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(Incorporated in the Cayman Islands with limited liability)
 (Stock Code: 1113)

THE CHAIRMAN'S STATEMENT FOR 2024

HIGHLIGHTS

Year ended 31 December	2024 HK\$ million	2023 HK\$ million	2024 HK\$ per share	2023 HK\$ per share	Change
Profit before investment property revaluation	11,688	14,014	3.33	3.92	-15.1%
Investment property revaluation (net of tax and non-controlling interests)	1,969	3,326	0.56	0.94	
Profit attributable to shareholders	13,657	17,340	3.89	4.86	-20.0%
Final dividend			1.35	1.62	-16.7%
Full year dividend			1.74	2.05	-15.1%

PROFIT FOR THE YEAR

The Group's profit before investment property revaluation for the year ended 31 December 2024 amounted to HK\$11,688 million (2023 – HK\$14,014 million), representing earnings per share of HK\$3.33 (2023 – HK\$3.92), a decrease of 15.1% when compared with last year. The Group's profit attributable to shareholders for the year ended 31 December 2024 amounted to HK\$13,657 million (2023 – HK\$17,340 million), representing earnings per share of HK\$3.89 (2023 – HK\$4.86), a decrease of 20.0% when compared with last year.

DIVIDEND

The Directors recommend the payment of a final dividend for 2024 of HK\$1.35 per share in respect of 2024 to shareholders whose names appear on the Register of Members of the Company at the close of business on Wednesday, 28 May 2025. Together with the interim dividend of HK\$0.39 per share paid on 26 September 2024, this gives a total of HK\$1.74 per share for the year (2023 – HK\$2.05 per share). The proposed final dividend will be paid on Thursday, 12 June 2025 following approval at the 2025 Annual General Meeting. As at the date hereof, the Company does not hold any treasury shares whether in the Central Clearing and Settlement System, or otherwise. All the shares bought back by the Company pending cancellation will not receive the final dividend for 2024.

PROSPECTS

Strong Resilience in Challenging Times

Business Review

The Group recorded a solid performance in 2024 amid continued international geopolitical and economic uncertainties. During the year, the Group further strengthened its global and diversified recurring income base by expanding its social infrastructure portfolio and investing in elderly care and assisted living homes in Germany, acquiring several infrastructure and utility assets in the UK, and agreeing to acquire agricultural land in Australia designated for carbon sequestration. The Group also drew on the strength of its balance sheet and deployed over HK\$1.5 billion to buy back 48,906,000 shares of the Company during the year, confirming its commitment to return value to shareholders and its confidence in the long-term growth prospects of the Group's businesses.

Property Sales

The residential property market in Hong Kong remained soft in 2024. During the year, the Hong Kong Government cancelled all demand-side management measures and relaxed the maximum loan-to-value ratios of property mortgage loans. On the Mainland, the Central Government introduced a series of measures to reinforce the property market, promote consumer confidence and bolster economic growth.

The Group maintained its proactive and market-focused sales strategy during the year. The pre-sales of Blue Coast and Blue Coast II in Wong Chuk Hang were launched at opportune times to capture market demand and were well received. Sales of The Coast Line in Yau Tong, Grand Jeté in Tuen Mun, The Greenwich in Beijing, Noble Hills in Zengcheng, Guangzhou, and Emerald Cove in Huizhou have progressed steadily, and Perfect Ten in Singapore was fully sold during the year.

In 2024, the Group recorded a decrease in revenue from property sales when compared with 2023. The Group was able to report a positive contribution from property sales during the year despite a challenging market and high land premiums and development costs. It will continue with its prudent strategy on land bank replenishment in assessing prime sites for future development.

Property Rental

The Group recorded a moderate increase in revenue and contribution from property rental in 2024. The full-year contribution from the Civitas social infrastructure portfolio in the UK has helped to mitigate the prevailing challenges of the retail and property rental markets in Hong Kong. The portfolio benefits from long-term leases and is in line with the Group's strategy to pursue investments that deliver stable recurring income and steady returns. The Group, through a joint venture with CK Life Sciences Int'l., (Holdings) Inc., also entered into an agreement for the acquisition of the pastoral leases and rights of over 350,000 hectares of agricultural land in Australia designated for carbon sequestration. The project comes with carbon credits that are tradeable to the Australian Government and the private sector. Cheung Kong Center II, the Group's latest flagship building in an iconic location in Central, Hong Kong, was completed in May 2024, and has started to make rental contribution.

