



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

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



# 2023 Interim Results

## Operations Analysis

# Disclaimer



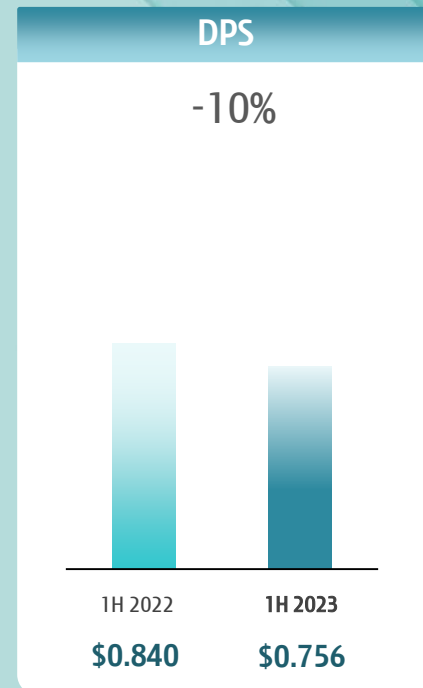
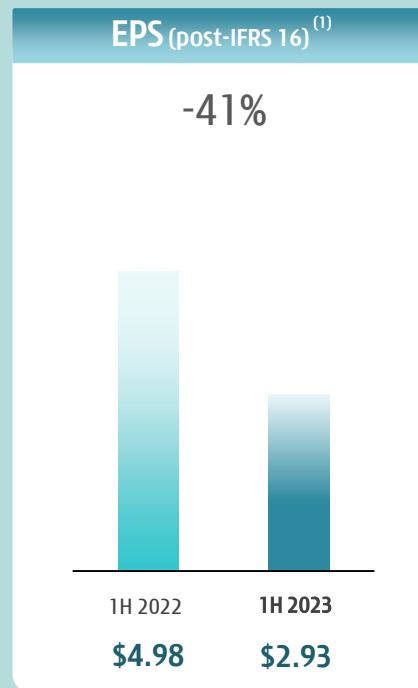
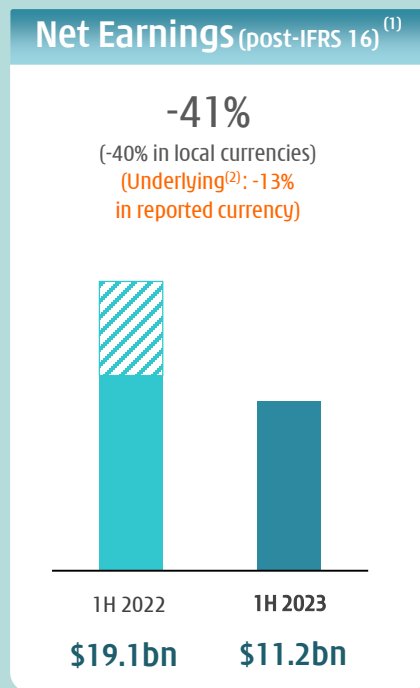
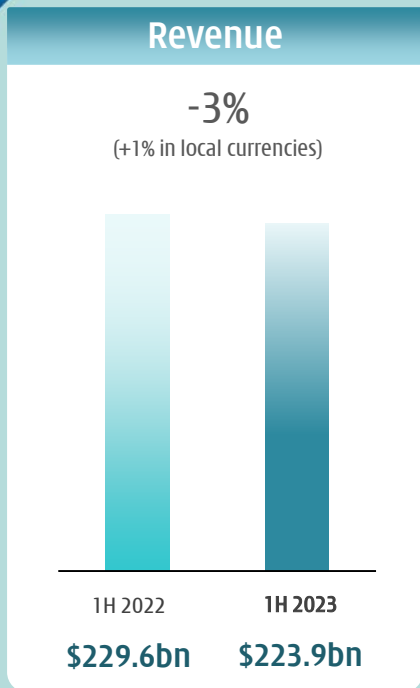
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# Financial Highlights



Represents one-off items

(1) Net earnings represent profit attributable to ordinary shareholders. 1H 2023 EPS is calculated based on profit attributable to ordinary shareholders and CKH's weighted average number of share outstanding of 3,830,044,500 for the period.  
 (2) Underlying net earnings for 1H 2022 exclude one-time net gain of HK\$6.2 billion, comprising net gain from the Indonesian telecommunication business merger and a non-cash impairment of the Sri Lanka telecommunication business.

# Financial Highlights



## EBITDA (pre-IFRS 16)<sup>(1)</sup>

-14%

(-11% in local currencies)  
(Underlying<sup>(2)</sup>): -3%  
in local currencies)



1H 2022

1H 2023

\$58.2bn

\$49.9bn

## EBIT (pre-IFRS 16)<sup>(1)</sup>

-20%

(-18% in local currencies)  
(Underlying<sup>(2)</sup>): -4%  
in local currencies)



1H 2022

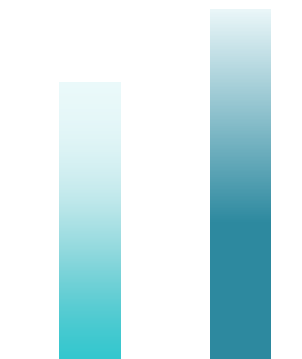
1H 2023

\$34.5bn

\$27.5bn

## OpFCF (pre-IFRS 16)<sup>(3)</sup>

+26%



1H 2022

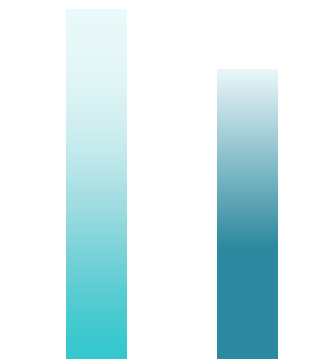
1H 2023

\$16.0bn

\$20.2bn

## Net Debt Ratio (pre-IFRS 16)<sup>(1)</sup>

3.5%-points



1H 2022

1H 2023

20.5%

17.0%

Represents one-off items

(1) The Group believes that the IAS 17 basis ("Pre-IFRS 16 basis") metrics, which are not intended to be a substitute for, or superior to, the reported metrics on a IFRS 16 basis ("Post-IFRS 16 basis"), better reflect management's view of the Group's underlying operational performance. IAS 17 basis metrics financial information is regularly reviewed by management and used for resource allocation, performance assessment and internal decision-making. As a result, the Group has provided an alternative presentation of the Group's EBITDA, EBIT and profit attributable to ordinary shareholders prepared under the Pre-IFRS 16 basis relating to the accounting for leases. Unless otherwise specified, the discussion of the Group's operating results in this presentation is on a Pre-IFRS 16 basis as mentioned above. Under Post-IFRS 16 basis, EBITDA, EBIT and Net Debt Ratio were HK\$61.2 billion, HK\$29.6 billion and 17.2% respectively.

(2) Underlying EBITDA and EBIT for 1H 2022 exclude one-time net gain of HK\$5.1 billion, comprising net gain from the Indonesian telecommunication business merger and a non-cash impairment of the Sri Lanka telecommunication business.

(3) OpFCF in 1H 2022 excludes one-time net gain aforementioned in note (2).

# EBITDA

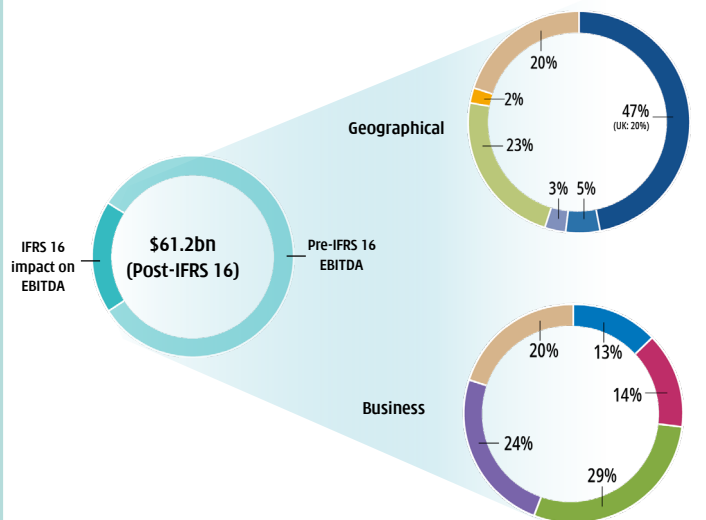


## EBITDA (pre-IFRS 16)

**\$49.9bn**

-14%

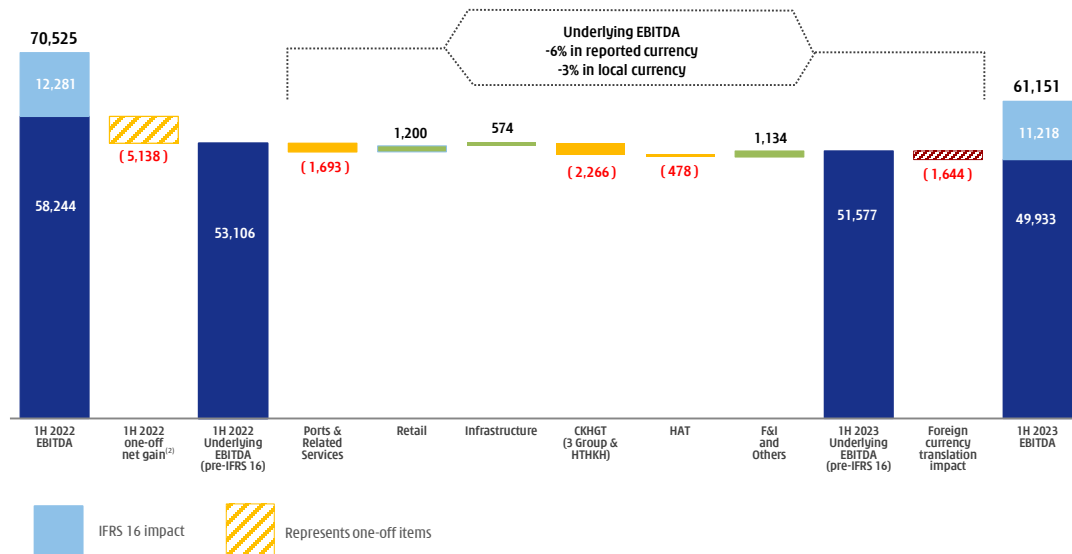
(-11% in local currencies)



- Europe
- Mainland China
- Hong Kong
- Asia, Australia & Others<sup>(1)</sup>
- Canada
- Finance & Investments and Others
- Ports & Related Services
- Retail
- Infrastructure
- Telecommunications
- Finance & Investments and Others

## EBITDA Change by Division

HK\$ m



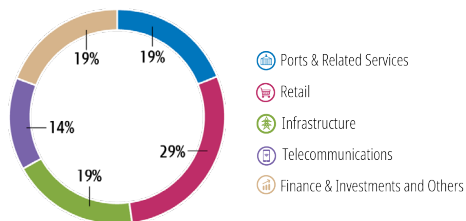
(1) Asia, Australia & Others includes Panama, Mexico and the Middle East.

(2) 1H 2022 one-time net gain includes disposal gain from the Group's Indonesia telecommunication business merger of HK\$6.1 billion, partly offset by non-cash impairment of the Group's Sri Lankan telecommunication business of HK\$1.0 billion.

