

CORPORATE

Show me Xiaomi

CK Hutchison and Xiaomi have formed a partnership that will give the smartphone, Internet of Things (IoT) and lifestyle giant access to A S Watson and 3 Group's 17,700 retail outlets and 270 million customers across Europe and Asia. High-quality, well-designed and accessibly priced technology will introduce customers to the 'Mi ecosystem' through Fortress, Watsons, Kruidvat, Superdrug and 3!



Mr Canning Fok, CK Hutchison Group Co-Managing Director (left) and Mr Wang Xiang, Xiaomi Senior Vice President celebrate the beginning of a global partnership.

High-quality, well-designed and accessibly priced technology ... through Fortress, Watsons, Kruidvat, Superdrug and 3!

CKHH MAKES STRATEGIC INVESTMENT IN NURON

CKHH's strategic investment in nuron, the world's first continuous in-pipe waste water monitoring system, will facilitate its debut in Northumbrian Water's pipes. Advanced robotics empower proactive in-pipe monitoring to reduce costs and improve customer satisfaction.

GET READY FOR THE REAL WORLD

CKHH Volunteers, trained by the Group's HR professionals, conducted mock job interviews with Hong Kong secondary students to prepare them for the real thing. The programme, co-organised with the Education Bureau, provides students with a broader perspective on different industries and opportunities available to them after schooling.



CKHH 2017 ANNUAL REPORT A WINNER!

Every face tells a story! CK Hutchison has won a Silver award in the Cover Photo/Design (Diversified Business) category in the ARC International Awards XXXII which honour excellence in annual reports. Congratulations!



Mr Victor Li (fifth from left), Chairman and Group Co-Managing Director of CK Hutchison, and Mr Dominic Lai (fourth from left), ASW Group Managing Director, join the team to celebrate the opening of CKC18.

**Top of the class:
Retail showroom of the future!**

RETAIL

CKC18 combines our best in a high-concept store

CKC18 is haute couture for retail, an innovative retail concept experiment in the Cheung Kong Center in Hong Kong. This advanced retail showroom of the future features Scan & Go self-checkout and other revolutionary technologies. Shopping and technology combine with new takes on A S Watson's finest including "food le parc", a "WatsonsLab" health and beauty zone, an innovative "TechLife by FORTRESS" tech zone and a "Bar 0001 by Watson's Wine" wine zone. Cheers!



RETAIL GRADUATION DAY

The ASW Retail Academy's first graduating class saw 120 staff successfully complete their Level 4 and 5 courses under Hong Kong's Qualifications Framework. Students and professors gathered at Hong Kong Polytechnic University to celebrate the launch of Hong Kong's first-ever retail academy.

ASW PARTNERS WITH L'ORÉAL FOR COLORLAB

A S Watson Group (ASW) is all about fashion, and its new partnership with L'Oréal leads the way with Colorlab – the new, exciting, personalised make-up consultancy where artists help customers to show their true colours!





TELECOMS

A fair wind blows

CKHH increases its ownership of Wind Tre from 50% to 100% in a transaction valued at €2.45 billion. This member of the **3** family will contribute even more to the Group's earnings and cash flow.

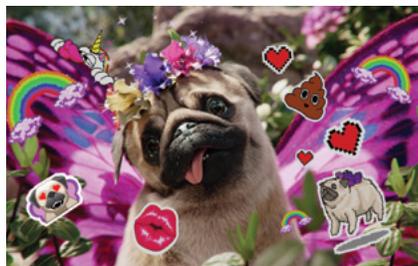


OPEN SESAME ... TO CLOUD COMPUTING

3 Hong Kong is partnering with telecoms titan Huawei to make Huawei's all-cloud core computing radio accessible through imminent 5G networks. It is also working with Internet giant Alibaba on cloud computing, intelligent big data, IoT and security to support Hong Kong's digital Internet economy. Bring on the future!

SNAPPY PUGGERFLY CHARMS BRITAIN

Augmented reality (AR) comes to **3** UK users' Go Binge service in the shape of an "adorable, squishy-faced, purple-winged pug". Pufferfly needs your Snapchat-administered care to grow from a "ball-chasing, rainbow-pooing puppyfly right through to a fully fledged flying Pufferfly." Twelve million Snapchat users will also be able to use unlimited Snap without drawing down their monthly data allowance.