Hotel and Serviced Suite Operation

The Hong Kong Government and event organisers made concerted efforts in 2024 to attract more visitors to Hong Kong. The Group recorded an increase in both revenue and contribution from the hotel and serviced suite operation. The Group remains steadfast in its commitment to invest in technology to boost operational efficiency and provide an enhanced and greener experience for its customers. Amid the changes in visitors' consumption patterns, the Group will continue to optimise its hotel and serviced suite portfolio in line with market demand to maximise occupancy rates and revenue income streams from both short-term visitors and long stay guests.

Pub Operation

In 2024, the pub sector in the UK continued to be negatively impacted by the inflationary environment and subdued consumer sentiment. Greene King recorded an increase in revenue during the year when compared with 2023, but contribution was lower due to the ongoing cost pressures and asset impairment loss. With the support of the Group, the management team will continue to drive business efficiency and optimise capital spend to generate growth and returns from Greene King's portfolio of high-quality freehold properties and strong brands that reflect its rich heritage.

Infrastructure and Utility Asset Operation

The infrastructure and utility assets operation recorded an increase in revenue and contribution during the year when compared with 2023. The Group's portfolio is anchored by businesses in the regulated utilities segment and the contracted infrastructure segment, which provide stable and recurring income. The revenues and asset bases of these businesses are resilient against macroeconomic impacts and fluctuations in inflation, and protected against high interest rates, given they are appropriately geared, and the allowed cost of debt is regularly adjusted to reflect the actual prevailing interest rates.

During the year, the Group completed a series of acquisitions through existing joint ventures with CK Infrastructure Holdings Limited and Power Assets Holdings Limited. The Group, through CK William UK Holdings Limited, acquired an indirect 40% interest in Phoenix Energy Holdings Limited, a gas distribution network operator in Northern Ireland, and an indirect 40% interest in a portfolio of operating onshore wind farms in the UK. In addition, the Group, through UK Power Networks Services Holdings Limited, acquired an indirect 20% stake in Powerlink Renewable Assets Limited (previously known as UU Solar), an owner and operator of a portfolio of renewable power generation assets in the UK.

Sustainability Initiatives

The Group made significant efforts in setting science-based GHG emissions reduction targets during the year. It has received independent validation from the Science Based Targets initiative for its near term and net zero targets, marking a pivotal milestone in its ongoing sustainability journey. This validation is a crucial first step and underscores the Group's commitment to decarbonise its operations and reduce value chain emissions. During the year, the Group expanded its engagement with stakeholders through focus groups to understand their priorities and expectations on the Group's sustainability strategies and initiatives. The Group also conducted a "double materiality" assessment to identify and evaluate sustainability issues that are both financially material to the Group's businesses and impactful to its stakeholders.

The Group understands the importance of embracing sustainable building as a property developer. During the year, the Group received several green building certifications and awards for its commitment to sustainable development and environmental stewardship. Cheung Kong Center achieved a final platinum rating under BEAM Plus, a LEED platinum rating for operations and maintenance, and Cheung Kong Center Property Management Limited was recognised as a Hong Kong Green Organisation by the government-appointed Environmental Campaign Committee for the building's excellent indoor air quality and waste reduction efforts. Cheung Kong Center II received a provisional platinum rating under BEAM Plus. The Group's proposed composite development at the Kai Tak waterfront area achieved a provisional platinum rating under BEAM Plus, while Watson Centre received the LEED v4.1 Gold Certification for Operations & Maintenance.

The Civitas social infrastructure portfolio continues to generate significant and quantifiable social impact benefits by providing community-based healthcare housing and specialist education facilities. The Group's investments in Phoenix Energy, Powerlink Renewable Assets and onshore wind farms during the year are testimony to its commitment to facilitate and support the global low-carbon transition from traditional fossil fuel-based energy sources to sustainable, renewable and low-carbon energy solutions. The investment in agricultural land for carbon sequestration demonstrates the Group's efforts to address climate challenges through innovative and sustainable practices.