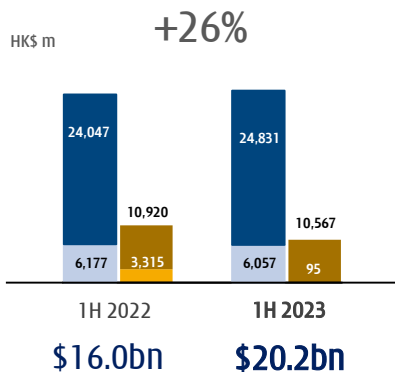
# Operating FCF



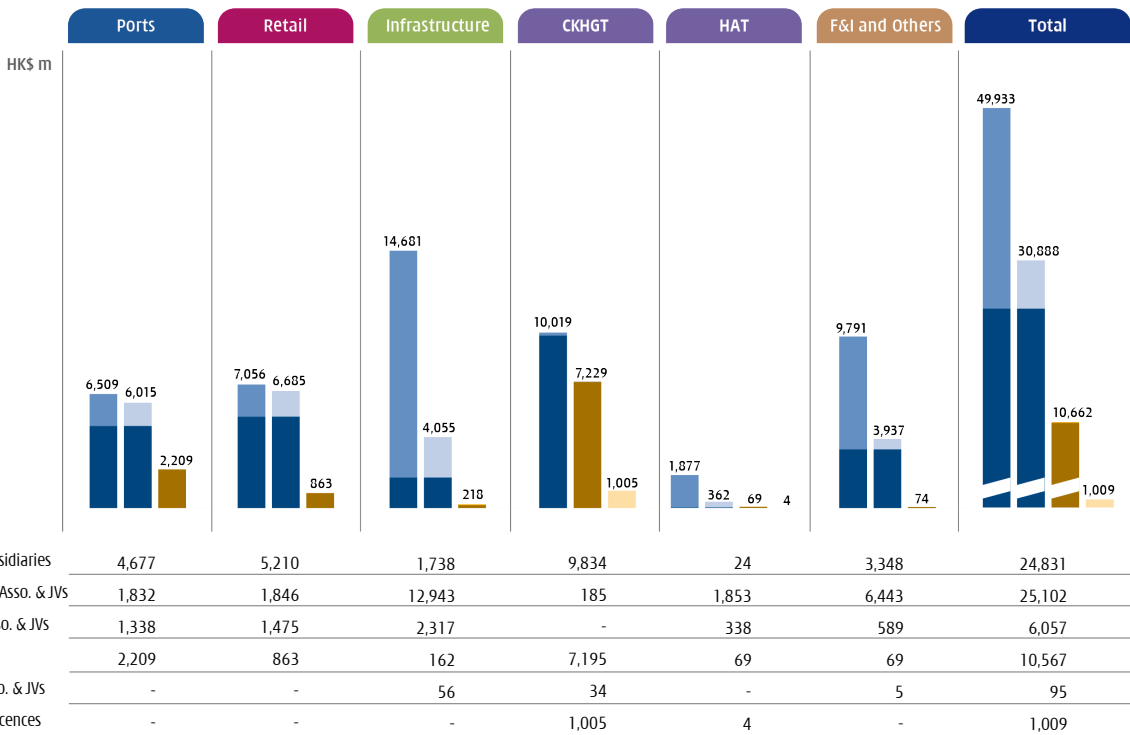
## Operating FCF by Core Business



## Operating FCF (pre-IFRS 16)<sup>(1)</sup>



## Operating FCF by division

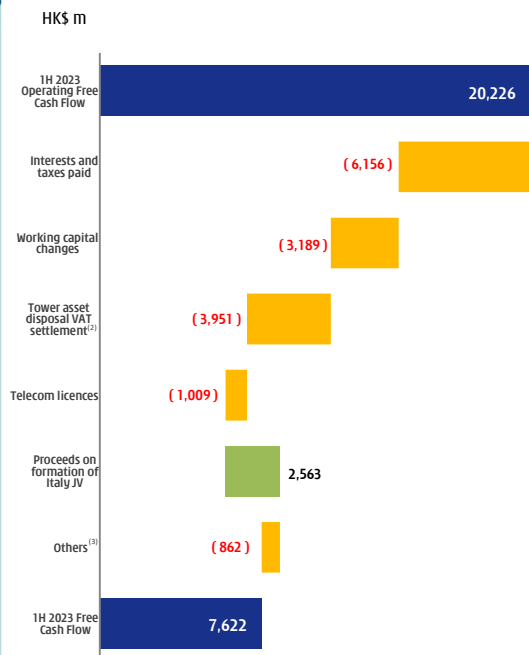


(1) Operating FCF represents EBITDA (Pre-IFRS 16 basis) of Company & subsidiaries and dividends from Asso. & JVs less capex of Company & subsidiaries (excluding Telecom licences) and investments in Asso. & JVs. Operating FCF excludes one-off items described in note (2) on page 5.

# Free Cash Flow



## Free Cash Flow



## Free Cash Flow Year-on-Year Change

**\$7.6bn +26%**



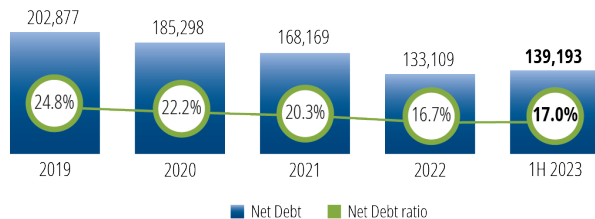
- (1) EBITDA of subsidiaries in 1H 2022 excludes net gains from non-recurring transactions of HK\$5.1 billion.
- (2) The VAT was received from the buyer in November 2022 and settled in 2023, and represented a payment on behalf of the buyer by the Group.
- (3) Others include additions and proceeds from disposals of subsidiaries, Asso & JVs and other investments.

# Financial Profile



## Net Debt Improvement

HK\$ million

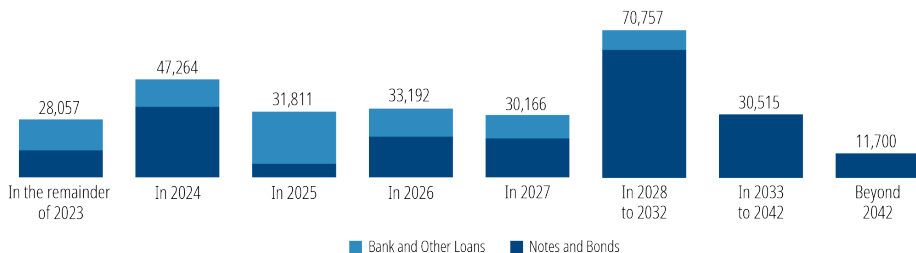


■ Net Debt ■ Net Debt ratio

## Debt Maturity Profile

HK\$ million

Total debt (Principal only):  
HK\$283,462 million<sup>(1)</sup>



■ Bank and Other Loans ■ Notes and Bonds

**4.2 years**

**Avg. Maturity**  
(Dec 2022: 4.8 years)

**2.9%**

**Avg. Cost of Debt**  
(Dec 2022: 2.0%)  
(Jun 2022: 1.8%)

**\$146.7bn**

**Liquid Assets**  
(sufficient to cover  
all debt maturing  
before 2027)

**Moody's A2**

**S&P A**

**Fitch A-**

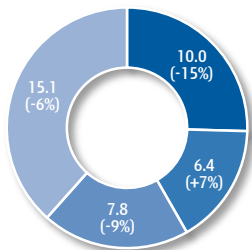
(1) Total bank and other debts are defined, for the purpose of "Net debt" calculation, as the total principal amount of bank and other debts and unamortised fair value adjustments arising from acquisitions. Net debt is defined as total bank and other debts less total cash, liquid funds and other listed investments. Net total capital is defined as total bank and other debts plus total equity (adjusted to exclude IFRS 16 effects) and loans from non-controlling shareholders net of total cash, liquid funds and other listed investments. The consolidated net debt to net total capital ratio under IFRS 16 basis, after including IFRS 16 impact in total equity is 17.2%.



# Ports & Related Services

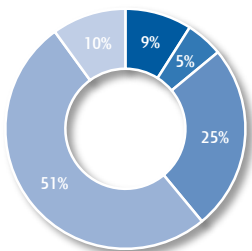


## TEUs



**39.3m**  
-7%

## EBITDA <sup>(1)</sup>



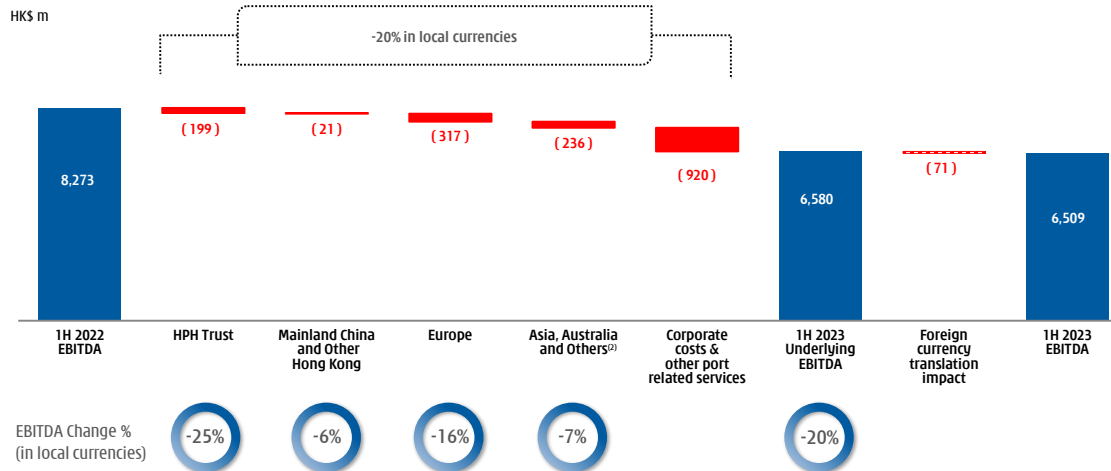
**\$6,509m**  
-21%  
(-20% in local currencies)

- HPH Trust
- Mainland China and Other Hong Kong
- Europe
- Asia, Australia and Others <sup>(2)</sup>
- Corporate costs & other port related services

(1) Under Post-IFRS 16 basis, EBITDA was HK\$7,840 million.

(2) Asia, Australia and Others includes Panama, Mexico and the Middle East.

## EBITDA



## Outlook



Throughput volume to rebound in Q4 2023 as overstocking in the US and Europe eases

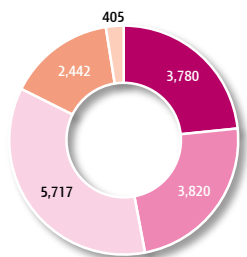


New facility at Abu Qir, Egypt will be opened and all 4 berths of the Pakistan terminal will be fully operational



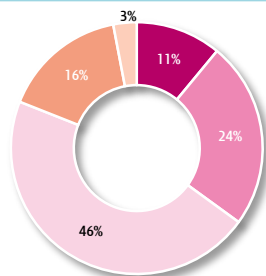
Continue to explore expansion and collaboration opportunities to enhance business and geographical portfolio

## Store number



**16,164**  
-1% Y-o-Y  
(flat vs Dec 2022)

## EBITDA <sup>(1)</sup>



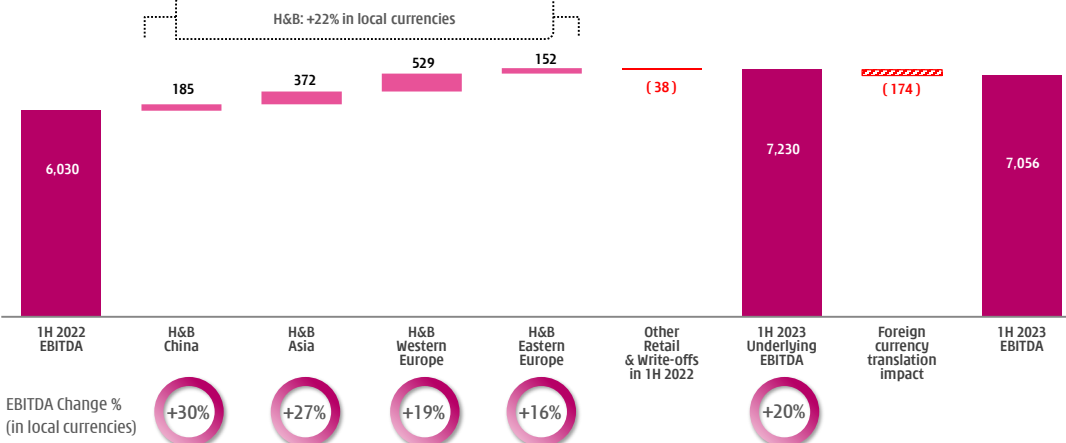
**\$7,056m**  
+17%  
(+20% in local currencies)

■ H&B China  
■ H&B Eastern Europe  
■ H&B Asia  
■ Other Retail <sup>(2)</sup>  
■ H&B Western Europe

(1) Under Post-IFRS 16 basis, EBITDA was HK\$11,771 million.  
 (2) Includes PARKNSHOP, PARKNSHOP Yonghui, Fortress, Watson's Wine and the manufacturing operations.

## EBITDA

HK\$ m



## Outlook



H&B Asia expected to continue to show strong growth, while H&B China will deliver improved performance against last year despite soft consumer sentiment and consumption



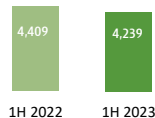
H&B Europe will continue to deliver robust performance amidst inflation and cost of living pressure for consumers



Continue to drive O+O strategy and increase exclusives sales participation

## CKI's reported NPAT <sup>(1)</sup>

HK\$ m

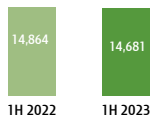


**\$4,239m**  
-4%

## EBITDA <sup>(2)</sup>

Infrastructure Division  
(incl. six co-owned assets)

HK\$ m



**\$14,681m**  
-1%  
(+4% in local currencies)

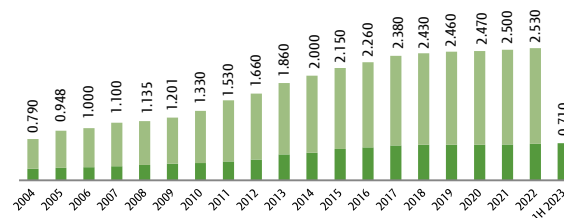
(1) Post-IFRS16 basis.

