acquired in early 2021.

Pursuant to the agreement with Cellnex, the disposal of tower assets in Denmark was completed in December 2020. Result comparison below was made against normalised first half 2020 results which exclude the proforma contribution from tower assets of 3 Denmark for comparability purpose.

In Denmark, revenue for the six months ended 30 June 2021 was DKK1,102 million, representing a decrease of 2% in local currency as compared to the first half of 2020. Total margin reported a 1% decrease in the first half of 2021 in local currency compared to the first half of 2020, primarily driven by more adverse lockdown impact with all shops being closed for two months during the first half of 2021. On a normalised basis and in local currency, EBITDA and EBIT of DKK342 million and DKK139 million were 1% and 5% lower than the first half of 2020 respectively, primarily due to the reduced total margin as mentioned above.

Sweden

Hi3G Access has a licence to operate a national mobile network in Sweden. Hi3G Access's 4G (LTE) network coverage by population reached 93% as of 30 June 2021, with over 98% in the most densely populated southern part of the country.

Hi3G Access holds the following spectrum for use in operating a national mobile network.

Licence	Spectrum Lot	Blocks	Paired/ Unpaired	Available Spectrum	Expiry
800 MHz.....	10 MHz	1	Paired	20 MHz	2035
900 MHz.....	5 MHz	1	Paired	10 MHz	2025
1800 MHz	5 MHz	1	Paired	10 MHz	2027
2100 MHz	20 MHz	1	Paired	40 MHz	2025
2100 MHz	5 MHz	1	Unpaired	5 MHz	2025
2600 MHz	10 MHz	1	Paired	20 MHz	2025
2600 MHz	50 MHz	1	Unpaired	50 MHz	2023
3500 MHz ⁽¹⁾	100 MHz	1	Unpaired	100 MHz	2046

⁽¹⁾ Spectrum acquired in January 2021.

3G Infrastructure Services AB (“3GIS”), a 50/50 joint venture with Telenor Sverige AB, constructs and operates a UMTS infrastructure network in certain areas of Sweden.

During 2020, 3 Sweden launched Sweden’s largest 5G network on 2100 MHz covering six cities and achieved 15% population coverage by end of 2020, enabling Sweden’s first 5G call between two cities (Stockholm and Uppsala). In 2021, with the newly acquired 3.5 GHz, 3 Sweden launched 5G in Gothenburg, covering large parts of the inner city. The whole city is expected to be covered during 2021 along with major parts of Stockholm and Malmo.

Denmark

Hi3G Denmark, a wholly-owned subsidiary of Hi3G Access, has one of four licences to operate a national mobile network in Denmark. Hi3G Denmark’s 4G (LTE) network coverage by population was 100% as of 30 June 2021.

Hi3G Denmark holds the following spectrum for use in operating a national mobile network.

Licence	Spectrum Lot	Blocks	Paired/ Unpaired	Available Spectrum	Expiry
700 MHz.....	10 MHz	1	Paired	20 MHz	2040
900 MHz.....	10 MHz	1	Paired	20 MHz	2034
900 MHz.....	5 MHz	1	Paired	10 MHz	2034
1800 MHz	5 MHz	2	Paired	20 MHz	2032
1800 MHz	10 MHz	2	Paired	40 MHz	2032
2100 MHz	15 MHz	1	Paired	30 MHz	2021
2100 MHz	5 MHz	1	Unpaired	5 MHz	2021
2100 MHz ⁽¹⁾	10 MHz	1	Paired	20 MHz	2042
2100 MHz ⁽¹⁾	5 MHz	2	Paired	20 MHz	2042
2600 MHz	10 MHz	1	Paired	20 MHz	2030
2600 MHz	5 MHz	5	Unpaired	25 MHz	2030
3.5 GHz ⁽¹⁾	80 MHz	1	Unpaired	80 MHz	2042
3.5 GHz ⁽¹⁾	10 MHz	4	Unpaired	40 MHz	2042
26 GHz ⁽¹⁾	400 MHz	1	Unpaired	400 MHz	2042
26 GHz ⁽¹⁾	200 MHz	3	Unpaired	600 MHz	2042

⁽¹⁾ Spectrum acquired in April 2021.

Hi3G Denmark also holds an equal equity interest (25% equity share) with Telenor, Telia and TDC A/S in 4T af 1. Oktober 2012 ApS. The purpose of the joint venture is to provide mobile payment services in the Denmark market.

Since December 2016, Hi3G Denmark holds an equal equity interest (25% equity share) of OCH A/S with Telenor, Telia and TDC A/S. The purpose of this joint venture is to implement and handle number portability within the Danish telecommunications market.

During 2020, **3** Denmark launched a live 5G cluster outside Copenhagen in 2020. In 2021, **3** Denmark had launched 5G in smaller geographical areas and is expected to launch 5G in the two biggest cities Århus and Copenhagen during Q4 2021.

Austria

CKHH's wholly-owned subsidiary, **3** Austria, is one of three companies licensed to operate a national mobile and fixed-line network in Austria.

3 Austria's 4G (LTE) network coverage by population reached 96% as of 30 June 2021.

During 2020, **3** Austria rolled out 200 sites, with 5G population coverage at 25% as of 30 June 2021. The operation expects to roll out 600 sites in 2021 and to reach 5G population coverage of 35% by the end of 2021.

In January 2013, **3** Austria completed the acquisition of a 100% interest in Orange Austria. Together with the licences acquired following the acquisition of Orange Austria, **3** Austria holds the following spectrum for use in operating a national mobile network.

<u>Licence</u>	<u>Spectrum Lot</u>	<u>Blocks</u>	<u>Paired/ Unpaired</u>	<u>Available Spectrum</u>	<u>Expiry</u>
900 MHz.....	5 MHz	1	Paired	10 MHz	2034
1800 MHz	5 MHz	4	Paired	40 MHz	2034
2600 MHz	5 MHz	5	Paired	50 MHz	2026
2600 MHz	25 MHz	1	Unpaired	25 MHz	2026
3500 MHz	10 MHz	10	Unpaired	100 MHz	2039
700 MHz ⁽¹⁾	5 MHz	2	Paired	20 MHz	2044
1500 MHz ⁽¹⁾	10 MHz	3	Unpaired	30 MHz	2044
2100 MHz ⁽¹⁾	5 MHz	4	Paired	40 MHz	2044

⁽¹⁾ Spectrum acquired in October 2020.

In September 2019, **3** Austria was the first Austrian provider to launch 5G commercially with new offers and devices.

Pursuant to the agreement with Cellnex, the disposal of tower assets in Austria was completed in December 2020. Result comparison below was made against normalised first half 2020 results which exclude the proforma contribution from tower assets of **3** Austria for comparability purpose.

Revenue for the six months ended 30 June 2021 was €425 million, representing an increase of 2% in local currency when compared to the first half of 2020. EBITDA and EBIT was €161 million and €89 million for the six months ended 30 June 2021 respectively, representing a decrease of 5% and 9% respectively in local currency as compared to the first half of 2020 on a normalised basis, mainly due to higher network related expenses due to network expansion, higher total CACs and operating costs, partly offset by higher contribution in other margin from MVNOs.

Ireland

3 Ireland is one of the three companies licensed to operate a national mobile network in the Republic of Ireland. In July 2014, Hutchison completed the acquisition of O₂ Ireland for €780 million with an additional deferred payment of €70 million payable dependent upon achievement of agreed financial targets.

3 Ireland's 4G (LTE) network coverage by population reached 99% as of 30 June 2021.

Together with the licences acquired following the acquisition of O₂ Ireland in 2014, **3** Ireland holds the following spectrum for use in operating its national network.

<u>Licence</u>	<u>Spectrum Lot</u>	<u>Blocks</u>	<u>Paired/ Unpaired</u>	<u>Available Spectrum</u>	<u>Expiry</u>
800 MHz.....	5 MHz	2	Paired	20 MHz	2030
900 MHz.....	5 MHz	3	Paired	30 MHz	2030
1800 MHz	5 MHz	7	Paired	70 MHz	2030
2100 MHz	5 MHz	6	Paired	60 MHz	2022
2100 MHz	5 MHz	1	Unpaired	5 MHz	2022
3600 MHz	5 MHz	20	Unpaired	100 MHz	2032

Pursuant to the agreement with Cellnex, the disposal of tower assets in Ireland was completed in December 2020. Result comparison below was made against normalised first half 2020 results which exclude the proforma contribution from tower assets of 3 Ireland for comparability purpose.

Revenue for the six months ended 30 June 2021 in local currency decreased 5% to €279 million compared to the first half of 2020. EBITDA and EBIT for the first half of 2021 was €87 million and €23 million, respectively, representing a decrease of 8% and 36%, respectively, in local currency as compared to the first half of 2020 on a normalised basis, driven by 5% lower total margin mainly due to lower net AMPU from reduced out of bundle spend and the dilutive impact of higher mix of low value Internet of things (IoT) customers, which more than offsets the customer base growth. The adverse variance is partly offset by stringent control on total CACs and operating cost. The lower EBIT also reflected higher depreciation and amortisation from an enlarged asset base.

Hutchison Telecommunications Hong Kong Holdings Limited

Overview

HTHKH operates mobile telecommunications services in Hong Kong and Macau marketed under the 3 brand. In May 2019, HTHKH completed the acquisition of the entire 24.1% non-controlling interest in each of Hutchison Telephone Company Limited and Hutchison 3G HK Holdings Limited, which held HTHKH's mobile telecommunications business, for a consideration of US\$60 million (approximately HK\$471 million). The transaction has increased HTHKH's shareholding in these subsidiaries from 75.9% to 100% after completion.

Based on the closing price of HTHKH's shares on the SEHK on 30 June 2021, HTHKH had a market capitalisation of approximately HK\$7,373 million (approximately US\$945 million).

In April 2020, HTHKH launched 5G network services in Hong Kong. The operation aims to also further strengthen its 5G network coverage in 2021.

On 27 July 2021, HTHKH announced Post-IFRS 16 profit attributable to shareholders of HK\$31 million (US\$4 million) for the six months ended 30 June 2021.

Hong Kong and Macau Mobile

HTHKH provides services to approximately 3.2 million active customers as of 30 June 2021 in Hong Kong and Macau.

HTHKH holds a unified carrier licence (“UCL”) in Hong Kong, under which it currently operates. HTHKH currently holds the following spectrum:

<u>Licence</u>	<u>Spectrum Lot</u>	<u>Blocks</u>	<u>Paired/ Unpaired</u>	<u>Available Spectrum</u>	<u>Expiry</u>
900 MHz.....	5 MHz	1	Paired	10 MHz	2036
900 MHz.....	5 MHz	1	Paired	10 MHz	2026
1800 MHz ⁽¹⁾	11.6 MHz	1	Paired	23.2 MHz	2021
2100 MHz.....	14.8 MHz	1	Paired	29.6 MHz	2031
2300 MHz.....	30 MHz	1	Unpaired	30 MHz	2027
2600 MHz ⁽²⁾	5 MHz	1	Paired	10 MHz	2028
2600 MHz ⁽²⁾	15 MHz	1	Paired	30 MHz	2024
3300 MHz.....	30 MHz	1	Unpaired	30 MHz	2034
3500 MHz.....	40 MHz	1	Unpaired	40 MHz	2035

⁽¹⁾ The existing spectrum in the 1800 MHz band will be renewed from 23.2 MHz to 30 MHz in September 2021 for 15 years.

⁽²⁾ Held by Genius Brand Limited, a 50/50 owned joint venture between HTHKH and Hong Kong Telecommunications (HKT) Limited.