3 IRELAND SAYS THE SHOW WILL GO ON

3 Ireland has committed to 10 years of continued sponsorship of 3Arena in Dublin, including a new 3Plus Lounge for VIP **3** customers. Over 900,000 annual visitors to the venue will benefit from new 'smart music' – a unique digital and connected music experience.



SUPERDRUG SUPER PHONE WITH 3

3 UK and Superdrug are partnering to offer a contract-free £10/month service that provides double loyalty points on all Superdrug purchases. Superdrug Mobile, rolled out across 827 stores in June, provides unlimited text and data.



3 OWNS THE PODIUM AT THE STEVIE AWARDS!

3 Hong Kong was all over the winner's podium at the Stevie Awards (for product and service innovation), walking away with 10 trophies! Its "Fun Sharing Data Campaign" won gold, customer service shone with a silver medal, and eight bronzes rounded out the impressive winnings.



E N E R G Y

Husky hits the mark

Husky Energy has drilled a successful exploration well in the South China Sea off China and made a discovery in the Atlantic region off Newfoundland and Labrador. The company has also signed two new Production Sharing Contracts with China National Offshore Oil Corporation for the Beibu Gulf project.

O T H E R S

SHPL: INNOVATION LEADER IN CHINA

Shanghai Hutchison Pharmaceuticals Limited (SHPL) has been recognised by the Shanghai Municipal Science and Technology Commission, the Shanghai Municipal Finance Bureau, the State Taxation Bureau of Shanghai, and the Shanghai Municipal Administration of Taxation as a “High-tech Enterprise”, an accolade continuously won since 2005. In March 2018, SHPL won the “2017 Most Innovative Chinese Medicine Enterprises” award at the 2018 International Summit on Innovation in Traditional Chinese Medicine and Plant Medicine. Keep up the innovative work!



In a Rush? A combined 40,000 barrels a day of oil from four projects in Canada.

NEW HOPE FOR COLORECTAL CANCER PATIENTS

Chi-Med’s fruquintinib capsules have been approved by the National Medical Products Administration of China for metastatic colorectal cancer patients. To be marketed in China under the brand name Elunate®, it plays a pivotal role in tumor-related angiogenesis, cutting off the blood supply that a tumor needs to grow rapidly, and bringing hope to patients for whom two or more prior treatments have failed.



HUSKY ♥ YOUNG SCIENTISTS

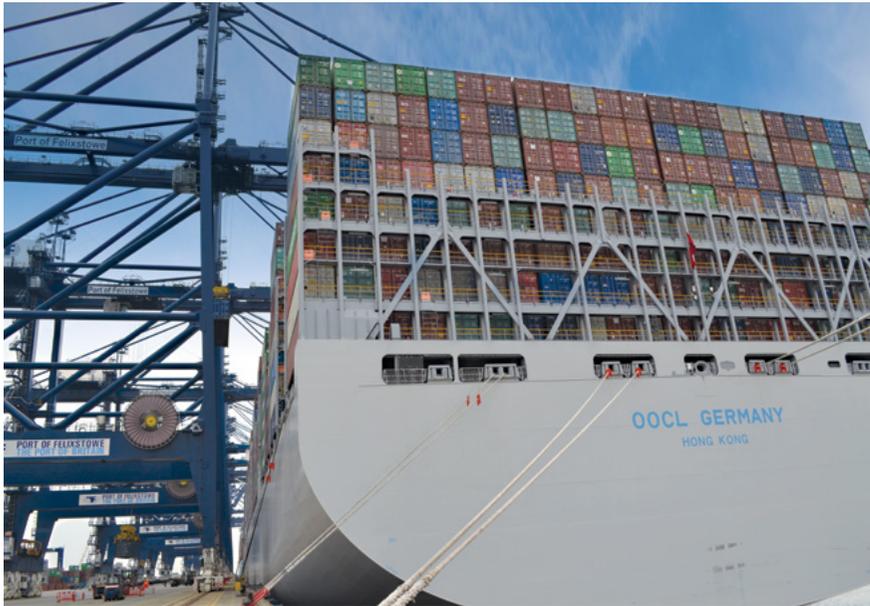
Husky sponsored – and also sent judges to – the massive Calgary Youth Science Fair. The celebration of innovation was so big that it needed to be held in the Olympic Oval to accommodate over 900 students showcasing more than 650 projects!