(2) Under Post-IFRS 16 basis, EBITDA was HK\$14,839 million.

## Stable Earnings & Dividend Growth



Earnings Per Share (HK\$)



Dividends Per Share (HK\$)

\* Excludes share of one-off gains arising from the spin-off of HKE by PAH and privatisation of Envestra

**9.3%**  
Net Debt Ratio  
(Dec 2022: 7.3%)

**S&P Credit  
Rating  
A/Stable**

**Resets  
in 2023  
completed**

## Outlook



High regulatory certainties in coming few years as all of our major regulated businesses completed their respective regulatory reset



Inflation will benefit the revenue and asset bases of CKI's regulated businesses in the long run

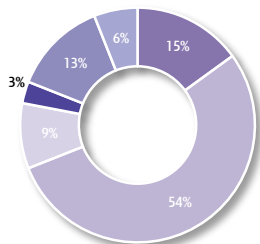


Solid financial foundation provides CKI with ample capacity to explore new growth opportunities

## Total Revenue

**\$38,751m** -2%  
(+1% in local currencies)

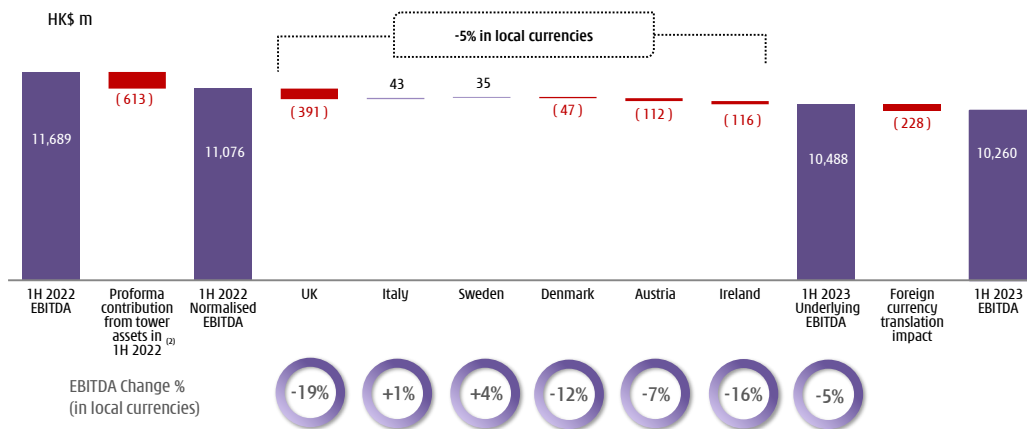
## EBITDA <sup>(1)</sup>



**\$10,260m**  
-12%  
(-10% in local currencies)

■ UK    ■ Italy    ■ Sweden  
■ Denmark    ■ Austria    ■ Ireland

## EBITDA <sup>(1)</sup>



## Outlook



Various repricing initiatives to mitigate cost inflationary pressure



Work towards completion of Wind Tre's NetCo transaction and 3UK merger



Explore in-market consolidation and implement asset-light strategy within the existing footprint

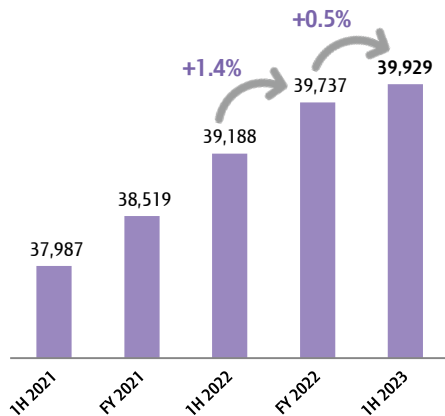
(1) Under Post-IFRS 16 basis, EBITDA was HK\$13,393 million.

(2) As the disposal of tower assets in UK was completed in November 2022, the 1H 2022 UK results were normalised, which exclude the proforma contribution from tower assets for January to June 2022 for comparability purpose.

## Active Customer Base ('000)

+0.5% vs Dec-2022

+1.9% vs Jun-2022



## Pricing Initiatives



UK

Inflation-linked in-contract increment applied in April 2023



ITA

Repricing executed across 1H 2023  
CPI-linked pricing embedded in new contracts



SWE

Price increment on hardware and customer subscriptions in 1H 2023



DEN

Price increment throughout 1H 2023



AUT

CPI-linked in-contract pricing increment effective from April 2023



IRE

CPI-linked pricing embedded in new contracts from January 2023  
CPI-linked in-contract pricing adjustment and annual pricing adjustment both implemented in April 2023

## 5G Coverage



UK

60%+ 5G coverage  
Progressively increasing rural area coverage



ITA

95%+ FDD coverage  
Approximately 70% TDD coverage  
Highest scores in independent surveys for network speed and 5G coverage



SWE

5G coverage increased by more than 50% in 1H 2023, providing extensive coverage in ten of the largest cities with full TDD coverage



DEN

Approximately 80% 5G coverage, with TDD coverage exceeded 50% of overall population



AUT

75% 5G coverage  
15%-point increase in 1H 2023



IRE

Recognised as Ireland's fastest 5G network with 90% population coverage

# Telecommunications - 3 Group Europe



In million	UK <sup>(1)</sup> GBP		Italy EURO		Sweden SEK		Denmark DKK		Austria EURO		Ireland EURO		3 Group Europe <sup>(1)</sup> HK\$			
	1H 2023	1H 2022	1H 2023	1H 2022	1H 2023	1H 2022	1H 2023	1H 2022	1H 2023	1H 2022	1H 2023	1H 2022	1H 2023	1H 2022		
														Normalised	Tower assets	Reported
<b>Total Revenue</b>	1,227	1,175	1,898	1,958	3,777	3,531	1,213	1,166	466	436	298	301	38,751	39,407	-	39,407
% change	+4%		-3%		+7%		+4%		+7%		-1%		-2%			+1%
											Local currencies change %					
<b>Total margin</b>	808	743	1,469	1,500	2,545	2,319	977	913	343	332	228	227	28,205	28,241	-	28,241
% change	+9%		-2%		+10%		+7%		+3%				-			
											Local currencies change %		+3%			
TOTAL CACS	(447)	(430)	(133)	(138)	(458)	(464)	(154)	(123)	(74)	(55)	(40)	(47)	(6,963)	(6,969)	-	(6,969)
Less: Handset Revenue	323	325	90	82	261	244	60	48	67	48	37	45	5,047	5,074	-	5,074
<b>Total CACS (net of handset revenue)</b>	(124)	(105)	(43)	(56)	(197)	(220)	(94)	(75)	(7)	(7)	(3)	(2)	(1,916)	(1,895)	-	(1,895)
<b>Operating Expenses</b>	(521)	(437)	(778)	(802)	(1,165)	(959)	(589)	(504)	(176)	(153)	(155)	(142)	(16,029)	(15,270)	613	(14,657)
Opex as a % of total margin	64%	59%	53%	53%	46%	41%	60%	55%	51%	46%	68%	63%	57%	54%		52%
<b>EBITDA</b>	163	201	648	642	1,183	1,140	294	334	160	172	70	83	10,260	11,076	613	11,689
% change	-19%		+1%		+4%		-12%		-7%		-16%		-7%			-5%
											Local currencies change %		-5%			
EBITDA margin % <sup>(2)</sup>	18%	24%	36%	34%	34%	35%	25%	30%	40%	44%	27%	32%	30%	32%		34%
<b>Depreciation &amp; Amortisation</b>	(239)	(216)	(542)	(577)	(876)	(717)	(242)	(303)	(81)	(75)	(67)	(64)	(9,117)	(9,297)	(204)	(9,501)
<b>EBIT</b>	(76)	(15)	106	65	307	423	52	31	79	97	3	19	1,143	1,779	409	2,188
% change	-407%		+63%		-27%		+68%		-19%		-84%		-36%			-37%
											Local currencies change %		-37%			
<b>Capex</b>	(275)	(334)	(284)	(342)	(796)	(715)	(196)	(545)	(84)	(84)	(47)	(53)	(7,031)	(8,724)		
<b>Reported depreciation &amp; amortisation <sup>(3)</sup></b>	206	208	430	455	516	399	175	239	56	52	48	46	7,133	7,473		
<b>Reported D&amp;A less Capex <sup>(3)</sup></b>	(69)	(126)	146	113	(280)	(316)	(21)	(306)	(28)	(32)	1	(7)	102	(1,251)		
<b>Reported EBITDA less Capex</b>	(112)	(73)	364	300	387	425	98	(211)	76	88	23	30	3,229	2,965		
	1H 2023	1H 2022	1H 2023	1H 2022	1H 2023	1H 2022	1H 2023	1H 2022	1H 2023	1H 2022	1H 2023	1H 2022	1H 2023	1H 2022		
EBITDA per above	163	201	648	642	1,183	1,140	294	334	160	172	70	83	10,260	11,076		
Proforma contribution from Tower assets	-	60	-	-	-	-	-	-	-	-	-	-	-	613		
Reported EBITDA	163	261	648	642	1,183	1,140	294	334	160	172	70	83	10,260	11,689		
EBIT per above	(76)	(15)	106	65	307	423	52	31	79	97	3	19	1,143	1,779		
Proforma contribution from Tower assets	-	40	-	-	-	-	-	-	-	-	-	-	-	409		
Reported EBIT	(76)	25	106	65	307	423	52	31	79	97	3	19	1,143	2,188		

(1) As the disposal of tower assets in the UK was completed in November 2022, the 1H 2022 UK results were normalised, which exclude the proforma contribution from the tower assets for January to June 2022 for comparability purpose.

(2) EBITDA margin % represents EBITDA as a % of total revenue excluding handset revenue.

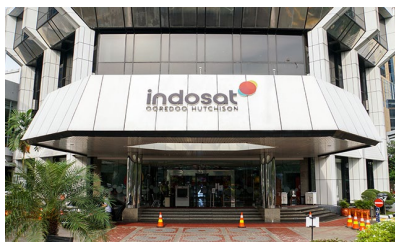
(3) Reported depreciation & amortisation excludes amortisation of licences and amortisation of capitalised CACS.

## Cenovus Energy



- Continue to focus on balance sheet and cashflow management to increase shareholder return
- Quarterly dividend of C\$0.14 per share, 8 times against time of merger in Q1 2021
- Emphasis on low cost structure to mitigate commodity price volatility in 2H 2023
- Production outages and facility turnarounds mostly resolved towards end of Q2 2023

## Indosat Ooredoo Hutchison



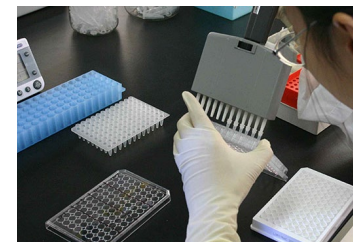
- Active customer base : 100.0mn, +4% against 1H 2022
- Lower year-on-year net gains from disposal of non-core assets in 2023. Excluding these net gains, underlying EBITDA growth is +24%
- Solid operating performance driven by data usage demand & network integration is ahead of plan
- Continued dividend distribution in consecutive years since merger

## TPG



- Strong customer growth in both mobile & fixed wireless subscribers
- Growth supported by international travel recovery and simplified postpaid pricing plans
- 5G coverage of 95%+ of top 12 cities
- Persistent contribution in terms of operation growth and profitability
- Increased dividend distribution from improving growth momentum

## HutchMed

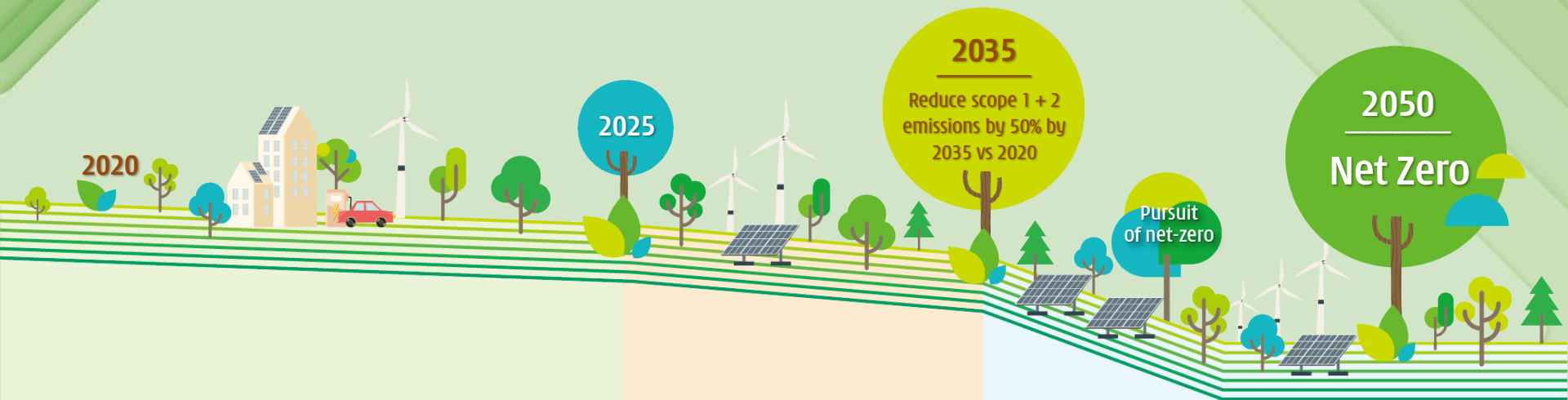


- Revenue growth in 2023 driven by out-licensing of in-house developed oncology drugs
- Cash proceeds of US\$400mn from exclusive licence agreement of fruquintinib outside China closed in March 2023
- Focusing on driving near-term value creation and establishing a self-sustaining business over the long term



# Sustainability





## GHG Reduction Targets & 2023 Investments

- **Group commitments:**
  - Reduce scope 1 + 2 emissions by 50% by 2035 vs. 2020
  - Commitment to the pursuit of net-zero by 2050.
- Detailed tracking mechanisms in place for monitoring capital and operating expenditure.
- During 2022, the Group's Subsidiaries and Associates spent over USD1 billion in green spend. Largest spend categories include renewable and other clean energy generation, energy efficiency, and clean transportation, with smaller amounts in the categories of circular economy and design, and sustainable water management.