In 2018, HTHKH exercised a right of first refusal offered by the Office of Communications Authority of Hong Kong and was selected as a preferred bidder in a spectrum auction. Accordingly, HTHKH will hold 10 MHz in the 900 MHz spectrum band for a 15-year term commencing from 12 January 2021 and 30 MHz in the 1800 MHz spectrum band for a 15-year term commencing from 30 September 2021 after expiry of the existing licences. The total spectrum utilisation fee was HK\$2,040 million. After the spectrum auction in 2019, HTHKH acquired 30 MHz in the 3300 MHz band for a spectrum utilisation fee of HK\$199.5 million for 15 years from 2019, as well as 40 MHz in the 3500 MHz band for a spectrum utilisation fee of HK\$202 million for 15 years from 2020.

HTHKH also holds the following spectrum for use in operating its mobile network in Macau:

<u>Licence</u>	<u>Spectrum Lot</u>	<u>Blocks</u>	<u>Paired/ Unpaired</u>	<u>Available Spectrum</u>	<u>Expiry</u>
900 MHz.....	5 MHz	1	Paired	10 MHz	2023
1800 MHz.....	10 MHz	1	Paired	20 MHz	2023
2100 MHz.....	5 MHz	1	Paired	10 MHz	2023

European Union Regulation

EU telecoms regulatory framework – the European Electronic Communications Code (“EEC Code”) and the BEREC Regulation

Individual national regulatory authorities (“NRA(s)”) regulate **3** Group Europe businesses in the EU under national laws, EU directives which are implemented into national laws and EU regulations which are directly effective (“EU Framework”).

The EEC Code came into effect on 20 December 2018 and Member States were to transpose into national legislation by 21 December 2020. On 23 September 2021, the European Commission (“Commission”) wrote to eighteen of the twenty-seven EU Member States, including four of the Member States in which the **3** Group Europe businesses operate (Austria, Ireland, Italy and Sweden), for their failure to fully implement the EEC Code.

The EEC Code follows the previous EU Framework and provides for, among other things, the way in which telecommunications operators are authorised to operate, the terms for access to, and interconnection between, the operators’ networks, principles for ensuring the universal availability of a basic set of telecommunications services at affordable prices and the principles and coordination procedures for the development of a coherent EU radio spectrum policy.

The EEC Code also contains provisions to: harmonise further the management of spectrum; reduce regulations surrounding access to infrastructure (e.g. fixed-line networks) where the operator has significant market power (“SMP”); revise the definition of the universal service obligation; implement new consumer protection rules that will regulate internet based (“over-the-top” or “OTT”) communication services and fully harmonise many consumer protection measures across the EU (e.g. maximum contract periods, rights of termination where customer terms have changed, new rules and transparency measures with respect to bundled packages, mandated one day recipient-led porting of mobile numbers); and set a single maximum EU-wide mobile voice termination rate (“MT Rate”) for the whole EU. The Commission’s stated objective is to increase the availability of fast broadband connections and the EEC Code contains measures to encourage investment in fast broadband connections, principally fibre. This is partly achieved by reducing the regulation of access to new fibre infrastructure, which may make it more difficult for competitors to access the fibre infrastructure of fixed-line incumbents, including the mobile backhaul services needed by Mobile Networks Operators (“MNOs”). The EEC Code also contains provisions that would allow NRAs to impose national roaming or infrastructure sharing to improve coverage of telecoms networks.

The EEC Code still requires the NRAs to conduct market reviews periodically with respect to markets recommended by the Commission to require ex ante regulation. The NRAs may only impose remedies (such as price controls and non-discrimination obligations) on operators in identified markets if they have been designated as having SMP, which concept accords with the concept of “dominance” under existing EU competition laws. In December 2020 the Commission adopted a new Recommendation on relevant product and service markets. The previous version of the Recommendation included the markets for mobile and fixed voice call termination, but with the introduction of the single maximum EU-wide mobile voice termination rate and the single maximum EU-wide fixed voice termination rate (see further below), these markets have been removed from the latest Recommendation. The list of markets in the Recommendation requiring ex ante regulation is non-exhaustive, and NRAs have the discretion to examine other markets not identified by the Commission.

In order to ensure consistency in the implementation and interpretation across the EU, the EEC Code contains powers for the Commission, as well as processes for collaboration among the NRAs, and between the NRAs and the Commission.

The Commission has now published the regulation to set a single maximum EU-wide mobile voice termination rate and a single maximum EU-wide fixed voice termination rate: the maximum EU-wide mobile voice termination rate is 0.2 eurocents per minute and the maximum EU-wide fixed voice termination rate is 0.07 eurocents per minute. The caps apply from 1 July 2021 subject to derogations and exceptions contained in the regulation. The following derogations allow providers of mobile voice termination services to apply the following maximum mobile voice termination rates: (a) up to 31 December 2021, 0.7 eurocents per minute; (b) from 1 January 2022 to 31 December 2022, 0.55 eurocents per minute; (c) and from 1 January 2023 to 31 December 2023, 0.4 eurocents per minute. Provided that a derogation does not apply to a member state where there is a prescribed exception for that member state in the regulation e.g. in Italy, the applicable mobile termination rate is 0.67 eurocents per minute up to 31 December 2021.

In addition to the EEC Code, the European Parliament and European Council agreed to formalise and enhance the Body of European Regulators of Electronic Communications (“BEREC”) in a revised BEREC Regulation which came into effect on 20 December 2018. The BEREC Regulation contains a provision to cap the retail prices of international calls and SMS made by persons in their home Member State to persons in other Member States at 19 eurocents per minute and 6 eurocents per SMS respectively, with effect from 15 May 2019.

International roaming

The Telecoms Single Market Regulation adopted in 2015 sets price controls on the wholesale international roaming charges for voice, SMS and data roaming that MNOs based in the EU can charge other operators based in the EU, and on the retail international roaming charges that EU operators can charge their customers while roaming on mobile networks in other Member States within the EU:

Retail price caps

- From 15 June 2017, customers are charged their domestic prices when roaming, subject to a fair use policy, which will allow operators to limit international roaming in the EU at the domestic prices to periodic travel.
- On 15 December 2016, the Commission adopted an implementing regulation to define the fair use policy and “sustainability” mechanism. The Commission’s fair use policy is the minimum amount of EU roaming services that operators must offer their customers at domestic prices. For roaming traffic that exceeds the fair use limit, retail international roaming prices will be capped at the domestic price plus a surcharge equal to the wholesale cap. The Telecoms Single Market Regulation requires that operators must be able to recover their costs and the sustainability mechanism defines the test that NRAs must apply if an operator claims that it cannot sustainably offer roaming at domestic prices.

Wholesale price caps

- The latest wholesale price caps which came into effect from 1 January 2021 are: 3.20 eurocents per minute for wholesale voice roaming, 1 eurocent per SMS and, for data, 3.00 euros per gigabyte. The voice and SMS caps will remain unchanged until 30 June 2022 whereas the wholesale data price cap will decrease to 2.50 euros per gigabyte from 1 January 2022.

In addition, regulations were adopted in 2012 to introduce structural changes to the way roaming services are provided to allow new forms of competition in the international roaming market from, *inter alia*, MVNOs and resellers. In particular, the regulation obliges MNOs to enable their customers to choose a local provider of data roaming services (a “local break-out” or LBO provider) from 1 July 2014.

The roaming aspects of the Telecoms Single Market Regulation are due to expire on 30 June 2022. On 24 February 2021 the Commission published draft legislation to replace and extend the regulation of roaming until 30 June 2032 and to maintain the requirement on MNOs to charge their customers their domestic prices when roaming, subject to a fair use policy (“Proposed Roaming Regulation”). The Proposed Roaming Regulation sets new wholesale price

caps decreasing from July 2022 to January 2025 when they will be 1.50 euros per gigabyte for data, 1.90 eurocents per minute for voice and 0.30 eurocents per SMS. The Proposed Roaming Regulation also contains obligations on home networks to provide the same quality of service as available domestically, “when technically feasible”. Similarly, visited networks must offer all technologies that are available to wholesale roaming partners. The European Parliament and European Council are now scrutinising the draft legislation and there may be amendments before it comes into force.

Net neutrality

The Telecoms Single Market Regulation imposes obligations on operators not to discriminate in their treatment of data traffic (commonly referred to as “net neutrality”). The Regulation requires providers of publicly available “internet access services” to treat all data traffic equally. It also gives end-users the right to access and distribute information and content, via their internet access service, and use and provide applications and services and terminal equipment of their choice, regardless of location, origin or destination of the information, content, application or service. The Regulation allows “reasonable” traffic management, which must be transparent, non-discriminatory and reasonable and not based on commercial considerations. BEREC guidelines address commercial practices, traffic management, specialised services and transparency requirements. In particular, they prohibit offers that limit the websites that can be accessed (“sub-internet offers”), and impose restrictions on tethering, certain zero rating offers (where data use does not count against the consumer’s allowance) and network based blocking of content, including blocking of advertising. NRAs are responsible for enforcing the Regulation and are to take utmost account of BEREC’s guidelines.

The Regulation requires the Commission to review the net neutrality provisions of the Telecoms Single Market Regulation and report to the European Parliament and European Council. The Commission published the first such review on 30 April 2019 and concluded that there was no need to amend the Regulation at that time.

Spectrum

On 14 March 2012, the European Parliament and Council adopted the Radio Spectrum Policy Programme (“RSPP”). The RSPP is a Decision that sets the strategic objectives for spectrum policy in the EU. One such objective is to identify sufficient spectrum for wireless broadband. In that regard, the RSPP required European Member States to authorise the use of the 800 MHz band for mobile operators by 1 January 2013, with derogations possible only until 31 December 2015. By a decision adopted on 17 May 2017, Member States were required to assign the 694-790 MHz band to wireless broadband services by 30 June 2020, with the possibility of an extension of up to 2 years in duly justified cases. In addition, the EEC Code requires Member States to assign the 3.4-3.8 GHz band and at least 1 GHz in the 24.25-27.5 GHz band by 31 December 2020.

The Radio Spectrum Policy Group has announced that it intends to review the RSPP and make recommendations for changes in light of the EEC Code.

Data protection

The General Data Protection Regulation (“GDPR”) was adopted in April 2016 and came into effect on 25 May 2018, when it replaced the 1995 Data Protection Directive. The GDPR is directly effective and does not need to be implemented in national laws. It applies to all data controllers and data processors in the EU that are processing personal data, and those outside the EU that target data subjects in the EU. The GDPR introduces new rights for data subjects, such as the right to be forgotten and data portability, and strengthens existing obligations on data controllers in obtaining consents and to ensure their systems and procedures are compliant (privacy by design and by default), and requires data controllers to maintain a data processing register. Fines for failing to comply with the GDPR can be up to 4% of worldwide annual revenue.

In July 2020, the Court of Justice of the European Union (“ECJ”) in the *Schrems II* case ruled that the EU-US Privacy Shield data transfer mechanism was no longer lawful. The Court found that the Commission’s standard contractual clauses (“SCCs”) for transferring personal data to non-EU countries remained valid but ruled that the data exporter needed to consider the

law and practice of the country to which data will be transferred, especially if public authorities may have access to the data and, if necessary, put in place additional contractual, organisational and/or technical safeguards. As a result, when using SCCs, organisations will need to verify on a case-by-case basis that the personal data being transferred will be adequately protected in the destination country in line with the requirements of EU law, e.g. that the level of protection is “essentially equivalent” to that guaranteed within the European Union by the GDPR, read in light of the European Union Charter of Fundamental Rights.

The Commission has since published new SCCs in order to comply with the ECJ ruling in *Schrems II*. The SCCs currently in force will need to be replaced with the new SCCs by late December 2022.

E-privacy

On 10 January 2017, the Commission published its legislative proposals to revise the e-Privacy Directive. The Directive would be replaced by an e-Privacy Regulation that would regulate not only electronic communications services, as is currently the case, but also internet based (OTT) communication services. There is a stricter requirement to obtain consent for the use of personal or meta data, revisions to the requirement to obtain consent for cookies, rules on data breach notification and higher fines for breaches of the Regulation (up to 4% of worldwide annual turnover, in line with the fines in the GDPR). Member States have proposed a range of amendments. It is expected that the new regulation will be adopted in Q4 2021.