MORE THERMALS IN SASKATCHEWAN

Husky Energy is developing four new projects in the Canadian prairie province of Saskatchewan. A combined 40,000 barrels of oil per day capacity will come online in 2018–20 from these projects, including the Rush Lake 2 Project.





HUTCHISON PORTS THAILAND: MODERNISING WITH THE NATION

Hutchison Ports is leading the investment in modernising Laem Chabang port's Terminal D. Three remote-controlled quay cranes and eight remote-controlled rubber tyred gantry cranes are part of an ongoing upgrade programme.



SILK ROAD: PORTS CONNECT BY RAIL ACROSS EURASIA

Forget the Orient Express – this is the Silk Road! Hutchison Ports Amsterdam is connecting to Yiwu (near Shanghai) via an 11,000 km rail route. Two trains a week will leave on a 16-day journey to connect the Dutch port and the Chinese city.



PORTS

Felixstowe: Big boats, big yards, big ambition

The Port of Felixstowe is getting bigger and the world is noticing. An extra 18,000 TEU of storage was welcomed by the British Secretary of State for Transport, the Rt Hon Chris Grayling, MP. This upgrade is attracting the mega-vessels, including the 21,000 TEU OOCL-owned ship *Germany*, the 100th mega-vessel to arrive this year.



OUR NEWEST PORT: PAKISTAN

Hutchison Ports Pakistan opened this year to serve the city of Karachi and the surrounding region. The port is the only terminal with remote-controlled quay crane operations in the region. Welcome to the family!



PORTS AND RAIL IN SYNERGY

SYNERGY is a new programme connecting the Hutchison Ports BEST in Barcelona to intermodal rail systems and railway terminals in Spain and Southern Europe.

Ports - not just ships! Hutchison Ports Amsterdam is connecting to Yiwu (near Shanghai) via an 11,000 km rail route.



RETAIL

A big bear hug for Watsons – in Russia!

Watsons opens in its 12th national market with a store in St Petersburg. The health and beauty expert has plans to expand rapidly to make Russians “look good, feel great”.

INFRASTRUCTURE

NORTHUMBRIAN WATER GROUP DOMINATES AWARDS

The Ben Hur of water companies continues its award-winning ways. Not only did it win “Utility of the Year” in December at the Utility Week Awards, it won the “UK Excellence Award” in March from the British Quality Foundation. And now, it has won “Water Company of the Year” at the Water Industry Achievement Awards in May.

LOVE YOUR STAFF, THEY’LL LOVE YOU BACK

UK Power Networks is on the *Sunday Times* “Top 25 Best Big Companies to Work For” list, appearing in 11th place. As the only energy company in the top 25, that’s electrifying!



NORTHERN GAS NETWORKS TOPS IN CUSTOMER SERVICES

An already incredibly high bar was moved further upwards as ServiceMark upped Northern Gas Networks’ (NGN’s) rating from 85.6% in January 2016 to 90.4% in a recent evaluation. The Institute of Customer Service awarded the ServiceMark accreditation in recognition of NGN’s “dedication and passion for great customer service shown by all members of staff”.

UK POWER NETWORKS LAUNCHES ‘VIRTUAL POWER STATION’ IN LONDON

Solar panels and domestic storage batteries will now not only store electricity for consumers, but will discharge spare electricity into the network at peak times to smooth flow and demand. Every home can now be a mini – or ‘virtual’ – power station in its own right.



ISTA A GREAT WAY TO SAVE THE PLANET!

ista International GmbH and BildungsCent e.V. collaborated to let students design their own climate boxes, which will be distributed to 100 schools in Germany. These boxes address climate change by enabling students to identify energy leaks, encourage climate-friendly behaviour and develop climate protection concepts and projects for their schools.