## 2025 - 2035 Focus Areas

- Full-scale electrification of port equipment and trucks.
- Hydrogen transition in gas networks.
- Decommissioning of remaining coal-fired generation.
- Adoption of carbon capture, use and storage in waste-to-energy plants.
- Increased onsite renewable energy generation and procurement of renewable electricity.

## 2035 - 2050 Focus Areas

- Hydrogen to play a bigger role in phase out of diesel and hybrid equipment.
- Value chain engagement through:
  - Encouraging suppliers to set SBTi-validated targets.
  - Sale of more resource efficient customer products.
  - Decreasing product packaging and more recycled content.
  - Greener supplier transport modes.
- Achieving renewable gas conversion of distribution networks.
- Achieving 100% renewable and other clean energy in electricity distribution networks.
- Expanded renewable generation footprint.



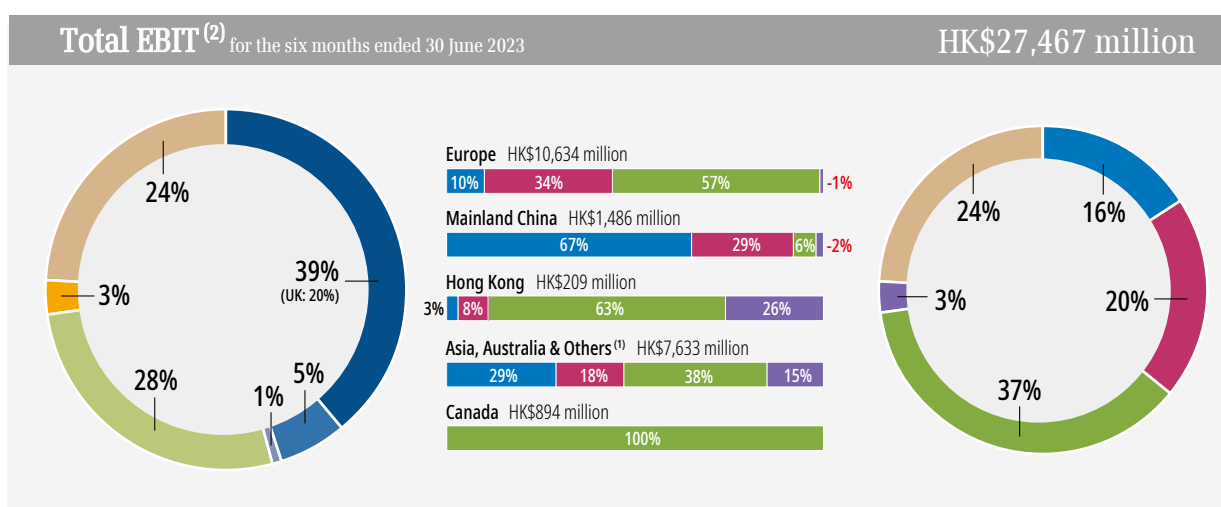
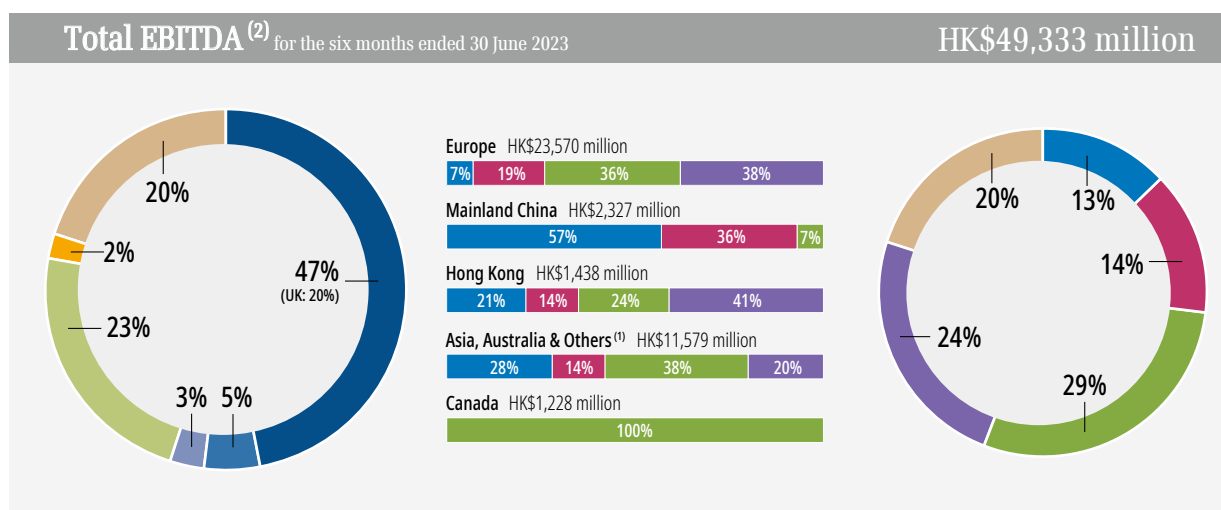
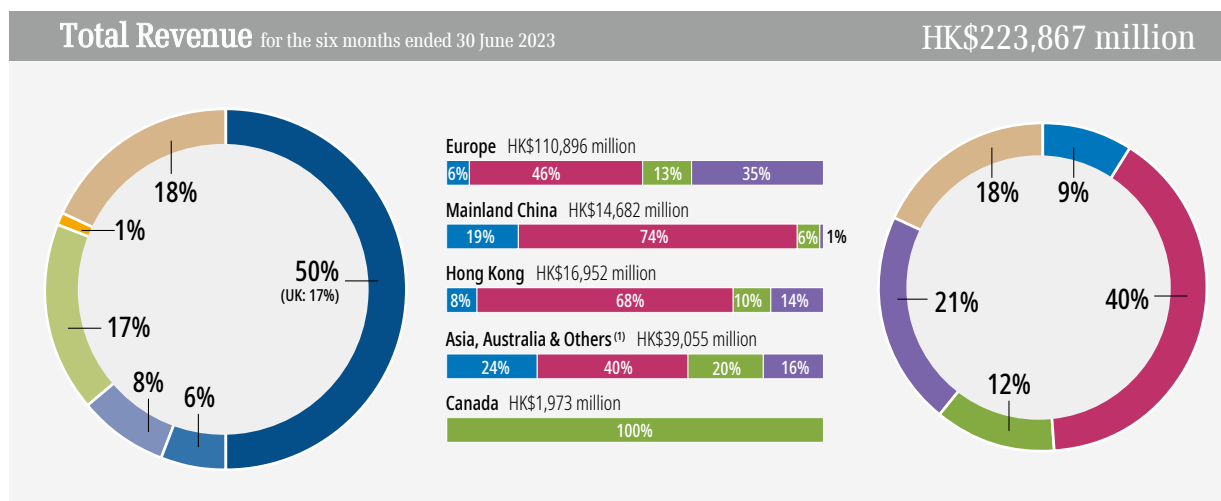
# Q & A



# 2023 Interim Results

## Appendix

## Analyses of Core Business Segments by Geographical Location



- Europe
- Mainland China
- Hong Kong
- Asia, Australia & Others<sup>(1)</sup>
- Canada
- Finance & Investments and Others

Note 1: Includes Panama, Mexico and the Middle East  
 Note 2: Prepared under Pre-IFRS 16 basis which is set out in note 1 on page 4

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

## Financial Performance Summary

	Post-IFRS 16 <sup>(1)</sup> Unaudited Results for the six months ended 30 June 2023		Post-IFRS 16 <sup>(1)</sup> Unaudited Results for the six months ended 30 June 2022		Change %
	HK\$ million	%	HK\$ million	%	
<b>Revenue<sup>(2)</sup></b>					
Ports and Related Services <sup>(2)</sup>	19,863	9%	22,651	10%	-12%
Retail	88,619	40%	84,905	37%	4%
Infrastructure	27,540	12%	27,600	12%	-
CK Hutchison Group Telecom	41,761	19%	41,817	18%	-
Hutchison Asia Telecommunications	5,775	2%	5,839	3%	-1%
Finance & Investments and Others	40,309	18%	46,804	20%	-14%
<b>Total Revenue</b>	<b>223,867</b>	<b>100%</b>	<b>229,616</b>	<b>100%</b>	<b>-3%</b>
<b>EBITDA<sup>(2)</sup></b>					
Ports and Related Services <sup>(2)</sup>	7,840	13%	9,622	14%	-19%
Retail	11,771	19%	10,763	15%	9%
Infrastructure	14,839	24%	15,014	21%	-1%
CK Hutchison Group Telecom	13,357	22%	15,947	23%	-16%
Hutchison Asia Telecommunications	2,929	5%	9,619	14%	-70%
Finance & Investments and Others	10,415	17%	9,560	13%	9%
<b>Total EBITDA</b>	<b>61,151</b>	<b>100%</b>	<b>70,525</b>	<b>100%</b>	<b>-13%</b>
<b>EBIT<sup>(2)</sup></b>					
Ports and Related Services <sup>(2)</sup>	4,903	16%	6,583	17%	-26%
Retail	5,948	20%	4,779	13%	24%
Infrastructure	10,069	34%	9,870	26%	2%
CK Hutchison Group Telecom	852	3%	3,067	8%	-72%
Hutchison Asia Telecommunications	1,112	4%	7,512	20%	-85%
Finance & Investments and Others	6,729	23%	5,837	16%	15%
<b>Total EBIT</b>	<b>29,613</b>	<b>100%</b>	<b>37,648</b>	<b>100%</b>	<b>-21%</b>
Interest Expenses and other finance Costs <sup>(2)</sup>	(11,735)		(9,684)		-21%
Profit Before Tax	17,878		27,964		-36%
Tax <sup>(2)</sup>					
Current tax	(3,292)		(3,484)		6%
Deferred tax	(251)		(1,898)		87%
	(3,543)		(5,382)		34%
Profit after tax	14,335		22,582		-37%
Non-controlling interests and perpetual capital securities holders' interests	(3,127)		(3,494)		11%
<b>PROFIT ATTRIBUTABLE TO ORDINARY SHAREHOLDERS ("NPAT")</b>	<b>11,208</b>		<b>19,088</b>		<b>-41%</b>

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

Note 2: Total revenue, EBITDA, EBIT, interest expenses and other finance costs and tax include the Group's proportionate share of associated companies and joint ventures' respective items. Total revenue, EBITDA and EBIT were adjusted to exclude non-controlling interests' share of results of HPH Trust.