Proposed EU Regulation on digital services and digital markets

Under its Digital Strategy, the Commission announced it would propose legislation to regulate digital services. To this end, on 15 December 2020 the Commission published two draft regulations: the Digital Services Act (“DSA”) and the Digital Markets Act (“DMA”).

Draft Digital Services Act

The DSA regulates the content and services provided by online intermediaries such as Internet service providers, cloud services, messaging services, marketplaces, app stores and social networks. It requires all providers of intermediary services, including telecoms operators when providing Internet access, to comply with transparency obligations and to cooperate with national authorities. Hosting services have, in addition, a notice and action obligation to tackle illegal content. Online platforms (hosting services that disseminate information to the public on the request of the user) have further obligations, including to provide a complaints mechanism, to ensure traceability of their business users and to provide transparency of online advertising. Platforms that have more than 45 million users are termed “very large online platforms” and will be subject, in addition, to reporting obligations and external audit of their activities.

Draft Digital Markets Act

The DMA regulates the economic behaviour of online platforms that act as digital “gatekeepers”. These are defined as businesses that control at least one “core platform service” (that is, online intermediary services, search engines, social networking, video sharing, messaging, operating systems, cloud services and advertising services) and which meet certain size criteria. Electronic communications networks and services are currently excluded from the scope of the regulation. The regulation of the behaviour of gatekeepers may affect its commercial relationships with electronic communications network operators.

Both draft regulations are now being scrutinised by the European Parliament and European Council and may be amended.

UK Regulation

Electronic communications regulatory framework

The UK electronic communications regulatory framework is mainly contained within the Communications Act 2003 and the Wireless Telegraphy Act 2006. These acts implement the EU Framework, including the EEC Code which was transposed into UK legislation ahead of the EU’s transposition deadline of 21 December 2020, as required by the EU-UK Withdrawal Agreement.

Under the European Union (Withdrawal) Act 2018, the UK adopted an approach of “retained EU law” whereby existing EU law that formed part of domestic law and EU legislation that was directly applicable in the UK, at the end of the transition period on 31 December 2020, was incorporated into UK law.

However, to ensure that the UK telecoms regulatory framework remained operable, the UK Government took a range of legislative and regulatory steps to reflect the UK’s status outside of the EU. For example, provisions whereby NRAs notify matters to the Commission and are required to comply with Commission recommendations no longer apply to the UK. Some specific areas of divergence are set out below.

EEC Code/BEREC Regulation

The EEC Code’s provision setting single maximum EU-wide mobile and fixed voice termination rates will not apply in the UK. Ofcom issued a statement in March 2021 on the regulation of MT Rates for the period between April 2021 and March 2026. The current MT Rate (capped at 0.468 pence per minute, ppm) will be reduced to 0.379ppm from April 2021. For calls originating outside the UK, UK operators will be required to charge no more than the equivalent rates charged by their international counterparties (where those are higher than the UK MT Rate).

The provision in the BEREC Regulation that caps the retail prices of international calls and SMS made by persons in their home Member State to persons in other Member States ceased to apply in the UK from 1 January 2021.

Telecoms Single Market Regulation

From 1 January 2021, UK MNOs are no longer required to provide UK customers with international roaming in the EU at domestic prices. Instead, the UK Government has imposed obligations on MNOs to apply a limit on mobile data usage abroad (currently set at £45 per monthly billing period) and requirements for them to inform customers when 80% and 100% of their data usage has been reached.

Future potential areas of divergence between UK and EU telecommunications legislation

Whilst the UK Government has stated that it does not expect significant impact for operators and consumers arising from changes to the telecoms regulatory framework, areas where further divergence may occur include: international roaming; network security and resilience; and net neutrality where Ofcom has already announced a review.

The UK is no longer a member of BEREC or obliged to comply with BEREC and Commission guidance. However, Ofcom has stated that it will continue to engage with its European and other foreign counterparts in order to pursue a coherent and coordinated approach to international telecommunications regulation.

Data Protection

Data protection legislation in the UK is governed by the Data Protection Act 2018 and the UK GDPR. The UK GDPR is based upon an amended version of the EU GDPR, which was incorporated into UK law as retained EU law at the end of the transition period, to reflect the UK’s status outside of the EU.

The UK Government has confirmed that transfers of personal data from the UK to EU will continue without the need for any additional transfer tools.

The Commission adopted an “adequacy” decision on 28 June 2021 enabling the free flow of personal data from the EU to the UK where it benefits from an essentially equivalent level of protection to that under EU law. The adequacy decision is for four years following which it can be extended.

The Information Commissioner’s Office (“ICO”) is consulting on the introduction of international data transfer agreements (“IDTAs”) to replace the EU SCCs for transferring personal data to non-EU countries.

Hutchison Asia Telecommunications

Overview

HAT currently operates mobile telecommunications services in three markets in Asia: Indonesia, Vietnam and Sri Lanka. The services are marketed under the **3** brand in Indonesia, **Vietnamobile** brand in Vietnam and the **Hutch** brand in Sri Lanka.

Indonesia

CKHH provides mobile telecommunications services in Indonesia through PT Hutchison **3** Indonesia (“H3I”). As of 30 June 2021, H3I had a 4G network of approximately 31,000 4G base transceiver stations (“BTS”), covering more than 37,000 villages across all of Indonesia. H3I is expanding its telecommunications network to many cities on Kalimantan, Sulawesi, Sumatra, Java, Bali and Lombok and continues to upgrade its 4G network with 4G national population coverage of approximately 78% as of 30 June 2021. H3I had approximately 44.2 million active customers as of 30 June 2021.

In September 2021, CKHH announced that it has entered into definitive agreement with Ooredoo Telecom to combine their respective Indonesian telecommunications businesses. H3I will be merged into Indosat and upon merger closing, Indosat will continue as the surviving legal entity and named as PT Indosat Ooredoo Hutchison Tbk (“Indosat Ooredoo Hutchison”) and maintain its listing on the Indonesia Stock Exchange. Indosat Ooredoo Hutchison will be jointly controlled by Ooredoo Telecom and CKHH. The transaction is expected to complete by the end of 2021, subject to the shareholders and regulatory approvals.

Vietnam

CKHH provides mobile telecommunications services in Vietnam through Vietnamobile Telecommunications Joint Stock Company (“Vietnamobile”) in which CKHH holds 49% of the business. Vietnamobile’s network has nationwide coverage. Vietnamobile has further upgraded its network to provide 4G services in regions with high growth potential, focusing in southern Vietnam. Vietnamobile had approximately 12.0 million active customers as of 30 June 2021.

Sri Lanka

CKHH provides mobile telecommunications services in Sri Lanka through Hutchison Telecommunications Lanka (Private) Limited (“Hutch Lanka”). In November 2018, Hutch Lanka completed the acquisition of Etisalat Lanka (Private) Limited (“ESL”), the Sri Lanka telecommunication business of Emirates Telecommunications Group Company PJSC (“Etisalat Group”), and CKHH holds 85% interest in the enlarged Sri Lanka telecommunications business. In July 2019, Hutch Lanka and ESL were amalgamated with Hutch Lanka as the surviving entity. Hutch Lanka’s network has nationwide coverage. In 2020, Hutch Lanka re-launched the merged network to provide nationwide 4G services. The operation had approximately 4.1 million active customers as of 30 June 2021.

HTAL, share of TPG Telecom Limited (included in Finance & Investments and Others segment)

HTAL, an 87.87% owned subsidiary listed on the ASX, holds 25.05% of TPG Telecom Limited (formerly known as Vodafone Hutchison Australia or “VHA”, a 50-50 joint venture with Vodafone Group Plc before its merger with TPG Corporation Limited (formerly named TPG Telecom Limited) which became effective on 26 June 2020 (the “Merger Effective Date”). Post-merger, TPG Telecom Limited was listed on the ASX on 30 June 2020 and is held 25.05% by HTAL, 25.05% by Vodafone Group Plc and 49.9% by other shareholders.

On 20 August 2021, HTAL announced its Post-IFRS 16 results for the six months ended 30 June 2021 and reported a statutory net loss of A\$5.7 million for the six months ended 30 June 2021, representing a A\$739.7 million decrease compared to the A\$734.0 million net profit for the six months ended 30 June 2020. Included in HTAL’s results for the six months ended 30 June 2021 was share of loss of HTAL’s equity accounted investments amounting to A\$4.7 million (compared to a share of profit of A\$56.2 million in the corresponding period last year).

HTAL's results for the six months ended 30 June 2020 also included a one-off net gain of A\$677.3 million arising from dilution of HTAL's interest in TPG Telecom Limited (from 50% to 25.05% as a result of the aforementioned merger).

Finance & Investments and Others

CKHH receives income from its finance & investments and others segment, which is responsible for the management of CKHH's cash deposits, liquid assets held in managed funds and other investments. Managed funds are portfolios of short-term and liquid debt securities, primarily denominated in U.S. dollars, managed by independent professional fund managers in various financial centres around the world. CKHH also has certain investments in shares and convertible securities of listed companies. Income from this division includes interest income, dividends from equity investments, profits and losses from sale of securities and foreign exchange gains and losses of non-Hong Kong dollar denominated liquid assets. CKHH has adopted a strategy of minimising credit, interest rate, market price and currency risks in its fixed income investments, and has divested its medium-term, long-term and foreign currency investments in favour of U.S. dollar denominated short-term liquid debt securities.

CKHH has operations in about 50 countries and conducts businesses in over 50 currencies. CKHH's functional currency for reporting purposes is Hong Kong Dollars and CKHH's reported results in Hong Kong Dollars are exposed to exchange translation gains or losses on its foreign currency earnings. CKHH generally does not enter into foreign currency hedges in respect of its foreign currency earnings. It is CKHH's policy not to enter into derivative transactions for speculative purposes. It is also CKHH's policy not to invest liquidity in financial products, including hedge funds or similar vehicles, that have significant underlying leverage or derivative exposure.

As of 30 June 2021, CKHH's liquid assets totaled HK\$190,416 million (US\$24,412 million) of which 16% were denominated in Hong Kong dollars, 50% in U.S. dollars, 4% in Renminbi, 21% in Euro, 3% in Pound Sterling and 6% in other currencies. Cash and cash equivalents represented 96% of such total, U.S. Treasury notes and listed/traded debt securities 3% and listed equity securities 1%. The U.S. Treasury notes and listed/traded debt securities, including those held under managed funds, consisted of U.S. Treasury notes of 70%, government and government guaranteed notes of 17% and others of 13%. 99% of the U.S. Treasury notes and listed/traded debt securities were rated at Aaa/AAA or Aa1/AA+, with an average maturity of approximately 1.4 years on the overall portfolio. CKHH has no exposure in mortgage-backed securities, collateralised debt obligations or similar asset classes.

The interest expense and finance costs related to CKHH's various operating businesses are not attributed to this division but are disclosed separately in the consolidated income statement and related notes thereto set forth in the audited consolidated financial statements of CKHH included elsewhere in this Offering Circular.

Hutchison Whampoa (China) Limited

In addition to subsidiaries and joint ventures in several of its core businesses, CKHH is also engaged in other activities in the Mainland, Hong Kong and the UK through its wholly-owned subsidiary HWCL and its 38.47% associated company HUTCHMED (formerly known as "Chi-Med"). These activities include the provision of aircraft management, maintenance and engineering services, biopharmaceutical research and global development and commercialisation of targeted therapies and immunotherapies for the treatment of cancer and immunological diseases, the manufacturing and commercialisation of pharmaceutical products, the manufacturing and trading of detergent products, the distribution of consumer products, and the provision of logistics services.

CKHH is the major shareholder of HUTCHMED, which is listed on the Main Board of the SEHK, the AIM and Nasdaq. HUTCHMED had a market capitalisation of approximately £4,735 million (approximately HK\$51,372 million) as of 30 June 2021.

