

THE LONG RIVER

FLOWS ON

From small beginnings a turbulent stream can flow, build, and grow to become a mighty river.

Against the backdrop of WWII, a precocious scholar is forced from school at the tender age of 10. From a hillside village in China to a Hong Kong factory and poverty, he cannot be suppressed. From apprentice to salesman to manager to general manager in short order, he becomes an entrepreneur and the master of his destiny at 21 years old: Cheung Kong Plastics is born.

Like a river, the business flows, creates new streams and accepts tributaries as it grows and moves forward. From plastics to real estate, to global ports, retail, infrastructure, energy, telecommunications and so, so much more, the Cheung Kong Group flows on.

This river connects the world and has no end. Cheung Kong - the Yangtze River - at the heart of China still embodies harmony and good fortune. From a vital spring, this river flows on.

“Cheung Kong - the great river Yangtze that aggregates countless streams and tributaries.”

Li Ka-shing

“

Maintain stability while
advancing, and **advance**
while maintaining **stability**.

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Establish oneself and
pursue **selflessness**.

In changing times,
the **Foundation** is
my **unchanging promise**.

Knowledge reshapes **destiny**.

In this **exponential era**, the wilful blind
turn 'possibles into impossibles'
and can't see **the wood for the trees**.

A **good reputation** is
the **invaluable asset**
that is never expressed on the balance sheet.

I often refer to my Foundation as
my **'third son'** - my own **commitment**
to **making a difference**.

The idea of **purpose** - that what we do matters
to people other than ourselves -
differentiates us between being a
problem solver or **the problem**.

Investing in **education reforms**
secures a **sustainable**
quality of life **for all**.

Technological innovation underpins
the ability to create **collective wealth**
and **individual success**.

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CHEUNG KONG GROUP

In 1972, Cheung Kong (Holdings) Limited was listed on the Hong Kong Stock Exchange at **HK\$3** per share and was **65 times** oversubscribed.

At the time of the IPO, the Company's market capitalisation was **HK\$126 million** and a net profit of **HK\$12.5 million** was forecast for the first year of operations. The Company actually delivered a profit of **HK\$43.7 million**.

The Company owned **408,000 sq ft** of mainly industrial rental properties and had another **1.54 million sq ft** in development.

At the time, there were approximately **8,000 employees**.
And so the story begins ...

Today, the Group operates in **50+ countries**
around the world, with **320,000 employees**,
and its public companies have an aggregate
market cap of over **HK\$1.2 trillion**.

CK GROUP FLAGSHIP COMPANIES HAVE **NEVER** REPORTED A LOSS

If you had invested in Cheung Kong Holdings at IPO and reinvested your dividends, you would hold shares in CK Hutchison Holdings and CK Asset Holdings today worth **5,000x** your initial investment!

INVESTMENT PROPERTIES

Rental property portfolio of 43m sq ft including office, retail, industrial and hotel properties across Hong Kong, Mainland China, and overseas.

DEVELOPMENT PROPERTIES

Land bank portfolio of approximately 116m sq ft across Hong Kong, Mainland China, and overseas.

HOTELS

Owning and operating 17 hotels and serviced suites in Hong Kong, 5 hotels in Mainland China, and 1 hotel in The Bahamas, providing over 18,000 rooms.

INFRASTRUCTURE

- 32 countries
- 26,000 km of water mains
- 30,000 km of sewers
- 11,000 MW electricity generation capacity
- 505,000 km of power networks
- 109,000 km of gas networks

ENERGY

- 4 countries
- 297,900 barrels of oil produced a day
- Liwan natural gas fields in the South China Sea have produced gross sales volumes of more than 11.9 billion cubic metres since their first gas in 2014

TELECOMMUNICATIONS

- 11 countries
- Serving 128.3m customers
- 4 in-market mobile consolidation deals since 2013
- Solid portfolio of 5G spectrum

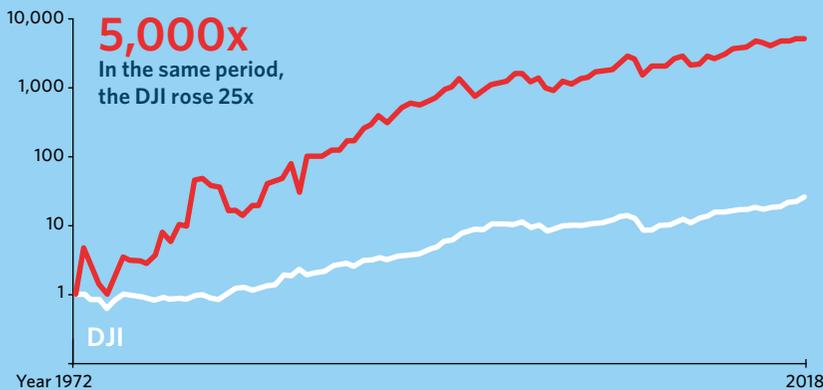
PORTS

- 26 countries
- 52 ports
- 290 berths
- 84.7m twenty-foot equivalent units containers handled*

RETAIL

- 24 markets
- 14,400 stores
- 11,300m products sold*
- 4,377m customers served*

*2017 figures



The red graph line shows the dollar equivalent of a CKH share held from initial listing date till now with dividends reinvested on the distribution date and including the value of the shares of CK Asset Holdings Limited received post 2015 corporate reorganisation.

To get a more meaningful comparison between the two, we use a logarithmic scale, in which the vertical axis represents powers of 10.

Source: Bloomberg, Reuters and others

THE PASSING OF THE TORCH

Something happened this year for the first time in the 68-year history of the CK Group: a Chairman stepped down.



Mr Li Ka-shing, founder of Cheung Kong Plastics in 1950, the source of the Cheung Kong - Cantonese for Yangtze - 'river' that has flowed into the lives of millions of staff and customers around the globe, retired.

However, something else happened for the first time: a new Chairman stepped up. Mr Victor Li has been steeped in the Group since his beginning. Apart from a few years receiving a top-notch education in the US, he has grown up hearing about, then working in, the CK Group. He has had unparalleled access to the ultimate mentor and has been the right hand of Mr Li senior for decades. As he steps up, he is not alone, but leads a Board of extraordinary executives. The CK Group continues to benefit from one of the deepest, world-class executive talent pools ever assembled, which will ensure the continuity of the Group.

The new Chairman takes up his role with deep respect for the past. "On behalf of the Board, I would like to extend our sincere gratitude to Mr Li for his invaluable contributions at practically no cost to the Group, and deep appreciation that Mr Li has agreed to stay on as Senior Advisor to continue to contribute to the Group." □



1 Chairman, meet the Chairman! The flame continues to shine brightly as Mr Li passes the torch to his son, Victor Li.
2-5 At the 2018 Annual General Meeting (AGM), Mr Li is overwhelmed with joy at the outburst of exuberant appreciation from the assembled shareholders after he thanks them for their stalwart support.



6 Supporters and shareholders gather for an AGM unlike any the Group has seen before.

7 Mr Li enjoys answering journalists' questions as much as they love asking them.

8 The world-class executives that make up the Board are an international cohort that will continue to guide and serve the Group.