## Financial Performance Summary

	Pre-IFRS 16 <sup>(1)</sup> Unaudited Results for the six months ended 30 June 2023		Pre-IFRS 16 <sup>(1)</sup> Unaudited Results for the six months ended 30 June 2022		Change %	Local currencies change %
	HK\$ million	%	HK\$ million	%		
<b>Revenue<sup>(2)</sup></b>						
Ports and Related Services <sup>(2)</sup>	19,863	9%	22,651	10%	-12%	-12%
Retail	88,619	40%	84,905	37%	4%	7%
Infrastructure	27,540	12%	27,600	12%	–	4%
CK Hutchison Group Telecom	41,761	19%	41,817	18%	–	3%
Hutchison Asia Telecommunications	5,775	2%	5,839	3%	-1%	3%
Finance & Investments and Others	40,309	18%	46,804	20%	-14%	-10%
<b>Total Revenue</b>	<b>223,867</b>	<b>100%</b>	<b>229,616</b>	<b>100%</b>	<b>-3%</b>	<b>1%</b>
<b>EBITDA<sup>(2)</sup></b>						
Ports and Related Services <sup>(2)</sup>	6,509	13%	8,273	14%	-21%	-20%
Retail	7,056	14%	6,030	10%	17%	20%
Infrastructure	14,681	29%	14,864	26%	-1%	4%
CK Hutchison Group Telecom	10,019	20%	12,512	22%	-20%	-18%
Hutchison Asia Telecommunications	1,877	4%	7,572	13%	-75%	-74%
Finance & Investments and Others	9,791	20%	8,993	15%	9%	13%
<b>Total EBITDA</b>	<b>49,933</b>	<b>100%</b>	<b>58,244</b>	<b>100%</b>	<b>-14%</b>	<b>-11%</b>
<b>EBIT<sup>(2)</sup></b>						
Ports and Related Services <sup>(2)</sup>	4,337	16%	6,042	17%	-28%	-27%
Retail	5,420	20%	4,331	12%	25%	28%
Infrastructure	10,041	37%	9,851	29%	2%	7%
CK Hutchison Group Telecom	335	1%	2,474	7%	-86%	-88%
Hutchison Asia Telecommunications	723	2%	6,047	18%	-88%	-87%
Finance & Investments and Others	6,611	24%	5,770	17%	15%	17%
<b>Total EBIT</b>	<b>27,467</b>	<b>100%</b>	<b>34,515</b>	<b>100%</b>	<b>-20%</b>	<b>-18%</b>
Interest Expenses and other finance Costs <sup>(2)</sup>	(9,757)		(7,872)		-24%	
Profit Before Tax	17,710		26,643		-34%	
Tax <sup>(2)</sup>						
Current tax	(3,292)		(3,482)		5%	
Deferred tax	(269)		(1,899)		86%	
	(3,561)		(5,381)		34%	
Profit after tax	14,149		21,262		-33%	
Non-controlling interests and perpetual capital securities holders' interests	(3,140)		(3,522)		11%	
<b>PROFIT ATTRIBUTABLE TO ORDINARY SHAREHOLDERS ("NPAT")</b>	<b>11,009</b>		<b>17,740</b>		<b>-38%</b>	<b>-36%</b>

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

Note 2: Total revenue, EBITDA, EBIT, interest expenses and other finance costs and tax include the Group's proportionate share of associated companies and joint ventures' respective items. Total revenue, EBITDA and EBIT were adjusted to exclude non-controlling interests' share of results of HPH Trust.

## Operations Highlights

### Ports and Related Services

	30 June 2023 HK\$ million	30 June 2022 HK\$ million	Change	Local currencies change
Total Revenue <sup>(1)</sup>	19,863	22,651	-12%	-12%
EBITDA <sup>(1)(4)</sup>	6,509	8,273	-21%	-20%
EBIT <sup>(1)(4)</sup>	4,337	6,042	-28%	-27%
Throughput (million TEU)	39.3	42.4	-7%	
Number of berths <sup>(3)</sup>	293	293	-	

	Throughput (million TEU)			Number of Berths <sup>(3)</sup>		
	30 June 2023	30 June 2022	Change	30 June 2023	30 June 2022	Change
HPH Trust	10.0	11.7	-15%	52	52	-
Mainland China and Other Hong Kong	6.4	6.0	+7%	44	44	-
Europe	7.8	8.6	-9%	67	67	-
Asia, Australia and Others <sup>(2)</sup>	15.1	16.1	-6%	130	130	-
Total	39.3	42.4	-7%	293	293	-

	Total Revenue <sup>(1)</sup>				Total EBITDA <sup>(1)(4)</sup>			
	30 June 2023	30 June 2022	Change	Local currencies change	30 June 2023	30 June 2022	Change	Local currencies change
HK\$ million								
HPH Trust	1,135	1,419	-20%	-20%	586	785	-25%	-25%
Mainland China and Other Hong Kong	886	968	-8%	-3%	319	361	-12%	-6%
Europe	6,622	6,966	-5%	-3%	1,622	1,975	-18%	-16%
Asia, Australia and Others <sup>(2)</sup>	9,219	9,578	-4%	-5%	3,297	3,547	-7%	-7%
Corporate costs & other port related services	2,001	3,720	-46%	-46%	685	1,605	-57%	-57%
Total	19,863	22,651	-12%	-12%	6,509	8,273	-21%	-20%

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

Note 2: Asia, Australia and Others includes Panama, Mexico and the Middle East.

Note 3: Based on 300 metres per berth and is computed by dividing the total berth length by 300 metres.

Note 4: Under Post-IFRS 16 basis, EBITDA was HK\$7,840 million (30 June 2022: HK\$9,622 million); EBIT was HK\$4,903 million (30 June 2022: HK\$6,583 million).

Throughput decreased by 7% to 39.3 million TEU in the first half of 2023, with 65% and 35% local and transshipment volume respectively (1H 2022: 64% and 36% local and transshipment volume respectively). The overall throughput volume has been affected by declining cargo export volume, particularly in HPH Trust, which dropped by 15% compared to the first half of 2022 due to weak China export to US and EU despite the relaxation of COVID measures and cross-border controls, along with stagnant global demand and the accumulation of inventory levels in the US and Europe since late 2022. Besides, the European ports reported 9% drop in volume also due to lower cargo demand under the high inflationary environment. The Asia, Australia and Others segment reported a 6% volume drop year-on-year as a result of weak consumer sentiment and reduced diverted transshipment volume with easing of port congestion. The aforementioned adverse variances were partly offset by 7% increase in volume in the Mainland China and Other Hong Kong segment given the exceptionally low throughput levels in the same period last year due to the pandemic lockdown.

As a result of the lower throughput as well as lower storage income particularly in Europe and HPH Trust segment, where storage income was at high base in the first half of 2022 resulted from port congestion and supply chain disruption, as well as the COVID lockdown measures for HPH Trust terminals during 2022, total revenue in the first half of 2023 was 12% below the same period last year in both reported and local currencies. EBITDA and EBIT decreased 21% and 28% respectively in reported currency against the same period last year. In local currencies, EBITDA and EBIT decreased 20% and 27% respectively, reflecting subpar performance as mentioned above. Europe segment reported a 18% and 24% decrease in EBITDA and EBIT respectively and HPH Trust segment reported a 25% and 43% decrease in EBITDA and EBIT respectively, primarily driven by the lower revenue as mentioned. The Asia, Australia and Others segment reported a 7% and 9% decrease in EBITDA and EBIT respectively reflected adverse performance in major ports including Australia and Thailand, partly offset by the favourable performance from Mexico and Pakistan. The adverse variance in the corporate costs and other port related services segment was mainly due to the weaker performance of an associated company in the container shipping business driven by the sharp decline in freight rates since the second half of 2022.

As at 30 June 2023, this division operates 293 berths. Two additional berths are expected to be operational from last quarter in 2023 when the terminal at Abu Qir in Egypt commences operations, taking the total number of berths at the end of the year to 295.



## Retail

	30 June 2023 HK\$ million	30 June 2022 HK\$ million	Change	Local currencies change
Total Revenue	88,619	84,905	+4%	+7%
EBITDA <sup>(1)</sup>	7,056	6,030	+17%	+20%
EBIT <sup>(1)</sup>	5,420	4,331	+25%	+28%
Store Numbers	16,164	16,244	-1%	

	Store Numbers			Net Change In Store Number	Comparable Stores Sales Growth (%) <sup>(2)</sup>			
	30 June 2023	30 June 2022	Change	30 June 2023	30 June 2023		30 June 2022	
H&B China	3,780	4,055	-7%	-275	+2.0%	+2.8% <sup>(3)</sup>	-17.6%	-15.6% <sup>(3)</sup>
H&B Asia	3,820	3,647	+5%	173	+16.8%		+18.0%	
<b>H&amp;B China &amp; Asia Subtotal</b>	<b>7,600</b>	<b>7,702</b>	<b>-1%</b>	<b>-102</b>	<b>+11.3%</b>		<b>+2.0%</b>	
H&B Western Europe	5,717	5,670	+1%	47	+10.3%		+9.4%	
H&B Eastern Europe	2,442	2,450	-	-8	+15.8%		+12.1%	
<b>H&amp;B Europe Subtotal</b>	<b>8,159</b>	<b>8,120</b>	<b>+1%</b>	<b>39</b>	<b>+11.3%</b>		<b>+9.9%</b>	
<b>H&amp;B Subtotal</b>	<b>15,759</b>	<b>15,822</b>	<b>-</b>	<b>-63</b>	<b>+11.3%</b>		<b>+7.1%</b>	
Other Retail <sup>(4)</sup>	405	422	-4%	-17	-16.3%		+8.8%	
<b>Total Retail</b>	<b>16,164</b>	<b>16,244</b>	<b>-1%</b>	<b>-80</b>	<b>+7.2%</b>		<b>+7.4%</b>	

Note 1: Under Post-IFRS 16 basis, EBITDA was HK\$11,771 million (30 June 2022: HK\$10,763 million); EBIT was HK\$5,948 million (30 June 2022: HK\$4,779 million).

Note 2: Comparable stores sales growth represents the percentage change in revenue contributed by stores which, as at the first day of the relevant financial year (a) have been operating for over 12 months and (b) have not undergone major resizing within the previous 12 months.

Note 3: Adjusted to include loyalty members' sales recovered in proximate new stores.

Note 4: Other Retail includes PARKnSHOP, PARKnSHOP Yonghui, Fortress, Watson's Wine and the manufacturing operations, as well as one-time non-cash write offs in 1H 2022.

The Retail division consists of the A.S. Watson ("ASW") group of companies, the world's largest international Health and Beauty ("H&B") retailer with a 151 million loyalty member base. ASW operated 12 retail brands with 16,164 stores in 28 markets worldwide as of 30 June 2023. The division had a net store reduction of 1%, mainly in the Mainland as part of H&B China's store rationalisation strategy.

The division's total revenue, EBITDA and EBIT increased by 4%, 17% and 25% respectively in reported currency against the same period last year. Excluding the adverse foreign exchange translation effect, this division's total revenue, EBITDA and EBIT increased by 7%, 20% and 28% in local currencies respectively. The H&B segment, which represented 97% of the division's EBITDA in the first half of 2023, reported a total revenue, EBITDA and EBIT improvement of 12%, 22% and 30% respectively in local currencies, led by robust performance in Europe which exceeded pre-pandemic levels, strong performance in Asia from increase in store traffic and continued store expansion, as well as recovery in the Mainland following the easing of lockdown restrictions at the end of 2022. These favourable results were partly offset by the Other Retail segment which reported a reduction in total revenue of 17% in the first half of 2023, mainly arising from subdued consumer spending in Hong Kong.