HWCL has the following major investments, which operate in the Mainland, Hong Kong and the UK:

- Guangzhou Aircraft Maintenance Engineering Company (“GAMECO”) (50% interest), a joint venture with China Southern Airlines. GAMECO serves both Chinese and international airlines from its maintenance facilities at Guangzhou’s airport and other locations in the Mainland, Australia and New Zealand conducting both routine maintenance services and overhauls;
- China Aircraft Services Limited (effective interest of approximately 26%, 20% direct interest through Hutchison CCF Investments Limited, a wholly owned subsidiary of HWCL and 20% indirect interest via Gama Aviation Plc), a joint venture with China Airlines and China National Aviation Corporation, providing aircraft maintenance and support services. HWCL has completed acquisition of the 20% direct interest from United Airlines in August 2021;
- Gama Aviation Plc (29.77% interest), a global business aviation services provider listed on the AIM;
- Shanghai Hutchison Whitecat Company Limited (“Whitecat”) (100% interest), which develops and manufactures consumer and industrial detergent products; and
- HUTCHMED (38.47% interest), a company listed on the Main Board of the SEHK, the AIM and Nasdaq. HUTCHMED is an innovative, commercial-stage, biopharmaceutical company committed to the discovery and global development and commercialisation of targeted therapies and immunotherapies for the treatment of cancer and immunological diseases. During 2019, CKHH partially disposed of its interest in HUTCHMED reducing CKHH’s shareholding from 60.15% to 49.86%. HUTCHMED has therefore been derecognised as a subsidiary to an associated company. Subsequent to the follow-on offering of HUTCHMED’s ADS in January 2020 and private placements in July and November 2020, CKHH’s shareholding was further diluted from 49.85% to 45.69%. The private placement in April 2021 and initial public offering in Hong Kong resulted in further dilution of shareholding to 39.19% as of June 2021.

E-Commerce Operations

CKHH has invested in e-commerce and related opportunities. These operations include:

- bigboXX.com (100% interest) – an office supplies procurement portal for business corporations in Hong Kong;
- Hutchison Travel (100% interest) – an internet based travel service company that offer air tickets, hotel rooms, rental car, air plus hotel combo and travel insurance; and
- ESD*life* (85% interest) – provision of a one-stop-shop platform for public and commercial electronic services, as well as professional digital solutions through the establishment of a vast digital information infrastructure.

CKHH also has a 50% economic interest in Metro Broadcast, a licensed radio broadcasting operator in Hong Kong currently operating three analogue radio channels, namely Metro Finance (FM 104), Metro Info (FM 997) and Metro Plus (AM 1044).

TOM GROUP

CKHH also has a 36.1% interest in TOM Group, a technology and media company listed on the SEHK. TOM Group has technology operations in e-commerce, social network, mobile internet; and investments in fintech and advanced data analytics sectors. In addition, its media businesses cover both publishing and advertising segments. Based on the closing price of its shares on the SEHK on 30 June 2021, TOM Group had a market capitalisation of approximately HK\$2,138 million (approximately US\$274 million).

Marionnaud Group

CKHH has a 100% interest in the Marionnaud Group, a luxury perfumery and cosmetic retail chain in Europe. As of 30 June 2021, Marionnaud operated approximately 809 stores in 9 European markets, providing luxury perfumery and cosmetic products.

CK Life Sciences Group

CKHH has an approximate 45.32% interest in CKLS, a company listed on the SEHK. CKLS is engaged in the business of research and development, manufacturing, commercialisation, marketing and sale of, and investment in nutraceuticals, pharmaceuticals and agriculture-related products and assets as well as investment in various financial and investment products. It has business interests in three key divisions: agriculture, nutraceutical and pharmaceutical research and development. Based on the closing price of its shares on the SEHK on 30 June 2021, CKLS had a market capitalisation of approximately HK\$8,554 million (approximately US\$1,097 million).

Cenovus Energy

In January 2021, Cenovus Energy, a Canadian integrated oil and nature natural gas company listed on the Toronto Stock Exchange and New York Stock Exchange, announced the completion of the combination of Cenovus Energy and Husky Energy. Post-completion, CKHH holds approximately 15.71% of Cenovus Energy, together with warrants representing a further 1.08% to 16.79%⁽¹⁾.

Cenovus Energy operates in Canada, the United States and the Asia Pacific region. The operations include oil sands projects in northern Alberta, thermal and conventional crude oil and natural gas projects across Western Canada, crude oil production offshore Newfoundland and Labrador and natural gas and liquids production offshore China and Indonesia. Cenovus Energy's downstream operations include upgrading, refining and marketing operations in Canada and the United States.

Environmental Matters

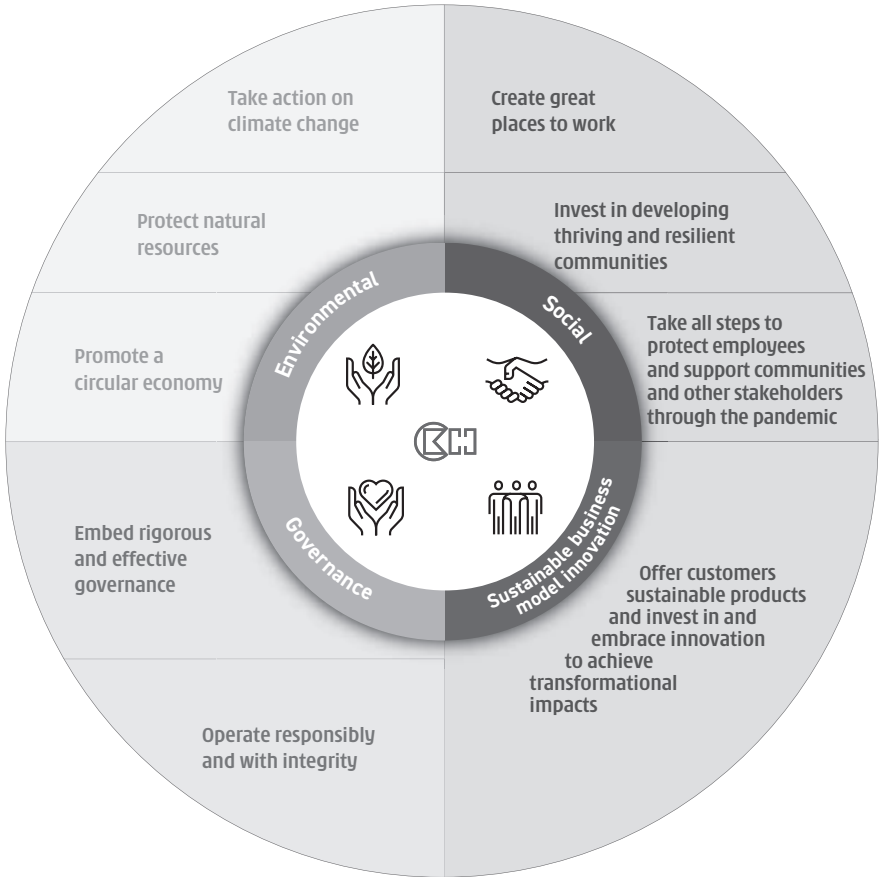
CKHH's operations are subject to various environmental laws. Compliance with such laws has not had, and is not expected to have, a material adverse effect upon CKHH's capital expenditure, earnings or competitive position.

(1) On a partially-diluted basis assuming the exercise of the Cenovus Energy common share purchase warrants held by CKHH.

Sustainability at CKHH

CKHH is committed to enhancing long-term value for all its stakeholders. The following Sustainability Framework has been developed at the group-level and consists of four pillars and nine goals that forms the foundational approach of CKHH’s sustainability strategy⁽²⁾. How the goals are achieved across CKHH will differ depending on the nature of the business sectors and geographies in which each core business operates. Neither the following Sustainability Framework nor the sustainability reports of CKHH shall form part of this Offering Circular.

Sustainability Framework



CKHH is committed to playing its part in achieving the United Nations Sustainable Development Goals (“SDGs”). Through collaborating and focusing efforts across its businesses, CKHH believes it can contribute to increasing the speed and scale of delivery across a wide number of the SDGs and to meeting the ambitions set out in the 2015 Paris Agreement.

Leadership on the SDGs also requires embracing the values set out in the Ten Principles of the United Nations Global Compact (the “Global Compact”) in the areas of human rights, labour, environment, and anti-corruption.

As a signatory and active participant to the Global Compact, CKHH is committed to making the Global Compact and its principles part of the strategy, culture and day-to-day operations of CKHH and to engaging in projects which advance the SDGs.

Further information on how each goal is being addressed can be found in the latest CKHH Sustainability Report.

(2) While our goal, “Take all steps to protect employees and support communities and other stakeholders through the pandemic”, is not a perpetual goal as in the case of the others, it has been individually listed given the significance of the pandemic and to ensure maximum focus as the world continues its recovery.

CKHH Sustainability Governance

CKHH's sustainability governance structure provides a solid foundation for developing and delivering its commitment to sustainability. Sustainability governance is embedded at all levels of CKHH, including the Board, the Sustainability Committee, the Audit Committee, the Sustainability Working Group, the Governance Working Group and the Cyber Security Working Group as well as all core businesses. The Board of Directors has ultimate accountability for CKHH's sustainability strategy, management, performance and reporting. The Sustainability Committee, elevated to Board level in 2020, oversees development and implementation of the sustainability strategy of each core business, and holds them accountable against targets and roadmaps set.

While sustainability has long-featured as a part of CKHH's risk management approach, steps were taken in 2020 to further embed sustainability into CKHH's risk management processes by requiring all business divisions to formally examine their material sustainability risks and present plans to CKHH's senior management on how these risks are being managed as part of CKHH's bi-annual review of risk management and internal control systems. As an integral part of sustainability governance, these self-assessment results are subject to internal audits, then submitted to the Executive Directors, the Audit and Sustainability Committees for review and approval. CKHH's assessment of sustainability risks will be further enhanced through the use of leading practice frameworks such as the Taskforce of Climate-Related Financial Disclosures ("TCFD") framework.

Legal Proceedings

CKHH is not engaged in any material litigation or arbitration proceeding, and no material litigation or claim is known by CKHH to be pending or threatened against it that would have a material adverse effect on CKHH's financial condition and results of operations.

Insurance

CKHH believes that its properties are covered by adequate property insurance by reputable companies and with commercially reasonable deductibles and limits, covering fire, earthquake, loss of rent and third party liabilities.

MANAGEMENT OF CKHH

The Directors of CKHH are set forth below.

Name	Age	Position
LI Tzar Kuoi, Victor.....	57	Chairman, Group Co-Managing Director and Executive Director
FOK Kin Ning, Canning.....	70	Group Co-Managing Director and Executive Director
Frank John SIXT	69	Group Finance Director, Deputy Managing Director and Executive Director
IP Tak Chuen, Edmond	69	Deputy Managing Director and Executive Director
KAM Hing Lam.....	74	Deputy Managing Director and Executive Director
LAI Kai Ming, Dominic	68	Deputy Managing Director and Executive Director
Edith SHIH	69	Executive Director and Company Secretary
CHOW Kun Chee, Roland.....	84	Non-executive Director
LEE Yeh Kwong, Charles.....	85	Non-executive Director
George Colin MAGNUS.....	86	Non-executive Director
WOO Mo Fong, Susan (alias CHOW WOO Mo Fong, Susan)	67	Non-executive Director
CHENG Hoi Chuen, Vincent	73	Independent Non-executive Director
The Hon Sir Michael David KADOORIE .	80	Independent Non-executive Director
LEE Wai Mun, Rose.....	68	Independent Non-executive Director
William Elkin MOCATTA	68	Alternate Director to The Hon Sir Michael David Kadoorie
Paul TIGHE	65	Independent Non-executive Director
WONG Kwai Lam.....	72	Independent Non-executive Director
WONG Yick-ming, Rosanna.....	69	Independent Non-executive Director

The principal place of business of CKHH is 48th Floor, Cheung Kong Center, 2 Queen's Road Central, Hong Kong.

The Board of Directors of CKHH consists of eighteen members (including Alternate Director) of which 7 are Executive Directors, 7 are Independent Non-executive Directors (including Alternate Director) and 4 are Non-executive Directors. Set forth below is selected biographical information for each of the Directors:

LI Tzar Kuoi, Victor, aged 57, has been a Director of CKHH since December 2014. He was designated as Executive Director, Managing Director and Deputy Chairman of CKHH in January 2015, re-designated as Executive Director, Group Co-Managing Director and Deputy Chairman of CKHH in June 2015, and appointed as Chairman of CKHH since May 2018. Mr Li has been a member of the Remuneration Committee and Nomination Committee of CKHH since May 2018 and January 2019 respectively. Mr Li was Chairman of the Nomination Committee of CKHH from January 2019 to 25 November 2020. He joined Cheung Kong (Holdings) Limited ("Cheung Kong (Holdings)") in 1985 and acted as Deputy Managing Director from 1993 to 1998. He was Deputy Chairman of Cheung Kong (Holdings) since 1994, Managing Director since 1999 and Chairman of the Executive Committee since 2013 until June 2015. The listing status of Cheung Kong (Holdings) on The Stock Exchange of Hong Kong Limited (the "SEHK") was replaced by CKHH in March 2015 and he was re-designated as Director of Cheung Kong (Holdings) in June 2015. He was an Executive Director of Hutchison Whampoa Limited ("HWL") since 1995 and Deputy Chairman since 1999 and was re-designated as Director in June 2015 upon the privatisation of HWL by way of a scheme of arrangement, which became a wholly owned subsidiary of CKHH. Mr Li is Chairman, Managing Director and Executive Director of CK Asset Holdings Limited ("CKA"), Chairman of CK Infrastructure Holdings Limited ("CKI") and CK Life Sciences Int'l., (Holdings) Inc. ("CKLS"), a Non-executive Director of Power Assets Holdings Limited ("Power Assets") and HK Electric Investments Manager Limited ("HKEIML") as the trustee-manager of HK Electric Investments ("HKEI") and a Non-executive Director and Deputy Chairman of HK Electric Investments Limited ("HKEIL"). Save and except CKA, the

aforementioned companies are either subsidiaries or associated companies of the CKHH Group of which Mr Li has oversight. Mr Li is also the Deputy Chairman of Li Ka Shing Foundation Limited and Li Ka Shing (Global) Foundation, Member Deputy Chairman of Li Ka Shing (Canada) Foundation, and a Director of The Hongkong and Shanghai Banking Corporation Limited. He was previously Co-Chairman of Husky Energy Inc. (“Husky”, which was delisted on 5 January 2021 following its combination with Cenovus Energy Inc. (“Cenovus Energy”). He serves as a member of the Standing Committee of the 13th National Committee of the Chinese People’s Political Consultative Conference (“CPPCC”) of the People’s Republic of China. He is also a member of the Chief Executive’s Council of Advisers on Innovation and Strategic Development of the Hong Kong Special Administrative Region and Vice Chairman of the Hong Kong General Chamber of Commerce. Mr Li is the Honorary Consul of Barbados in Hong Kong. He holds a Bachelor of Science degree in Civil Engineering, a Master of Science degree in Civil Engineering and a degree of Doctor of Laws, honoris causa (LL.D.). Mr Li is the elder son of Mr Li Ka-shing, the Senior Advisor and a substantial shareholder (within the meaning of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “SFO”)) of CKHH, and a nephew of Mr Kam Hing Lam, Deputy Managing Director of CKHH. Mr Li is a director of certain substantial shareholders of CKHH and certain companies controlled by substantial shareholders of CKHH.

FOK Kin Ning, Canning, aged 70, has been a Non-executive Director of CKHH since January 2015 and was re-designated as an Executive Director and Group Co-Managing Director of CKHH in June 2015. He was a member of the Nomination Committee of CKHH from January 2019 to 25 November 2020. Mr Fok was a Director of Cheung Kong (Holdings) since 1985 and became a Non-executive Director in 1993 until June 2015. The listing status of Cheung Kong (Holdings) on the SEHK was replaced by CKHH in March 2015 and he was re-designated as Director of Cheung Kong (Holdings) in June 2015. Mr Fok was an Executive Director of HWL since 1984, Group Managing Director since 1993 and was re-designated as Director in June 2015 upon the privatisation of HWL by way of a scheme of arrangement, which became a wholly owned subsidiary of CKHH. He is also Chairman of Hutchison Telecommunications Hong Kong Holdings Limited (“HTHKH”), Hutchison Telecommunications (Australia) Limited (“HTAL”), Hutchison Port Holdings Management Pte. Limited (“HPHM”) as the trustee-manager of Hutchison Port Holdings Trust (“HPH Trust”), Power Assets, TPG Telecom Limited (“TPG”), HKEIML as the trustee-manager of HKEI, and HKEIL, Deputy Chairman of CKI and a Director of Cenovus Energy. The aforementioned companies are either subsidiaries or associated companies of the CKHH Group of which Mr Fok has oversight. Mr Fok is a director of certain companies controlled by a substantial shareholder (within the meaning of the SFO) of CKHH. He was previously Co-Chairman of Husky which was delisted on 5 January 2021 following its combination with Cenovus Energy. Mr Fok holds a Bachelor of Arts degree and a Diploma in Financial Management, and is a Fellow of Chartered Accountants Australia and New Zealand.

Frank John SIXT, aged 69, has been a Non-executive Director of CKHH since January 2015 and was re-designated as an Executive Director, Group Finance Director and Deputy Managing Director of CKHH in June 2015. He has been a member and Chairman of the Sustainability Committee of CKHH since 19 June 2020 and 29 June 2020 respectively and was a member of the Nomination Committee of CKHH from January 2019 to 25 November 2020. Mr Sixt was an Executive Director of Cheung Kong (Holdings) since 1991 and became a Non-executive Director in 1998 until June 2015. The listing status of Cheung Kong (Holdings) on the SEHK was replaced by CKHH in March 2015 and he was re-designated as Director of Cheung Kong (Holdings) in June 2015. He was an Executive Director of HWL since 1991, Group Finance Director since 1998 and was re-designated as Director in June 2015 upon the privatisation of HWL by way of a scheme of arrangement, which became a wholly owned subsidiary of CKHH. He is also Non-executive Chairman of TOM Group Limited (“TOM”), an Executive Director of CKI, a Director of HTAL and Cenovus Energy, a Non-executive Director of TPG and an Alternate Director to Directors of HTAL, HKEIML as the trustee-manager of HKEI, and HKEIL. The aforementioned companies are either subsidiaries or associated companies of the CKHH Group of which Mr Sixt has oversight. He has almost four decades of legal, global finance and risk management experience, and possesses deep expertise in overseeing financial reporting system, risk management and internal control systems as well as sustainability issues and related risks. Mr Sixt is a director of certain substantial shareholders (within the meaning of the SFO) of CKHH and certain companies controlled by substantial shareholders of CKHH. He

was previously a Director of Husky which was delisted on 5 January 2021 following its combination with Cenovus Energy. Mr Sixt holds a Master's degree in Arts and a Bachelor's degree in Civil Law, and is a member of the Bar and of the Law Society of the Provinces of Québec and Ontario, Canada.

IP Tak Chuen, Edmond, aged 69, has been a Director of CKHH since December 2014 and was designated as an Executive Director and Deputy Managing Director of CKHH in January 2015. He was a member of the Nomination Committee of CKHH from January 2019 to 25 November 2020. He is an Executive Director and a Deputy Managing Director of CKA. Mr Ip was an Executive Director of Cheung Kong (Holdings) since 1993 and Deputy Managing Director since 2005 until June 2015. The listing status of Cheung Kong (Holdings) on the SEHK was replaced by CKHH in March 2015 and he was re-designated as Director of Cheung Kong (Holdings) in June 2015. Mr Ip is also an Executive Director and Deputy Chairman of CKI, Senior Vice President and Chief Investment Officer of CKLS, and a Non-executive Director of Hui Xian Asset Management Limited ("HXAML") as the manager of Hui Xian Real Estate Investment Trust ("Hui Xian REIT"). Save and except CKA and HXAML, the aforementioned companies are either subsidiaries or associated companies of the CKHH Group of which Mr Ip has oversight. Mr Ip is a director of certain companies controlled by substantial shareholders (within the meaning of the SFO) of CKHH. He holds a Bachelor of Arts degree in Economics and a Master of Science degree in Business Administration.

KAM Hing Lam, aged 74, has been an Executive Director and Deputy Managing Director of CKHH since January 2015 and was a member of the Nomination Committee of CKHH from January 2019 to 25 November 2020. He is also an Executive Director and Deputy Managing Director of CKA. Mr Kam was Deputy Managing Director of Cheung Kong (Holdings) since 1993 until June 2015. The listing status of Cheung Kong (Holdings) on the SEHK was replaced by CKHH in March 2015 and he was re-designated as Director of Cheung Kong (Holdings) in June 2015. He is also Group Managing Director of CKI and the President of CKLS. Mr Kam was an Executive Director of HWL since 1993 and was re-designated as Director in June 2015 upon the privatisation of HWL by way of a scheme of arrangement, which became a wholly owned subsidiary of CKHH. He is also Chairman of HXAML as the manager of Hui Xian REIT. Save and except CKA and HXAML, the aforementioned companies are either subsidiaries or associated companies of the CKHH Group of which Mr Kam has oversight. Prior to joining the CKHH Group, Mr Kam had more than 20 years of experience in senior and regional capacities at major US multinational companies, including Johnson and Johnson, American Express and Levi Strauss. He holds a Bachelor of Science degree in Engineering and a Master's degree in Business Administration. Mr Kam is the brother-in-law of Mr Li Ka-shing, the Senior Advisor and a substantial shareholder (within the meaning of the SFO) of CKHH, and an uncle of Mr Li Tzar Kuoi, Victor, Chairman and Group Co-Managing Director of CKHH.

LAI Kai Ming, Dominic, aged 68, has been an Executive Director and Deputy Managing Director of CKHH since June 2015 and was a member of the Nomination Committee of CKHH from January 2019 to 25 November 2020. He was Finance Director and Chief Operating Officer of the A.S. Watson Group, the retail arm of CKHH, from 1994 to 1997 and Group Managing Director of the Harbour Plaza Hotel Management Group, the former hotel business of HWL, from 1998 to 2000. Mr Lai was an Executive Director of HWL since 2000 and was re-designated as Director in June 2015 upon the privatisation of HWL by way of a scheme of arrangement, which became a wholly owned subsidiary of CKHH. He is a Non-executive Director of HTHKH, a Director of HTAL and a member of the Board of Commissioners of PT Duta Intidaya Tbk ("PTDI"). He is also an Alternate Director to Directors of HTHKH, HTAL and TOM. The aforementioned companies are either subsidiaries or associated companies of the CKHH Group of which Mr Lai has oversight. Mr Lai has over 35 years of management experience in different industries. He holds a Bachelor of Science (Hons) degree and a Master's degree in Business Administration.