HK\$ million	Total Revenue						Total EBITDA <sup>(1)</sup>							
	30 June 2023	%	30 June 2022	%	Change	Local currencies change	30 June 2023	%	EBITDA Margin	30 June 2022	%	EBITDA Margin	Change	Local currencies change
H&B China	8,884	10%	9,685	11%	-8%	-2%	751	11%	8%	623	10%	6%	+21%	+30%
H&B Asia	17,366	20%	15,304	18%	+13%	+20%	1,679	24%	10%	1,395	23%	9%	+20%	+27%
<b>H&amp;B China &amp; Asia Subtotal</b>	<b>26,250</b>	<b>30%</b>	<b>24,989</b>	<b>29%</b>	<b>+5%</b>	<b>+11%</b>	<b>2,430</b>	<b>35%</b>	<b>9%</b>	<b>2,018</b>	<b>33%</b>	<b>8%</b>	<b>+20%</b>	<b>+28%</b>
H&B Western Europe	40,399	45%	36,798	43%	+10%	+12%	3,240	46%	8%	2,744	46%	7%	+18%	+19%
H&B Eastern Europe	10,281	12%	8,903	11%	+15%	+17%	1,139	16%	11%	983	16%	11%	+16%	+16%
<b>H&amp;B Europe Subtotal</b>	<b>50,680</b>	<b>57%</b>	<b>45,701</b>	<b>54%</b>	<b>+11%</b>	<b>+13%</b>	<b>4,379</b>	<b>62%</b>	<b>9%</b>	<b>3,727</b>	<b>62%</b>	<b>8%</b>	<b>+18%</b>	<b>+18%</b>
<b>H&amp;B Subtotal</b>	<b>76,930</b>	<b>87%</b>	<b>70,690</b>	<b>83%</b>	<b>+9%</b>	<b>+12%</b>	<b>6,809</b>	<b>97%</b>	<b>9%</b>	<b>5,745</b>	<b>95%</b>	<b>8%</b>	<b>+19%</b>	<b>+22%</b>
Other Retail & Write-offs <sup>(4)</sup>	11,689	13%	14,215	17%	-18%	-17%	247	3%	2%	285	5%	2%	-13%	-13%
<b>Total Retail</b>	<b>88,619</b>	<b>100%</b>	<b>84,905</b>	<b>100%</b>	<b>+4%</b>	<b>+7%</b>	<b>7,056</b>	<b>100%</b>	<b>8%</b>	<b>6,030</b>	<b>100%</b>	<b>7%</b>	<b>+17%</b>	<b>+20%</b>

H&B loyalty members' participation & exclusives sales contribution	30 June 2023	30 June 2022
Total loyalty members in H&B segment (million)	150	140
Loyalty members' sales participation in H&B segment (%)	64%	63%
Exclusives sales contribution to total H&B sales (%)	37%	36%

Comparable stores sales growth for the H&B segment of 11.3% in the first half of 2023 was mainly contributed by the strong performance in the H&B operations in Europe which recorded a comparable stores sales growth of 11.3% from strong store traffic particularly in the UK, Germany and the Benelux countries. H&B Asia also recorded an encouraging improvement with comparable stores sales growth of 16.8% with Thailand, the Philippines and Malaysia as the key contributors through rebound in tourism and domestic demand. H&B China reported a mild comparable store sales growth of 2.0% as footfall continues to be below pre-pandemic levels.

## Infrastructure

	30 June 2023 HK\$ million	30 June 2022 HK\$ million	Change	Local currencies change
Total Revenue <sup>(1)</sup>	27,540	27,600	–	+4%
EBITDA <sup>(1)(2)</sup>	14,681	14,864	-1%	+4%
EBIT <sup>(1)(2)</sup>	10,041	9,851	+2%	+7%
CKI Reported Net Profit (under Post-IFRS 16 basis)	4,239	4,409	-4%	

Note 1: Total revenue, EBITDA and EBIT include the Group's share of results on the remaining 10% direct interest in the co-owned infrastructure assets with CKI after the divestment of 90% of the direct economic benefits in October 2018.

Note 2: Under Post-IFRS 16 basis, EBITDA was HK\$14,839 million (30 June 2022: HK\$15,014 million); EBIT was HK\$10,069 million (30 June 2022: HK\$9,870 million).

The infrastructure division comprises the Group's 75.67% interest in CK Infrastructure Holdings Limited ("CKI"), the largest publicly listed infrastructure company on the SEHK, and the Group's 10% economic benefits deriving from the Group's direct holdings in six co-owned infrastructure assets, including Northumbrian Water, Park'N Fly, Australian Gas Networks, Dutch Enviro Energy, Wales & West Utilities and UK Rails.

### CKI

CKI operates in Hong Kong, the Mainland, the UK, Continental Europe, Australia, New Zealand, Canada and the United States. CKI announced profit attributable to shareholders under Post-IFRS 16 basis of HK\$4,239 million in the first half of 2023, 4% lower against the same period last year, primarily resulted from higher finance costs due to rising interest rates, as well as adverse foreign exchange translation impact against US dollars. In local currencies, profit attributable to shareholders under Post-IFRS 16 basis increased by 4%.

Profit contribution under Post-IFRS 16 basis from Power Assets, a company listed on the SEHK and in which CKI holds a 36.01% interest as of 30 June 2023, was HK\$1,066 million in the first half of 2023, an increase of 3% and 7% in reported currency and local currencies respectively. Under Post-IFRS 16 basis, profit contribution from the UK portfolio was HK\$1,592 million in the first half of 2023, a 5% decrease against the same period last year, mainly due to adverse foreign exchange translation impact, higher finance costs and adverse regulatory reset impact of UK Power Networks. In local currency, profit contribution was flat against the first half of 2022. Under Post-IFRS 16 basis, profit contribution from Australian portfolio decreased by 18% to HK\$826 million in the first half of 2023 in reported currency. In local currency, profit decreased by 13% driven by the adverse regulatory reset impact of Australian Gas Networks and Multinet Gas, as well as one-off disposal gain recognised by United Energy in the first half of 2022. In Continental Europe, profit contribution under Post-IFRS 16 basis was HK\$424 million in the first half of 2023, a decrease of 1% in reported currency but flat in local currency. In Canada, profit contribution under Post-IFRS 16 basis increased by 31% and 40% in reported currency and local currency respectively to HK\$402 million in the first half of 2023, primarily due to strong performances of Canadian Power due to favourable power prices and of Park'N Fly due to post-COVID recovery in air travel in Canada. Profit contribution from New Zealand portfolio under Post-IFRS 16 basis decreased by 5% to HK\$72 million in the first half of 2023 mainly from adverse foreign exchange translation impact. In local currency, profit increased by 2% year-on-year. Hong Kong and the Mainland businesses reported a net profit of HK\$102 million in the first half of 2023 under Post-IFRS 16 basis, 13% lower against the same period last year, reflecting the weak traffic volume for the toll road operations and the adverse performance of the cement businesses in Hong Kong.

CKI has always been committed to prudent financial management and the risk management approach is conservative with the underlying financial position closely monitored. CKI's financial strength continues to be solid, with HK\$12 billion cash on hand and a net debt to net total capital ratio of 9.3% as at 30 June 2023. Credit rating from Standard & Poor's maintained at "A/ Stable".

## CK Hutchison Group Telecom

In million	30 June 2023 HK\$	30 June 2022 HK\$	Change	Local currencies change	30 June 2023 EURO	30 June 2022 EURO
<b>Total Revenue</b>	<b>41,761</b>	41,817	–	+3%	<b>4,917</b>	4,861
Total Margin	<b>30,258</b>	29,695	+2%	+5%	<b>3,562</b>	3,457
Total CACs	<b>(7,198)</b>	(7,244)	+1%		<b>(848)</b>	(843)
Less: Handset revenue	<b>5,186</b>	5,268	-2%		<b>611</b>	613
Total CACs (net of handset revenue)	<b>(2,012)</b>	(1,976)	-2%		<b>(237)</b>	(230)
Operating Expenses	<b>(18,227)</b>	(15,207)	-20%		<b>(2,107)</b>	(1,768)
<b>EBITDA <sup>(1)</sup></b>	<b>10,019</b>	12,512	-20%	-18%	<b>1,218</b>	1,459
Depreciation & Amortisation	<b>(9,684)</b>	(10,038)	+4%		<b>(1,139)</b>	(1,169)
<b>EBIT <sup>(1)</sup></b>	<b>335</b>	2,474	-86%	-88%	<b>79</b>	290

### 3 Group Europe

In million	30 June 2023 HK\$	30 June 2022 <sup>(2)</sup> HK\$	Change	Local currencies change
<b>Total Revenue</b>	<b>38,751</b>	39,407	-2%	+1%
Total Margin	<b>28,205</b>	28,241	–	+3%
Total CACs	<b>(6,963)</b>	(6,969)	–	
Less: Handset revenue	<b>5,047</b>	5,074	-1%	
Total CACs (net of handset revenue)	<b>(1,916)</b>	(1,895)	-1%	
Operating Expenses	<b>(16,029)</b>	(15,270)	-5%	
<i>Opex as a % of total margin</i>	<i>57%</i>	<i>54%</i>		
<b>EBITDA</b>	<b>10,260</b>	11,076	-7%	-5%
<i>EBITDA Margin % <sup>(3)</sup></i>	<i>30%</i>	<i>32%</i>		
EBITDA excluding energy inflation	<b>10,844</b>	11,076	-2%	–
Depreciation & Amortisation	<b>(9,117)</b>	(9,297)	+2%	
<b>EBIT</b>	<b>1,143</b>	1,779	-36%	-37%
EBIT excluding energy inflation	<b>1,727</b>	1,779	-3%	-4%
EBITDA per above	<b>10,260</b>	11,076	-7%	-5%
Proforma contribution from tower assets	–	613		
<b>Reported EBITDA <sup>(4)</sup></b>	<b>10,260</b>	11,689	-12%	-10%
EBIT per above	<b>1,143</b>	1,779	-36%	-37%
Proforma contribution from tower assets	–	409		
<b>Reported EBIT <sup>(4)</sup></b>	<b>1,143</b>	2,188	-48%	-49%

Note 1: Under Post-IFRS 16 basis, EBITDA was HK\$13,357 million (30 June 2022: HK\$15,947 million); EBIT was HK\$852 million (30 June 2022: HK\$3,067 million).

Note 2: Due to the completion of disposal of the UK tower assets in November 2022, the 1H 2022 results of the UK were normalised, which exclude the proforma contribution from tower assets for January to June 2022 for comparability purpose. The % changes in EBITDA and EBIT are compared against the normalised 1H 2022 numbers.

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

Note 4: Under Post-IFRS 16 basis, EBITDA was HK\$13,393 million (30 June 2022: HK\$14,910 million); EBIT was HK\$1,653 million (30 June 2022: HK\$2,773 million).

3 Group Europe's total revenue of HK\$38,751 million was 1% higher against the same period last year in local currencies, and total margin of HK\$28,205 million was 3% higher, primarily driven by the healthy growth in net customer service margin due to an increase in the customer base, coupled with higher roaming income from increased travelling of the European customers, partly offset by lower wholesale contribution in Italy. Active customer base as at 30 June 2023 of 39.9 million was 2% higher against the same period last year, mainly due to the UK, where the customer base increased 7% year-on-year, with better or relatively stable contract customer base reported by all the other operations. Average monthly customer churn rate of the contract customer base increased slightly to 1.2% for the first half of 2023 (1H 2022: 1.1%) mainly from higher churn in Italy where Wind Tre strategically allowed lower value customers to churn, with the decrease in its contract base partly offset by converting non-contract customers with contracts in order to improve margin stability.

3 Group Europe's net ARPU and net AMPU decreased by 3% and 1% to €12.77 and €11.48 respectively as compared to the first half of 2022, primarily due to adverse foreign exchange translation impact of Pound Sterling which depreciated 4% year-on-year against EURO, as well as the dilutive impact of higher mix of low value Internet of things (IoT) customers in Ireland, partly offset by the upside from repricing initiatives, better tariff mix and higher value propositions.

3 Group Europe's first half of 2023 results were adversely impacted by the full six-month incremental tower service fees of approximately HK\$0.6 billion in the UK following the completion of the tower assets disposal in early November 2022. On a normalised basis, EBITDA was 5% lower year-on-year in local currencies, as the improvements in overall total margin as mentioned was more than offset by increased operating expenses due to higher energy costs and other inflationary impacts, as well as higher network costs from the expanded networks, particularly in the UK. On a normalised basis, depreciation and amortisation was 1% higher in local currencies, as the higher depreciation in the UK from continued 5G rollout and digitalisation was largely offset by lower depreciation in Italy following the transfer of certain network assets to a newly setup joint venture in January 2023 and lower 5G network investment after its investment cycle has peaked in 2022. Correspondingly, EBIT was 37% lower year-on-year in local currencies on a normalised basis, reflecting primarily the EBITDA shortfall as mentioned.