Edith SHIH, aged 69, has been an Executive Director of CKHH since January 2017 and a member of the Sustainability Committee of CKHH since 19 June 2020. She was a member of the Nomination Committee of CKHH from January 2019 to 25 November 2020. Ms Shih is also the Company Secretary of CKHH and was the Head Group General Counsel of CKHH from June 2015 to March 2017. She was previously the Head Group General Counsel of HWL from 1993 to June 2015 and has been the Company Secretary of HWL since 1997. HWL was privatised by way of a scheme of arrangement in June 2015 and is currently a wholly owned

subsidiary of CKHH. Ms Shih is in addition a Non-executive Director of HTHKH, HUTCHMED (China) Limited (formerly known as Hutchison China MediTech Limited) and HPHM as the trustee-manager of HPH Trust as well as a member of the Board of Commissioners of PTDI. The aforementioned companies are either subsidiaries or associated companies of the CKHH Group of which Ms Shih has oversight. She has over 35 years of experience in the legal, regulatory, corporate finance, compliance and corporate governance fields. Ms Shih is the immediate past International President and current member of the Executive Committee of The Chartered Governance Institute (“CGI”) as well as a past President of The Hong Kong Chartered Governance Institute (“HKCGI”, formerly known as The Hong Kong Institute of Chartered Secretaries) and current chairperson of its Nomination Committee. She is also Chairman of the Process Review Panel for the Financial Reporting Council, a panel member of the Securities and Futures Appeals Tribunal and a member of the Hong Kong-Europe Business Council. Ms Shih is a solicitor qualified in England and Wales, Hong Kong and Victoria, Australia, a Fellow of The Hong Kong Institute of Directors and a Fellow of both the CGI and HKCGI, holding Chartered Secretary and Chartered Governance Professional dual designations. She holds a Bachelor of Science degree in Education and a Master of Arts degree from the University of the Philippines as well as a Master of Arts degree and a Master of Education degree from Columbia University, New York.

CHOW Kun Chee, Roland, aged 84, has been a Non-executive Director of CKHH since January 2015 and was a member of the Nomination Committee of CKHH from January 2019 to 25 November 2020. He was a Director of Cheung Kong (Holdings) since 1993 until June 2015. The listing status of Cheung Kong (Holdings) on the SEHK was replaced by CKHH in March 2015. He was an Independent Non-executive Director of Cheung Kong (Holdings) prior to his re-designation as a Non-executive Director of Cheung Kong (Holdings) in September 2004. Mr Chow is a solicitor of the High Court of the Hong Kong Special Administrative Region and is a consultant of Messrs. Herbert Tsoi and Partners, Solicitors. He holds a Master of Laws degree from the University of London. Mr Chow is a director of certain substantial shareholders (within the meaning of the SFO) of CKHH and certain companies controlled by substantial shareholders of CKHH.

LEE Yeh Kwong, Charles, GBM, GBS, OBE, JP, aged 85, has been a Non-executive Director of CKHH since January 2015 and was a member of the Nomination Committee of CKHH from January 2019 to 25 November 2020. Mr Lee was a Non-executive Director of Cheung Kong (Holdings) since 2013 until June 2015. The listing status of Cheung Kong (Holdings) on the SEHK was replaced by CKHH in March 2015. He was a Director of Cheung Kong (Holdings) during the period from August 1972 to March 1997. Mr Lee was also a Non-executive Director of HWL since 2013 until June 2015 upon the privatisation of HWL by way of a scheme of arrangement, which became a wholly owned subsidiary of CKHH. He is the President, Chairman of the Board and a Vice Patron of The Community Chest of Hong Kong as well as a member of the Board of Governors of Our Hong Kong Foundation. Mr Lee is one of the founders of the solicitor’s firm Woo Kwan Lee & Lo, a major law firm in Hong Kong. He holds a Master’s degree in law and is a qualified solicitor in both Hong Kong and the United Kingdom. He was awarded the degree of Doctor of Laws honoris causa by The Hong Kong University of Science and Technology, the degree of Doctor of Business Administration honoris causa by The Hong Kong Polytechnic University and the degree of Doctor of Social Sciences honoris causa by the University of Hong Kong and The Open University of Hong Kong respectively. Mr Lee is also a chartered secretary.

George Colin MAGNUS, OBE, BBS, aged 86, has been a Non-executive Director of CKHH since January 2015 and was a member of the Nomination Committee of CKHH from January 2019 to 25 November 2020. He acted as an Executive Director of Cheung Kong (Holdings) since 1980 and Deputy Chairman since 1985 until he retired from these offices in October 2005. The listing status of Cheung Kong (Holdings) on the SEHK was replaced by CKHH in March 2015. He was a Non-executive Director of Cheung Kong (Holdings) since November 2005 until June 2015. Mr Magnus was an Executive Director of HWL since 1980 and was re-designated as a Non-executive Director since November 2005 until June 2015 upon the privatisation of HWL by way of a scheme of arrangement, which became a wholly owned subsidiary of CKHH. He served as Deputy Chairman of HWL from 1984 to 1993. He is also a Non-executive Director of CKI, an Independent Non-executive Director of HKEIML as the

trustee-manager of HKEI, and HKEIL. Mr Magnus was previously a Director (independent) of Husky which was delisted on 5 January 2021 following its combination with Cenovus Energy. He holds a Master's degree in Economics.

WOO Mo Fong, Susan (alias CHOW WOO Mo Fong, Susan), aged 67, has been a Non-executive Director of CKHH since January 2017 and was a member of the Nomination Committee of CKHH from January 2019 to 25 November 2020. She was an Executive Director and Group Deputy Managing Director of CKHH from June 2015 to July 2016, Senior Advisor of CKHH from August 2016 to December 2016, Executive Director of HWL (which was privatised by way of a scheme of arrangement and became a wholly owned subsidiary of CKHH since June 2015) from October 1993 to June 2015, Deputy Group Managing Director of HWL from January 1998 to June 2015 and Director of HWL from June 2015 to July 2016. Prior to joining HWL, Mrs Chow was a partner of Woo Kwan Lee & Lo, a major law firm in Hong Kong. Mrs Chow is a Director of HTAL and an Independent Non-executive Director of Hong Kong Exchanges and Clearing Limited. She is also an Alternate Director to Directors of CKI, HKEIML as the trustee-manager of HKEI, and HKEIL. She previously served as a member of the Listing Committee of the SEHK, the Joint Liaison Committee on Taxation of the Law Society of Hong Kong, the Committee on Real Estate Investment Trusts ("REIT Committee") of the Securities and Futures Commission, the Trade and Industry Advisory Board, the Court of The Hong Kong University of Science and Technology and the Appeal Boards Panel (Education). Mrs Chow is a qualified solicitor and holds a Bachelor's degree in Business Administration.

CHENG Hoi Chuen, Vincent, GBS, OBE, JP, aged 73, has been an Independent Non-executive Director since June 2015. He has been a member and the Chairman of the Audit Committee of CKHH since June 2015 and 14 May 2020 respectively, a member of the Remuneration Committee of CKHH since June 2015 and a member of the Nomination Committee of CKHH since January 2019. He was an Independent Non-executive Director of HWL since 2014 until June 2015 upon the privatisation of HWL by way of a scheme of arrangement, which became a wholly owned subsidiary of CKHH. He is an Independent Non-executive Director of Airstar Bank Limited, Great Eagle Holdings Limited, HXAML as manager of Hui Xian REIT, Shanghai Industrial Holdings Limited and Wing Tai Properties Limited. He was previously an Independent Non-executive Director of CLP Holdings Limited and MTR Corporation Limited. Mr Cheng joined The Hongkong and Shanghai Banking Corporation Limited in 1978 of which he became Chief Financial Officer in 1994, General Manager and an Executive Director in 1995 and Chairman from 2005 to 2010. He was also the Chairman of HSBC Bank (China) Limited from 2007 to 2011, an Executive Director of HSBC Holdings plc from 2008 to 2011 and an adviser to the Group Chief Executive of HSBC Holdings plc from 2011 to 2012. In 2008, Mr Cheng was appointed as a member of the 11th National Committee of the CPPCC of the People's Republic of China and a senior adviser to the 11th Beijing Municipal Committee of the CPPCC of the People's Republic of China. Mr Cheng's previous government advisory roles include being a member of the Executive Council (the Hong Kong government's highest policy-making body) from 1995 to 1997, Hong Kong Affairs Adviser to the People's Republic of China from 1994 to 1997 as well as a member of the Legislative Council of the Hong Kong Government from 1991 to 1995. In 2005, Honorary Doctorates of Social Science and of Business Administration were conferred on Mr Cheng by The Chinese University of Hong Kong and The Open University of Hong Kong respectively. Mr Cheng holds a Bachelor of Social Science degree in Economics and a Master of Philosophy degree in Economics.

The Hon Sir Michael David KADOORIE, GBS, Commandeur de la Légion d'Honneur, Commandeur de l'Ordre des Arts et des Lettres, Commandeur de l'Ordre de la Couronne, Commandeur de l'Ordre de Leopold II, aged 80, has been an Independent Non-executive Director of CKHH since June 2015 and was a member of the Nomination Committee of CKHH from January 2019 to 25 November 2020. He was a Director of HWL since 1995 until July 2015 upon the privatisation of HWL by way of a scheme of arrangement, which became a wholly owned subsidiary of CKHH. He is the Chairman of CLP Holdings Limited and The Hongkong and Shanghai Hotels, Limited, as well as Heliservices (Hong Kong) Limited.

LEE Wai Mun, Rose, JP, aged 68, has been an Independent Non-executive Director of CKHH since June 2015 and was a member of the Nomination Committee of CKHH from January 2019 to 25 November 2020. She was an Independent Non-executive Director of HWL since 2012 until June 2015 upon the privatisation of HWL by way of a scheme of arrangement, which became a wholly owned subsidiary of CKHH. She is also an Independent Non-executive

Director of Swire Pacific Limited and MTR Corporation Limited, a Board Member of the West Kowloon Cultural District Authority, a member of its Investment Committee, as well as Vice Patron of The Community Chest of Hong Kong. Ms Lee was previously the Vice-Chairman and Chief Executive of Hang Seng Bank Limited, Group General Manager of HSBC Holdings plc, Director of The Hongkong and Shanghai Banking Corporation Limited, Chairman of the Board of Governors of The Hang Seng University of Hong Kong and Vice President of The Hong Kong Institute of Bankers. Ms Lee is a Fellow of The Hong Kong Institute of Bankers. She holds a Bachelor's degree in Business Administration.

William Elkin MOCATTA, aged 68, has been an Alternate Director to The Hon Sir Michael David Kadoorie, an Independent Non-executive Director of CKHH, since June 2015. He was an Alternate Director to The Hon Sir Michael David Kadoorie, former Independent Non-executive Director of HWL, since 1997 until July 2015 upon the privatisation of HWL by way of a scheme of arrangement, which became a wholly owned subsidiary of CKHH. He is the Chairman of CLP Power Hong Kong Limited, CLP Properties Limited and Castle Peak Power Company Limited. He is also the Vice Chairman of CLP Holdings Limited and a Director of The Hongkong and Shanghai Hotels, Limited. He is a Fellow of The Institute of Chartered Accountants in England and Wales.

Paul Joseph TIGHE, aged 65, has been an Independent Non-executive Director of CKHH since 28 December 2020 and a member of the Audit Committee of CKHH since 13 May 2021. He is an Independent Non-executive Director of CKI and CKLS. He has over 35 years of experience in government and public policy, and has held various positions at the headquarters of the Department of Foreign Affairs and Trade in Canberra, Australia, including as head of the Department's Trade and Economic Policy Division, head of the Diplomatic Security, Information Management and Services Division, head of the Agriculture and Resources Branch and Director of the International Economic Analysis Section. Mr Tighe previously worked in, among others, the Secretariat of, and served as Counsellor to, the Organisation for Economic Co-operation and Development in Paris. He holds a Bachelor of Science degree from the University of New South Wales.

WONG Kwai Lam, aged 72, has been an Independent Non-executive Director and a member of the Audit Committee and the Remuneration Committee of CKHH since 14 May 2020. He was a member of the Nomination Committee of CKHH from 14 May 2020 to 25 November 2020. Mr Wong is an Independent Non-executive Director of HPHM as trustee-manager of HPH Trust, ARA Asset Management (Prosperity) Limited as manager of Prosperity Real Estate Investment Trust, K. Wah International Holdings Limited, LHIL Manager Limited as trustee-manager of Langham Hospitality Investments and Langham Hospitality Investments Limited. He has over 30 years of experience in the commercial and investment banking industry. He worked with Merrill Lynch (Asia Pacific) Ltd. ("Merrill Lynch") from May 1993 to August 2009 where he served as a Managing Director in the Asia Investment Banking Division since January 1995. He was appointed as a Senior Client Advisor to Merrill Lynch in September 2009 and served in that position for one year. Prior to joining Merrill Lynch, Mr Wong had been a Director in the Investment Banking Division of CS First Boston (Hong Kong) Limited and a Director and the Head of Primary Market in Standard Chartered Asia Limited. Mr Wong is currently Chairman of IncitAdv Consultants Limited, Vice Chairman of the Board of Trustees and a member of the Investment Sub-committee of the Board of Trustees of New Asia College of the Chinese University of Hong Kong, Director of CUHK Medical Centre Limited and Chairman and a Director of Hong Kong Grand Opera Company Limited. He is a former member of the Advisory Committee and the REIT Committee of the Securities and Futures Commission in Hong Kong. Mr Wong holds a Bachelor of Arts degree and a PhD degree.

WONG Yick-ming, Rosanna, DBE, JP, aged 69, has been an Independent Non-executive Director of CKHH since January 2015, Chairman of the Remuneration Committee of CKHH since March 2015, a member and Chairman of the Nomination Committee of CKHH since January 2019 and 26 November 2020 respectively, and a member of the Sustainability Committee of CKHH since 19 June 2020. She was an Independent Non-executive Director of Cheung Kong (Holdings) since 2001 until June 2015. The listing status of Cheung Kong (Holdings) on the SEHK was replaced by CKHH in March 2015. She was previously an Alternate Director of CKHH and Cheung Kong (Holdings). She is currently a member of the 13th National Committee of the CPPCC of the People's Republic of China. She is an Independent Non-executive Director of HTHKH and The Hongkong and Shanghai Hotels,

Limited, the Senior Advisor of The Hong Kong Federation of Youth Groups (“HKFYG”), a Steward of The Hong Kong Jockey Club, a member of the Board of Governors of Our Hong Kong Foundation and Chairman of Asia International School Limited. She was previously the Executive Director of HKFYG, Non-executive Chairman of the Advisory Committee of The Hongkong Bank Foundation, an Independent Non-executive Director of The Hongkong and Shanghai Banking Corporation Limited, a Director of RJJ Ideas Limited, Chairman and member of the Consultation Panel of the West Kowloon Cultural District Authority, a member of The Hong Kong University of Science and Technology Business School Advisory Council, Chairman of the Advisory Board of California Center Early Learning School, Shanghai and a Global Advisor to Mars, Incorporated. She holds a Doctor of Philosophy degree in Sociology from the University of California (Davis), U.S.A. and has been awarded Honorary Doctorates by The Chinese University of Hong Kong, The Hong Kong Polytechnic University, the University of Hong Kong, The Hong Kong Institute of Education and University of Toronto in Canada. She is also an Honorary Fellow of the London School of Economics and Political Science.

TAXATION

The following is a general description of certain tax considerations relating to the Notes and is based on law and relevant interpretations thereof in effect as at the date of this Offering Circular, all of which are subject to change, and does not constitute legal or taxation advice. It does not purport to be a complete analysis of all tax considerations relating to the Notes. Prospective holders of the Notes who are in any doubt as to their tax position or who may be subject to tax in any jurisdiction are advised to consult their own professional advisers.

Cayman Islands Taxation

The Cayman Islands currently has no exchange control restrictions and no income, corporate or capital gains tax, estate duty, inheritance tax, gift tax or withholding tax applicable to the Issuer or any holder of the Notes. Accordingly, payment of principal of (including any premium) and interest on, and any transfer of, the Notes will not be subject to taxation in the Cayman Islands, no Cayman Islands withholding tax will be required on such payments to any holder of a Note and gains derived from the sale of the Notes will not be subject to Cayman Islands capital gains tax. The Cayman Islands are not party to a double tax treaty with any country that is applicable to any payments made to or by the Issuer.

The Issuer has applied for and received an undertaking from the Financial Secretary of the Cayman Islands that, in accordance with Section 6 of the Tax Concessions Act (2018 Revision) of the Cayman Islands, for a period of 20 years from 10 September 2021 to 9 September 2041, no law that is enacted in the Cayman Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to the Issuer or its operations and, in addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable (i) on or in respect of the shares, debentures or other obligations of the Issuer or (ii) by way of the withholding in whole or in part of any relevant payment as defined in Section 6(3) of the Tax Concessions Act (2018 Revision).

No stamp duties or similar taxes or charges are payable under the laws of the Cayman Islands in respect of the execution and issue of the Notes unless they are executed in or brought into the Cayman Islands.

Hong Kong Taxation

Withholding Tax

Under existing Hong Kong law, no withholding tax is payable in respect of payments of principal or interest on the Notes or in respect of any capital gains arising from the sale of the Notes.

Profits Tax

Hong Kong profits tax is charged on every person carrying on a trade, profession or business in Hong Kong in respect of assessable profits arising in or derived from Hong Kong from such trade, profession or business. Under the Inland Revenue Ordinance (Chapter 112 of the Laws of Hong Kong, "Inland Revenue Ordinance") as it is currently applied, Hong Kong profits tax may be charged on revenue profits arising on the sale, disposal or redemption of the Notes where such sale, disposal or redemption is or forms part of a trade, profession or business carried on in Hong Kong. Interest on the Notes will be subject to Hong Kong profits tax where such interest is received by or accrued to:

- (a) a financial institution (as defined in the Inland Revenue Ordinance) by way of interest which arises through or from the carrying on by the financial institution of its business in Hong Kong, notwithstanding that the moneys in respect of which the interest is received or accrues are made available outside Hong Kong; or
- (b) a corporation carrying on a trade, profession or business in Hong Kong by way of interest derived from Hong Kong; or
- (c) a person, other than a corporation, carrying on a trade, profession or business in Hong Kong by way of interest derived from Hong Kong which interest is in respect of the funds of the trade, profession or business.

In relation to income that may arise from the Notes, Hong Kong is not party to any comprehensive double taxation agreement with Singapore or the United States.

Stamp Duty

Stamp duty will not be payable on the issue of the Notes provided that either:

- (a) the Notes are denominated in a currency other than the currency of Hong Kong and are not repayable in any circumstances in the currency of Hong Kong; or
- (b) the Notes constitute loan capital (as defined in the Stamp Duty Ordinance (Cap. 117) of Hong Kong (the “SDO”).

No stamp duty will be payable on the issue or any subsequent transfer of the Notes.

The foregoing summary is of a general nature only and is based on Hong Kong law as of the date of this Offering Circular and is subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The foregoing summary does not purport to be a comprehensive description of all of the Hong Kong tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes and does not purport to deal with the Hong Kong tax consequences applicable to all categories of investors, some of which may be subject to special rules. Prospective purchasers of the Notes should consult with their own professional tax advisors as to the particular consequences of holding the Notes which may affect them.

United States Taxation

The Notes will bear a legend to the following effect:

“Any United States person (as defined in the Internal Revenue Code) who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code.”

SUBSCRIPTION AND SALE

Banco Bilbao Vizcaya Argentaria, S.A., Citigroup Global Markets Limited, Crédit Agricole Corporate and Investment Bank, The Hongkong and Shanghai Banking Corporation Limited, ING Bank N.V., Intesa Sanpaolo S.p.A. and Morgan Stanley & Co. International plc (the “Lead Managers”) have, pursuant to a Subscription Agreement (the “Subscription Agreement”) dated 27 October 2021 jointly and severally agreed to subscribe or procure subscribers for the Notes at the issue price of 99.961 per cent. of the principal amount of the Series A Notes and 98.971 per cent. of the principal amount of the Series B Notes, less commissions set out in the Subscription Agreement. The Issuer and the Guarantor have agreed in the Subscription Agreement to indemnify and hold the Lead Managers harmless against certain liabilities incurred in connection with the issue of the Notes. The Subscription Agreement may be terminated in certain circumstances prior to payment to the Issuer.

Certain of the Lead Managers, their subsidiaries, holding companies and other subsidiaries of such holding companies (the “Relevant Parties”) have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for the Issuer, the Guarantor and/or their Relevant Parties in the ordinary course of business. They may have received, or may in the future receive, customary fees and commissions for these transactions. Certain of the Lead Managers and their Relevant Parties may have positions, deal or make markets in the Notes, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer, the Guarantor and their respective Relevant Parties or as principal in order to manage their exposure, their general market risk, or other trading activities.

In addition, in the ordinary course of their business activities, the Lead Managers and their Relevant Parties may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer, the Guarantor or their respective Relevant Parties. Certain of the Lead Managers or their Relevant Parties may have a lending relationship with the Issuer, the Guarantor and/or their Relevant Parties and may routinely hedge their credit exposure to the Issuer, the Guarantor and/or their Relevant Parties consistent with their customary risk management policies. Such Lead Managers and their Relevant Parties may hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes. Any such positions could adversely affect future trading prices of the Notes. The Lead Managers and their Relevant Parties may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

United States

Each of the Lead Managers understands that the Notes and the Guarantee have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, except pursuant to an exemption from, or in a transaction not subject to the registration requirements of the Securities Act.

Each of the Lead Managers has represented and agreed that it has offered and sold the Notes and the Guarantee, and agreed that it will offer, sell or deliver the Notes and the Guarantee (i) as part of its distribution at any time and (ii) otherwise until 40 days after the later of the commencement of the offering and the Closing Date (as defined in the Subscription Agreement) (the “distribution compliance period”), only in accordance with Rule 903 of Regulation S under the Securities Act (“Regulation S”). Accordingly, neither it, its affiliates, nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Notes and the Guarantee, and it and they have complied and will comply with the offering restrictions requirement of Regulation S. Each of the Lead Managers has agreed that, at or prior to confirmation of sale of Notes and the Guarantee, it will have sent

to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes and the Guarantee from or through it during the distribution compliance period a confirmation or notice to substantially the following effect:

“The securities covered hereby have not been registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”), and may not be offered and sold within the United States or to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of offering and the Closing Date, except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meaning given to them by Regulation S under the Securities Act.”

Terms used in the above paragraphs have the meanings given to them by Regulation S.

In addition:

- (a) except to the extent permitted under U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (the “D Rules”), each of the Lead Managers (x) has represented that it has not offered or sold, and agreed that during the restricted period it will not offer or sell, the Notes to a person who is within the United States or its possessions or to a United States person, and (y) represented that it has not delivered and agreed that it will not deliver within the United States or its possessions definitive Notes that are sold during the restricted period;
- (b) each of the Lead Managers has represented that it has and agreed that throughout the restricted period it will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling the Notes are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules;
- (c) if it is a United States person, each of the Lead Managers has represented that it is acquiring the Notes for purposes of resale in connection with their original issue and if it retains the Notes for its own account, it will only do so in accordance with the requirements of U.S. Treas. Reg. §1.163-5(c)(2)(i)(D)(6) or any successor provision in substantially the same form for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986; and
- (d) with respect to each affiliate that acquires from it Notes for the purpose of offering or selling such Notes during the restricted period, each of the Lead Managers has either (x) repeated and confirmed the representations and agreements contained in sub-paragraphs (a), (b) and (c) above on its behalf or (y) agreed that it will obtain from such affiliate for the benefit of the Issuer the representations and agreements contained in sub-paragraphs (a), (b) and (c) above.

Terms used in the paragraphs (a), (b) and (c) above, unless otherwise defined, have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and the U.S. Treasury regulations thereunder, including the D Rules.