## CKHGT - Results by operations

In million	UK <sup>(6)</sup> GBP		Italy <sup>(5)</sup> EURO		Sweden SEK		Denmark DKK		Austria EURO		Ireland EURO		3 Group Europe <sup>(6)</sup> HK\$			HTHKH HK\$		Corporate and Others <sup>(10)</sup> HK\$		CKHGT HK\$		CKHGT EURO		
	1H 2023	1H 2022	1H 2023	1H 2022	1H 2023	1H 2022	1H 2023	1H 2022	1H 2023	1H 2022	1H 2023	1H 2022	1H 2023	1H 2022	1H 2023	1H 2022	1H 2023	1H 2022	1H 2023	1H 2022	1H 2023	1H 2022	1H 2023	1H 2022
<b>Total Revenue</b>	<b>1,227</b>	1,175	<b>1,898</b>	1,958	<b>3,777</b>	3,531	<b>1,213</b>	1,166	<b>466</b>	436	<b>298</b>	301	<b>38,751</b>	39,407	–	39,407	<b>2,328</b>	2,298	<b>682</b>	112	<b>41,761</b>	41,817	<b>4,917</b>	4,861
% change	+4%		-3%		+7%		+4%		+7%		-1%		-2%	+1%			+1%		+509%		–	+3%	+1%	
<b>Total margin</b>	<b>808</b>	743	<b>1,469</b>	1,500	<b>2,545</b>	2,319	<b>977</b>	913	<b>343</b>	332	<b>228</b>	227	<b>28,205</b>	28,241	–	28,241	<b>1,655</b>	1,441	<b>398</b>	13	<b>30,258</b>	29,695	<b>3,562</b>	3,457
% change	+9%		-2%		+10%		+7%		+3%		–		–	+3%			+15%		+2962%		+2%	+5%	+3%	
Total CACs	(447)	(430)	(133)	(138)	(458)	(464)	(154)	(123)	(74)	(55)	(40)	(47)	(6,963)	(6,969)	–	(6,969)	(235)	(275)	–	–	(7,198)	(7,244)	(848)	(843)
Less: Handset Revenue	323	325	90	82	261	244	60	48	67	48	37	45	5,047	5,074	–	5,074	139	194	–	–	5,186	5,268	611	613
Total CACs (net of handset revenue)	(124)	(105)	(43)	(56)	(197)	(220)	(94)	(75)	(7)	(7)	(3)	(2)	(1,916)	(1,895)	–	(1,895)	(96)	(81)	–	–	(2,012)	(1,976)	(237)	(230)
Operating Expenses	(521)	(437)	(778)	(802)	(1,165)	(959)	(589)	(504)	(176)	(153)	(155)	(142)	(16,029)	(15,270)	613	(14,657)	(945)	(864)	(1,253)	314	(18,227)	(15,207)	(2,107)	(1,768)
Opex as a % of total margin	64%	59%	53%	53%	46%	41%	60%	55%	51%	46%	68%	63%	57%	54%		52%	57%	60%	N/A	N/A	60%	51%	59%	51%
<b>EBITDA</b>	<b>163</b>	201	<b>648</b>	642	<b>1,183</b>	1,140	<b>294</b>	334	<b>160</b>	172	<b>70</b>	83	<b>10,260</b>	11,076	613	11,689	<b>614</b>	496	<b>(855)</b>	327	<b>10,019</b>	12,512	<b>1,218</b>	1,459
% change	-19%		+1%		+4%		-12%		-7%		-16%		-7%	-5%			+24%		-361%		-20%	-18%	-17%	
EBITDA margin % <sup>(7)</sup>	18%	24%	36%	34%	34%	35%	25%	30%	40%	44%	27%	32%	30%	32%		34%	28%	24%	N/A	N/A	27%	34%	28%	34%
Depreciation & Amortisation	(239)	(216)	(542)	(577)	(876)	(717)	(242)	(303)	(81)	(75)	(67)	(64)	(9,117)	(9,297)	(204)	(9,501)	(565)	(532)	(2)	(5)	(9,684)	(10,038)	(1,139)	(1,169)
<b>EBIT</b>	<b>(76)</b>	(15)	<b>106</b>	65	<b>307</b>	423	<b>52</b>	31	<b>79</b>	97	<b>3</b>	19	<b>1,143</b>	1,779	409	2,188	<b>49</b>	(36)	<b>(857)</b>	322	<b>335</b>	2,474	<b>79</b>	290
% change	-407%		+63%		-27%		+68%		-19%		-84%		-36%	-37%			+236%		-366%		-86%	-88%	-73%	
EBITDA per above	163	201	648	642	1,183	1,140	294	334	160	172	70	83	10,260	11,076										
Proforma contribution from tower assets	–	60	–	–	–	–	–	–	–	–	–	–	–	613										
<b>Reported EBITDA</b>	<b>163</b>	261	<b>648</b>	642	<b>1,183</b>	1,140	<b>294</b>	334	<b>160</b>	172	<b>70</b>	83	<b>10,260</b>	11,689										
% change	-38%		+1%		+4%		-12%		-7%		-16%		-12%	-10%										
EBIT per above	(76)	(15)	106	65	307	423	52	31	79	97	3	19	1,143	1,779										
Proforma contribution from tower assets	–	40	–	–	–	–	–	–	–	–	–	–	–	409										
<b>Reported EBIT</b>	<b>(76)</b>	25	<b>106</b>	65	<b>307</b>	423	<b>52</b>	31	<b>79</b>	97	<b>3</b>	19	<b>1,143</b>	2,188										
% change	-404%		+63%		-27%		+68%		-19%		-84%		-48%	-49%										
Capex (excluding licence)	(275)	(334)	(284)	(342)	(796)	(715)	(196)	(545)	(84)	(84)	(47)	(53)	(7,031)	(8,724)			(163)	(157)	(1)	(2)	(7,195)	(8,883)	(846)	(1,034)
Reported Depreciation & Amortisation <sup>(8)</sup>	206	208	430	455	516	399	175	239	56	52	48	46	7,133	7,473			266	251	2	5	7,401	7,729	870	901
Reported Depreciation & Amortisation <sup>(8)</sup> less Capex	(69)	(126)	146	113	(280)	(316)	(21)	(306)	(28)	(32)	1	(7)	102	(1,251)			103	94	1	3	206	(1,154)	24	(133)
Reported EBITDA less Capex	(112)	(73)	364	300	387	425	98	(211)	76	88	23	30	3,229	2,965			451	339	(856)	325	2,824	3,629	372	425
Licence <sup>(9)</sup>	–	–	–	–	–	–	–	–	–	–	(120)	–	(1,005)	–			–	(138)	–	–	(1,005)	(138)	(120)	(17)
<b>HK dollar equivalents of Reported EBITDA and EBIT are summarised as follows:</b>																								
EBITDA-pre IFRS 16 basis (HK\$)	1,586	2,655	5,501	5,519	889	936	336	385	1,357	1,483	591	711	10,260	11,689			614	496	(855)	327	10,019	12,512	€1,218	€1,459
EBITDA-post IFRS 16 basis (HK\$)	1,996	3,187	7,795	7,789	1,003	1,048	390	436	1,472	1,589	737	861	13,393	14,910			819	710	(855)	327	13,357	15,947	€1,611	€1,859
EBIT-pre IFRS 16 basis (HK\$)	(733)	245	896	556	230	348	59	37	668	838	23	164	1,143	2,188			49	(36)	(857)	322	335	2,474	€79	€290
EBIT-post IFRS 16 basis (HK\$)	(649)	342	1,267	968	238	358	63	40	692	862	42	203	1,653	2,773			56	(28)	(857)	322	852	3,067	€139	€361

	UK		Italy		Sweden		Denmark		Austria		Ireland		3 Group Europe		HTHKH	
	1H 2023	1H 2022	1H 2023	1H 2022	1H 2023	1H 2022	1H 2023	1H 2022	1H 2023	1H 2022	1H 2023	1H 2022	1H 2023	1H 2022	1H 2023	1H 2022
Total registered customer base (million)	13.4	13.5	19.6	20.4	2.5	2.4	1.6	1.5	3.1	3.2	4.1	3.4	44.3	44.4	3.9	3.6
Total active customer base (million)	10.6	9.9	18.3	19.1	2.5	2.4	1.6	1.5	2.8	2.9	4.1	3.4	39.9	39.2	3.4	3.0
Contract customers as a % of the total registered customer base	67%	62%	49%	47%	70%	69%	56%	57%	77%	77%	79%	75%	60%	58%	38%	41%
Average monthly churn rate of the total contract registered customer base (%)	1.4%	1.3%	1.5%	1.3%	1.2%	1.2%	1.9%	1.6%	0.5%	0.3%	0.4%	0.6%	1.2%	1.1%	0.9%	0.7%
Active contract customers as a % of the total contract registered customer base	98%	98%	96%	96%	100%	100%	100%	100%	100%	100%	100%	100%	98%	98%	100%	100%
Active customers as a % of the total registered customer base	79%	73%	93%	94%	100%	99%	100%	100%	90%	88%	100%	100%	90%	88%	87%	84%
LTE coverage by population (%)	96%	95%	100%	100%	98%	96%	100%	100%	97%	97%	99%	99%	–	–	99%	90%
Six month data usage per active customer (Gigabyte)													136.3	109.5	95.6	43.9

Note 5: Wind Tre's results include fixed line business revenue of €506 million (30 June 2022: €476 million) and EBITDA of €110 million (30 June 2022: €80 million).

Note 6: As the disposal of tower assets in the UK was completed in November 2022, the 1H 2022 results of the UK were normalised, which exclude the proforma contribution from tower assets for January to June 2022 for comparability purpose. The % changes in EBITDA and EBIT are compared against the normalised 1H 2022 numbers.

Note 7: EBITDA margin % represents EBITDA as a percentage of total revenue (excluding handset revenue).

Note 8: Reported Depreciation & Amortisation excludes amortisation of licences and amortisation of capitalised CACs.

Note 9: 1H 2022 licence cost for Hong Kong represents investment for 20 MHz of 700 MHz spectrum acquired for 15 years from June 2022. 1H 2023 licence cost for Ireland represents investment for 20 MHz of 700 MHz spectrum, 40 MHz of 2100 MHz spectrum and 70 MHz of 2600 MHz spectrum acquired in January 2023.

Note 10: 1H 2023 results include an exchange reserve charge of HK\$0.3 billion recycled to the income statement upon partial disposal of a subsidiary which became a joint venture.

Key Business Indicators

	Registered Customer Base								
	Registered Customers at 30 June 2023 ('000)			Registered Customer Growth (%) from 31 December 2022 to 30 June 2023			Registered Customer Growth (%) from 30 June 2022 to 30 June 2023		
	Non-contract	Contract	Total	Non-contract	Contract	Total	Non-contract	Contract	Total
United Kingdom	4,434	8,891	<b>13,325</b>	-1%	+3%	<b>+2%</b>	-13%	+6%	<b>-1%</b>
Italy <sup>(11)</sup>	10,084	9,546	<b>19,630</b>	-4%	-1%	<b>-3%</b>	-6%	-1%	<b>-4%</b>
Sweden	765	1,760	<b>2,525</b>	+1%	+3%	<b>+2%</b>	+4%	+7%	<b>+6%</b>
Denmark	690	883	<b>1,573</b>	+3%	+2%	<b>+2%</b>	+5%	+2%	<b>+3%</b>
Austria	733	2,411	<b>3,144</b>	+1%	-1%	<b>-1%</b>	-2%	-2%	<b>-2%</b>
Ireland	850	3,286	<b>4,136</b>	-1%	+12%	<b>+9%</b>	-	+27%	<b>+20%</b>
<b>3 Group Europe Total</b>	<b>17,556</b>	<b>26,777</b>	<b>44,333</b>	<b>-2%</b>	<b>+2%</b>	<b>-</b>	<b>-7%</b>	<b>+5%</b>	<b>-</b>
HTHKH	2,438	1,467	<b>3,905</b>	+4%	-	<b>+2%</b>	+16%	-1%	<b>+9%</b>

	Active <sup>(12)</sup> Customer Base								
	Active Customers at 30 June 2023 ('000)			Active Customer Growth (%) from 31 December 2022 to 30 June 2023			Active Customer Growth (%) from 30 June 2022 to 30 June 2023		
	Non-contract	Contract	Total	Non-contract	Contract	Total	Non-contract	Contract	Total
United Kingdom	1,794	8,751	<b>10,545</b>	-2%	+3%	<b>+2%</b>	+8%	+6%	<b>+7%</b>
Italy <sup>(11)</sup>	9,183	9,153	<b>18,336</b>	-4%	-1%	<b>-3%</b>	-7%	-1%	<b>-4%</b>
Sweden	760	1,760	<b>2,520</b>	+1%	+3%	<b>+3%</b>	+5%	+7%	<b>+7%</b>
Denmark	688	883	<b>1,571</b>	+3%	+2%	<b>+2%</b>	+6%	+2%	<b>+3%</b>
Austria	422	2,399	<b>2,821</b>	+5%	-2%	<b>-1%</b>	+9%	-3%	<b>-1%</b>
Ireland	850	3,286	<b>4,136</b>	-1%	+12%	<b>+9%</b>	-	+27%	<b>+20%</b>
<b>3 Group Europe Total</b>	<b>13,697</b>	<b>26,232</b>	<b>39,929</b>	<b>-3%</b>	<b>+2%</b>	<b>-</b>	<b>-3%</b>	<b>+5%</b>	<b>+2%</b>
HTHKH	1,940	1,467	<b>3,407</b>	+7%	-	<b>+4%</b>	+26%	-1%	<b>+13%</b>

Note 11: In addition to the above, Wind Tre has 2.8 million fixed line customers.

Note 12: An active customer is one that generated revenue from an outgoing call, incoming call or data/content service in the preceding three months.