Canada

Each Lead Manager has represented and agreed that it has not sold, and will not sell, the Notes in Canada other than to purchasers purchasing, or deemed to be purchasing, as principal that are “accredited investors”, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are “permitted clients”, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations.

Cayman Islands

Each Lead Manager has represented and agreed that it has not made and will not make (on behalf of the Issuer) any invitation directly or indirectly to the public in the Cayman Islands to subscribe for any Notes.

Hong Kong

Each Lead Manager has represented and agreed that:

- (i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (i) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the “SFO”) and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) (the “C(WUMP)O”) or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and
- (ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, (whether in Hong Kong or elsewhere) any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning ascribed to it in the SFO and any rules made under the SFO.

The Netherlands

Each Lead Manager has represented and agreed that it will not make an offer of the Notes to the public in the Netherlands in reliance on Article 1(4) of Regulation (EU) 2017/1129 (the “Prospectus Regulation”) unless (i) such offer is made exclusively to persons or entities which are qualified investors as defined in the Dutch Financial Supervision Act or (ii) standard exemption wording is disclosed as required by Article 5:20(5) of the Dutch Financial Supervision Act, provided that no such offer of the Notes shall require the Issuer or any Lead Manager to publish a prospectus pursuant to the Prospectus Regulation or supplement a prospectus pursuant to the Prospectus Regulation.

Switzerland

Each Lead Manager has acknowledged that (i) this Offering Circular is not intended to constitute an offer or solicitation to purchase or invest in the Notes, (ii) the Notes may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act (“FinSA”) and no application has or will be made to admit the Notes to trading on any trading venue (exchange or multilateral trading facility) in Switzerland and (iii) neither this Offering Circular nor any other offering or marketing material relating to the Notes constitutes a prospectus pursuant to the FinSA, and neither this Offering Circular nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

Each Lead Manager has represented and agreed that it has not and will not (i) publicly offer, sell or advertise the Notes directly or indirectly, in, into or from Switzerland and (ii) publicly distribute or otherwise make publicly available in Switzerland this Offering Circular nor any other offering or marketing material relating to the Notes or the offering thereof.

Italy

Each Lead Manager has agreed and acknowledged that no application has been made or will be made by any person to obtain an authorisation from the Commissione Nazionale per le Società e la Borsa (“CONSOB”) for the public offering (offerta al pubblico) of the Notes in the Republic of Italy and that no Notes may be offered, sold, delivered or distributed nor any copy of this Offering Circular or any other document relating to the Notes may be distributed in the Republic of Italy. Accordingly, each Lead Manager has represented and agreed that it has not offered, sold, delivered, distributed or made available, and will not offer, sell, deliver, distribute or make available in the Republic of Italy any of the Notes nor any copy of this Offering Circular or any other documents relating to the Notes other than:

- (a) to qualified investors (investitori qualificati), as defined pursuant to Article 2 of the Prospectus Regulation and any applicable provision of Legislative Decree No. 58 of 24 February 1998, as amended (the “Financial Services Act”) and/or Italian CONSOB regulations; or
- (b) in other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the Prospectus Regulation, Article 34-ter of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time, and the applicable Italian laws.

Each Lead Manager has further agreed that any offer, sale or delivery of the Notes or distribution of any copy of this Offering Circular or any other documents relating to the Notes in the Republic of Italy under the preceding paragraphs (a) and (b) shall:

- (i) be made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of 15 February 2018 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended (the “Banking Act”); and
- (ii) comply with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy (including the reporting requirements, where applicable, pursuant to Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or any other Italian authority.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “Financial Instruments and Exchange Act”). Accordingly, each Lead Manager has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

Singapore

Each Lead Manager has acknowledged that this Offering Circular has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Lead Manager has represented and agreed that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase, and will not offer or sell the Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute this Offering Circular or any other document or material in connection with the offer or sale or invitation for subscription or purchase of the Notes, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (b) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018, or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person as defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA; or
- (ii) where no consideration is or will be given for the transfer; or
- (iii) where the transfer is by operation of law; or
- (iv) as specified in Section 276(7) of the SFA; or
- (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Any reference to the SFA is a reference to the Securities and Futures Act, Chapter 289 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

Prohibition of Sales to EEA Retail Investors

Each Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the European Economic Area. For the purposes of this provision, the expression "retail investor" means a person who is one (or more) of the following:

- (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); or
- (ii) a customer within the meaning of Directive (EU) 2016/97 (the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

Prohibition of Sales to UK Retail Investors

Each Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the United Kingdom. For the purposes of this provision, the expression "retail investor" means a person who is one (or more) of the following:

- (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); or
- (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "FSMA") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.

Other United Kingdom restrictions

Each Lead Manager has represented and agreed that:

- (i) it has complied with, and will comply with, all applicable provisions of the Financial Services and Markets Act 2000 (the "FSMA") with respect to anything done by it in relation to the Notes in, from or otherwise involving, the UK; and

- (ii) it has only communicated or caused to be communicated, and will only communicate or cause to be communicated, any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer or the Guarantor.

General

No action has been taken by the Issuer, the Guarantor or any of the Lead Managers that would, or is intended to, permit a public offer of the Notes in any country or jurisdiction where any such action for that purpose is required. Accordingly, each of the Lead Managers has undertaken that it will not, directly or indirectly, offer or sell any Notes or distribute or publish any offering circular, memorandum, prospectus, form of application, advertisement or other document or information in any country or jurisdiction except under circumstances that will, to the best of its knowledge and belief, result in compliance with any applicable laws and regulations and all offers and sales of the Notes by it will be made on the same terms.

GENERAL INFORMATION

1. The Notes have been accepted for clearance through Euroclear and Clearstream. The ISIN for the Series A Notes is XS2402178300 and the Common Code for the Series A Notes is 240217830. The ISIN for the Series B Notes is XS2402178565 and the Common Code for the Series B Notes is 240217856.
2. Application will be made to the SGX-ST for the listing and quotation of the Notes on the SGX-ST but an application may instead be made to another stock exchange which is: (a) a member of the World Federation of Exchanges; or (b) located in a state that is a member of the Organisation for Economic Co-operation and Development, for permission to deal in and the listing of the Notes. However no assurance is made that the application to the SGX-ST or such other stock exchange will be approved. The settlement of the Notes is not conditional on obtaining listing. In connection with such application, each of the Issuer and the Guarantor will use endeavours considered in its sole opinion to be reasonable to it to obtain the listing as promptly as practicable after the Closing Date (if not already obtained). The Issuer may elect to apply for a de-listing of the Notes from any stock exchange or markets of such stock exchange on which they are traded because the maintenance of such listing is or would be, in the opinion of the Issuer, unduly burdensome, including, without limitation, any requirement on the Issuer or the Guarantor to provide financial statements prepared in accordance with, or reconcile financial statements to, accounting principles or standards other than HKFRS in which event the Issuer will use endeavours considered in its sole opinion to be reasonable to it to seek a replacement listing of such Notes on another section of any stock exchange on which they are traded or another stock exchange which is: (a) a member of the World Federation of Exchanges; or (b) located in a state that is a member of the Organisation for Economic Co-operation and Development, provided that obtaining or maintaining a listing on such section or such stock exchange would not be, in the opinion of the Issuer, unduly burdensome including, without limitation, any requirement on the Issuer or the Guarantor to provide financial statements prepared in accordance with, or reconcile financial statements to, accounting principles or standards other than HKFRS. In the event that no listing is obtained or maintained which satisfies the foregoing requirements, the Issuer will use endeavours considered in its sole opinion to be reasonable to it to obtain a replacement listing elsewhere.

The Notes will be traded in a minimum board lot size of €200,000 for so long as any of the Notes are listed on the SGX-ST and the rules of the SGX-ST so require.

For so long as any of the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, the Issuer will appoint and maintain a paying agent in Singapore, where the Notes may be presented or surrendered for payment or redemption, in the event that any of the Global Notes is exchanged for definitive Notes. In addition, in the event that any of the Global Notes is exchanged for definitive Notes, an announcement of such exchange shall be made by the Issuer or on its behalf through the SGX-ST and such announcement will include all material information with respect to the delivery of the definitive Notes, including details of the paying agent in Singapore.

3. The Issuer and the Guarantor have obtained all necessary consents, approvals and authorisations as may be required in connection with the issue and performance of the Notes, except as disclosed in this Offering Circular. The issue of the Notes was approved by resolutions of the Issuer passed on 22 October 2021, and the giving of the Guarantee of the Notes by the Guarantor was authorised by resolutions of the Guarantor passed on 22 October 2021.
4. Except as disclosed in this Offering Circular, there has been no material adverse change in the financial position or prospects of CKHH since 30 June 2021 and there has been no material adverse change in the financial position or prospects of the Issuer since its date of incorporation.

5. Other than as referred to elsewhere in this Offering Circular, neither the Issuer nor the Guarantor nor any of the Guarantor's subsidiaries is involved in any litigation or arbitration proceedings that if determined adversely to the Issuer, the Guarantor or any of its subsidiaries would, in the aggregate, have a material adverse effect on the consolidated financial position of the Guarantor and the Guarantor's subsidiaries (including the Issuer) taken as a whole, nor is the Issuer, the Guarantor or any of the Guarantor's subsidiaries aware that any such proceedings are pending or threatened.
6. The accounts of the Issuer are not subject to audit since it is not required to do so under the laws of the Cayman Islands. As such, the Issuer has not published, and does not propose to publish any of its accounts. The Issuer is, however, required to keep such accounts and records as are necessary to give a true and fair view of the Issuer's affairs and to explain its transactions.
7. Under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), the Guarantor is required to publish an annual report containing the audited consolidated financial statements of the Guarantor not later than four months after the date upon which the financial period ended. The Guarantor is also required to publish a semi-annual interim report, which should be reviewed by the Guarantor's independent auditor or audit committee, containing the unaudited consolidated financial statements of the Guarantor for the first six months of each financial year not later than three months after the end of that six-month period. The Guarantor does not publish audited interim consolidated nor non-consolidated financial statements.
8. The Notes and Coupons will contain the following legend: "Any United States person (as defined in the Internal Revenue Code) who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code".
9. The following contracts have been or will be entered into in relation to the issue of the Notes:
 - (a) the Subscription Agreement dated 27 October 2021 between the Issuer, the Guarantor and the Lead Managers;
 - (b) the Agency Agreement to be dated on or about the Closing Date between the Issuer, the Guarantor and the Fiscal Agent;
 - (c) the Guarantee dated to be on or about the Closing Date entered into by the Guarantor; and
 - (d) the Temporary Global Notes and the Permanent Global Notes.
10. Copies of the following documents may be inspected during usual business hours on any weekday (Saturdays, Sundays and holidays excepted) at the principal place of business of the Guarantor:
 - (a) the Memorandum and Articles of Association of the Issuer;
 - (b) the Memorandum and Articles of Association of the Guarantor;
 - (c) the Agency Agreement (in execution form after the Closing Date);
 - (d) the Guarantee (in execution form after the Closing Date); and
 - (e) the documents referred to in the section entitled "*Documents Incorporated by Reference*".

GLOSSARY OF CERTAIN TERMS

Aggregates – rock, generally granite, which has been crushed into different sizes for use in the construction industry.

GHz – gigahertz.

km – kilometre.

MHz – megahertz.

MW – megawatt, equal to 1,000 kilowatts.

Panamax – ships that are of the maximum dimensions that will fit through the locks of the Panama Canal, each of which is 1,000 feet long by 110 feet wide and 85 feet deep.

Post-Panamax – a vessel whose size does not allow it to transit the Panama Canal.

SAR – Special Administrative Region of the PRC.

square metre – equivalent to approximately 10.764 square feet.

TEU – Twenty foot equivalent unit, which is the amount of cargo that can be shipped in a container 20 feet long by 8 feet wide by 8 feet 6 inches high with a maximum load of 24 tonnes.

UMTS – Universal Mobile Telecommunications Systems.

U.S. – United States.

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