**12-month Trailing Average Revenue per Active User ("ARPU")<sup>(13)</sup>  
to 30 June 2023**

	Non-contract	Contract	Blended Total	% Variance compared to 30 June 2022
United Kingdom	£6.01	£21.48	<b>£18.79</b>	–
Italy <sup>(16)</sup>	€9.63	€12.46	<b>€11.02</b>	-2%
Sweden	SEK117.18	SEK249.78	<b>SEK209.39</b>	-10%
Denmark	DKK93.45	DKK143.03	<b>DKK121.46</b>	-1%
Austria	€9.51	€23.12	<b>€21.18</b>	-1%
Ireland	€14.47	€10.45	<b>€11.36</b>	-16%
<b>3 Group Europe Average</b>	<b>€9.77</b>	<b>€18.19</b>	<b>€15.22</b>	<b>-4%</b>
HTHKH	HK\$12.87	HK\$194.04	<b>HK\$96.46</b>	+6%

**12-month Trailing Net Average Revenue per Active User ("Net ARPU")<sup>(14)</sup>  
to 30 June 2023**

	Non-contract	Contract	Blended Total	% Variance compared to 30 June 2022
United Kingdom	£6.01	£14.68	<b>£13.17</b>	+2%
Italy <sup>(16)</sup>	€9.63	€11.59	<b>€10.59</b>	-1%
Sweden	SEK117.18	SEK212.39	<b>SEK183.39</b>	+1%
Denmark	DKK93.45	DKK134.67	<b>DKK116.74</b>	-1%
Austria	€9.51	€19.60	<b>€18.16</b>	-3%
Ireland	€14.47	€7.97	<b>€9.44</b>	-17%
<b>3 Group Europe Average</b>	<b>€9.77</b>	<b>€14.42</b>	<b>€12.77</b>	<b>-3%</b>
HTHKH	HK\$12.87	HK\$177.10	<b>HK\$88.65</b>	+8%

**12-month Trailing Net Average Margin per Active User ("Net AMPU")<sup>(15)</sup>  
to 30 June 2023**

	Non-contract	Contract	Blended Total	% Variance compared to 30 June 2022
United Kingdom	£5.56	£13.14	<b>£11.83</b>	+2%
Italy <sup>(16)</sup>	€8.69	€10.51	<b>€9.59</b>	+2%
Sweden	SEK100.08	SEK186.99	<b>SEK160.52</b>	+1%
Denmark	DKK80.37	DKK112.55	<b>DKK98.55</b>	+2%
Austria	€8.59	€17.83	<b>€16.51</b>	-1%
Ireland	€13.33	€7.30	<b>€8.66</b>	-17%
<b>3 Group Europe Average</b>	<b>€8.80</b>	<b>€12.94</b>	<b>€11.48</b>	<b>-1%</b>
HTHKH	HK\$9.98	HK\$150.63	<b>HK\$74.88</b>	+4%

Note 13: ARPU equals total monthly revenue, including incoming mobile termination revenue and contributions for a handset/device in contract bundled plans, divided by the average number of active customers during the period.

Note 14: Net ARPU equals total monthly revenue, including incoming mobile termination revenue but excluding contributions for a handset/device in contract bundled plans, divided by the average number of active customers during the period.

Note 15: 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.

Note 16: Wind Tre's 2022 KBI included an adjustment for aligning the definition of active customer base to that of CKHGT as part of a system integration. Consequently, there is a corresponding and opposite effect on Wind Tre's net ARPU and net AMPU. The conformity of KBI definitions does not impact Wind Tre's total revenue and total margin.

## CK Hutchison Group Telecom (continued)

### United Kingdom

3 UK's total margin grew strongly by 9%, driven primarily by 7% growth in customer base from contract customer, as well as higher MVNO performance. On a normalised basis<sup>(17)</sup> and in local currency, 3 UK's EBITDA decreased by 19% compared to the same period last year, mainly driven by higher network spending from increased 5G coverage, which more than offset growth in total margin as mentioned above. On a normalised basis<sup>(17)</sup> and in local currency, LBIT was £76 million in the first half of 2023, as compared to £15 million in the same period last year, primarily driven by increased depreciation from higher asset base driven by IT investments and accelerated 5G network rollout. 3 UK was awarded the fastest 5G network in UK by Ookla in 2023.

### Italy

Italy's net customer service margin moderately grew by 1% compared to the same period last year in local currency through continuing customer value management strategies. EBITDA also increased by 1%, mainly driven by the net customer service margin growth, as well as cost control initiatives including the formation of a joint venture for rural area network rollout to create synergies, which more than offset continued reduction in wholesale margin and higher energy costs. EBIT increased by 63% against the first half of 2022 due to lower depreciation and amortisation, mainly from the aforementioned synergies of the newly established joint venture, as well as lower network rollout with the 5G investment cycle contracting from its 2022 peak having reached over 95% and approximately 70% FDD and TDD coverage respectively.

### Sweden

Sweden, where the Group has a 60% interest, reported 10% increase in total margin primarily from customer base growth. EBITDA grew by 4% driven by higher total margin, partly offset by higher operating costs incurred from the enlarged network base, increased handset receivables sales costs and energy cost inflation. As a result of the ongoing network asset swap commenced in the second half of 2022, EBIT decreased by 27% when compared against the same period of 2022. The operation increased the 5G coverage by more than 50% as compared to the year end of 2022, providing extensive coverage in ten of the country's largest cities with full TDD coverage.

### Denmark

The operation in Denmark, where the Group has a 60% interest, reported 7% growth in total margin primarily driven by 3% customer base growth and lower national roaming costs. EBITDA decreased by 12% mainly due to higher operating costs from energy cost inflation and enlarged network base, partly offset by higher total margin. With majority of the network assets swap carried out by the end of 2022, the operation recognised lower depreciation charges in the first half of 2023 and resulted in 68% increase in EBIT. Denmark has reached approximately 80% 5G coverage with TDD coverage exceeded 50% of overall population.

### Austria

Total margin grew by 3% driven by strong MVNO performance. EBITDA and EBIT in local currency decreased by 7% and 19% respectively compared to the same period last year, primarily driven by higher operating expenses due to network expansion and increased data traffic, as well as energy costs inflation, partly offset by higher total margin as mentioned above. During the year, 3 Austria increased 5G coverage to more than 75% and 55% FDD and TDD coverage respectively.

### Ireland

Total margin was flat against the same period last year, as the base growth was offset by the lower net AMPU from the dilutive impact of higher mix of low value IoT customers. EBITDA and EBIT in local currency decreased by 16% and 84% respectively compared to the same period last year driven by higher operating expenses due to network expansion, energy cost inflation, as well as higher marketing and sponsorship following the uplift of lockdown restrictions. In the first half of 2023, 3 Ireland has reached 90% 5G coverage.

### Hutchison Telecommunications Hong Kong Holdings

Total revenue of HK\$2,328 million was 1% higher as compared to the same period last year, mainly contributed by higher net customer service revenue of 15% compared to the same period last year driven by both local and roaming services recovery arising from a gradual normalisation of international travel and stabilised market competition, partly offset by lower hardware sales. EBITDA of HK\$614 million was 24% higher as compared to the same period last year, mainly due to notable rebound in roaming service revenue, partly offset by higher network operating costs associated with investments in 5G technology and network infrastructure expansion. Despite higher amortisation costs associated with capitalised CACs and higher depreciation from the enlarged asset base resulting from ongoing 5G network infrastructure expansion, EBIT for the first half of 2023 showed improvement and turned around from an LBIT of HK\$36 million for the first half of 2022 to EBIT of HK\$49 million for the first half of 2023.

Note 17: Due to the completion of disposals of tower assets in November 2022 as mentioned, the 1H 2022 results of the UK were normalised, which exclude the proforma contribution from tower assets for January to June 2022 for comparability purpose. The % changes in EBITDA and EBIT are compared against the normalised 1H 2022 numbers.



## Hutchison Asia Telecommunications

	30 June 2023 HK\$ million	30 June 2022 HK\$ million	Change	Local currencies change
<b>Total Revenue</b>	<b>5,775</b>	5,839	-1%	+3%
<b>EBITDA<sup>(18)</sup></b>	<b>1,877</b>	7,572	-75%	-74%
<b>EBIT<sup>(18)</sup></b>	<b>723</b>	6,047	-88%	-87%
<b>Total active customer base (million)</b>	<b>122.5</b>	115.1	+6%	
- Indonesia	<b>100.0</b>	96.2	+4%	
- Vietnam	<b>19.0</b>	15.0	+27%	
- Sri Lanka	<b>3.5</b>	3.9	-10%	

Note 18: Under Post-IFRS 16 basis, EBITDA was HK\$2,929 million (30 June 2022: HK\$9,619 million); EBIT was HK\$1,112 million (30 June 2022: HK\$7,512 million).

HAT's results at EBITDA and EBIT levels in the first half of 2022 included a gain of HK\$6,100 million from the completion of the merger of the Indonesian telecommunication business, partly offset by a non-cash impairment in the telecommunication business in Sri Lanka of HK\$962 million amidst the challenging market condition following the outbreak of the political and economic crisis in the country.

Excluding the above one-off items, EBITDA and EBIT in the first half of 2023 of HK\$1,877 million and HK\$723 million decreased by 23% and 20% respectively, mainly due to lower net gains arising from disposal of non-core assets of Indosat Ooredoo Hutchison ("IOH") in the first half of 2023 as compared to the same period last year. Excluding contributions from these disposals, underlying EBITDA increased by 7% driven by the continued revenue growth momentum from the enlarged customer base in IOH, while EBIT grew by 526% from lower depreciation as a result of continued network optimisation in IOH following the merger.

IOH demonstrated strong financial performance during the first half of 2023 and reported a 9.5% year-on-year increase in total revenue to IDR24,675 billion, while underlying EBITDA<sup>(19)</sup> under Post-IFRS 16 basis of IDR11,383 billion increased by 24% year-on-year, due to a combination of top line growth and cost optimisation momentum. EBITDA margin stood at 46.1% in the first half of 2023. Profit for the Period Attributable to Owners of the Parent under Post-IFRS 16 basis, was IDR1,908 billion, decreased by IDR1,352 billion primarily driven by higher operating expenses, higher depreciation and amortisation, higher financing costs, as well as lower net gain on disposal of non-core assets, partly offset by higher revenue by IDR2,148 billion. Excluding the net gains, underlying net profit increased by 751.9% compared to the same period last year. IOH continues to deliver strong performance on synergy realisation through completion of network integration with above 166,000 4G BTS and on track to deliver full synergy benefit following the merger to support the growth momentum of an enlarged customer base and increase in data traffic.

Note 19: Excludes net gains arising from disposal of non-core assets in the first half of 2022 and 2023.

## Finance & Investments and Others

	30 June 2023 HK\$ million	30 June 2022 HK\$ million	Change	Local currencies change
Total Revenue	40,309	46,804	-14%	-10%
EBITDA <sup>(1)</sup>	9,791	8,993	+9%	+13%
EBIT <sup>(1)</sup>	6,611	5,770	+15%	+17%

Note 1: Under Post-IFRS 16 basis, EBITDA was HK\$10,415 million (30 June 2022: HK\$9,560 million); EBIT was HK\$6,729 million (30 June 2022: HK\$5,837 million).

Finance & Investments and Others segment includes returns earned on the Group's holdings of cash and liquid investments, Hutchison Whampoa (China) Limited ("HWCL"), listed associate TOM Group, the Marionnaud businesses, listed associate CK Life Sciences Group, listed associate Cenovus Energy and listed subsidiary, Hutchison Telecommunications (Australia) Limited, which has a 25.05% interest in TPG Telecom Limited.

EBITDA and EBIT grew 9% and 15% respectively from first half of 2022 primarily due to certain gains on non-core asset disposals, higher interest income from money market deposits and higher contribution from HWCL, which more than offset the Group's share of lower profit of the energy business. The Group's share of Cenovus Energy's Post-IFRS 16 EBITDA, EBIT and net earnings were HK\$4,132 million, HK\$1,993 million and HK\$1,445 million, a decrease of 47%, 65% and 63% compared to the same period last year respectively, mainly due to decline in commodity prices that resulted in lower operating margin, as well as unforeseen disruptions on production during the period.

As at 30 June 2023, the Group's holdings of cash and liquid investments totalled HK\$146,735 million. Further information on the Group's treasury function can be found in the "Group Capital Resources and Liquidity" section of this results announcement.

## Interest Expense, Finance Costs and Tax

The Group's consolidated interest expenses and other finance costs for the six months ended 30 June 2023, including its share of associated companies' and joint ventures' interest expenses, amortisation of finance costs and after deducting interest capitalised on assets under development, amounted to HK\$9,757 million, increased by 24% when compared to the same period last year mainly due to the increase in interest rate. The Group's weighted average cost of debt for the six months ended 30 June 2023 was 2.9% (30 June 2022: 1.8%).

The Group recorded current and deferred tax charges of HK\$3,561 million in the six months ended 30 June 2023, a decrease of 34% compared to the same period last year, primarily reflected the lower profit before tax for the first half of 2023.