Outlook

The global economy is expected to remain challenging in 2025. The divergence in growth momentum, monetary policies and interest rate movements across major economies will be shaped by policy shifts, increasing economic fragmentation and the changing political landscape. Ongoing geopolitical tensions, trade protectionism and uncertainty will continue to affect global growth prospects.

The Mainland saw a stable economic performance in 2024 and recorded a positive GDP year-on-year growth of 5%. The Mainland continues to be one of the world's largest economic growth engines. The Central Government introduced a range of measures during the year to encourage domestic consumption and strengthen investor confidence.

The Hong Kong economy expanded at a moderated pace in 2024 and real GDP grew by 2.5% year-on-year. Hong Kong continues to benefit from the strong support of the Central Government to maintain its long-standing position as an international financial, trade and shipping centre amid multiple challenges. The Government has taken further steps to promote Hong Kong's unique role as a "super connector" linking the Mainland with the rest of the world, and to enhance its competitive advantage by attracting high-calibre talent, and global enterprises and capital to the city. The recent measures implemented by the Government to support the real estate market and improve market sentiment are expected to stimulate the economy, but housing and land policies and interest rate movements will continue to be determining factors for the property market.

The Group is a multinational conglomerate committed to achieving long-term sustainable growth. It remains guided by its principle of "Advancing without Forgoing Stability". The Group will maintain its strategic focus on financial discipline and prudent management practices, and navigate evolving challenges and macroeconomic uncertainties with caution. The management will continue to seek out investments with high structural liquidity and sustainable returns to further strengthen the quality of the Group's balance sheet, assets and earnings. The Group stands ready to deploy capital and invest in different sectors and geographies worldwide when suitable opportunities arise. Hong Kong and the Mainland remain important markets for the Group.

As at 31 December 2024, the Group had a net debt to net total capital ratio of approximately 4.0%. The Group has maintained "A/Stable" and "A2 Stable" credit ratings from Standard & Poor's and Moody's respectively, demonstrating its stable financial profile.

Acknowledgement

My colleagues on the Board join me in thanking our team of diligent employees around the world for their hard work and contributions during the year. I also take this opportunity to express my sincere gratitude to our board members for their unwavering dedication and to our stakeholders for their continued support.

Victor T K Li
Chairman

Hong Kong, 20 March 2025

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Major Business Activities

1. Developments Completed during 2024:

Name	Location	Gross Floor Area (sq.ft.)	Group's Interest
The Coast Line I	The Remaining Portion of Yau Tong Inland Lot No. 45	113,444	100%
Grand Jeté Phase 2	The Remaining Portion of Tuen Mun Town Lot No. 463	175,505	40.94%
Cheung Kong Center II	Central	504,341	100%
The Greenwich Phase 2 (Regency Park)	Chaoyang District, Beijing	2,814,114	100%
Regency Hills Land No. 4A	Yangjiashan, Nanan District, Chongqing	246,471	95%
Laguna Verona Phase F (House on House)	Henggang Reservoir, Dongguan	289,517	99.8%
Chelsea Waterfront Powerhouse (Stage 1)	Chelsea / Fulham, London	88,359	95%

2. Developments in Progress and Scheduled for Completion in 2025:

Name	Location	Gross Floor Area (sq.ft.)	Group's Interest
The Coast Line II	The Remaining Portion of Yau Tong Inland Lot No. 45	304,884	100%
Blue Coast and Blue Coast II	Aberdeen Inland Lot No. 467, Site C	999,976	Joint Venture
Perfect Ten	Singapore	219,518	100%
Upper West Shanghai Phase 3 Tender 2 (T1) Phase 4 Tender 2 (T14)	Putuo District, Shanghai	1,648,685	60%
Regency Hills Land Nos. 2A and 4B	Yangjiashan, Nanan District, Chongqing	1,687,803	95%
Laguna Verona Phase G2b Zone 2	Henggang Reservoir, Dongguan	635,070	99.8%
The South Bay Phase 5A	Jinzhou New Area, Dalian	969,537	100%
Noble Hills Phase 4A	Zengcheng, Guangzhou	198,351	100%
Emerald Cove Phase 2	Daya Bay, Huizhou	1,216,988	100%
Regency Garden Phase 5B-2a	Pudong New District, Shanghai	261,367	85%
Regency Cove Phase 3A	Caidian District, Wuhan	282,554	100%
Chelsea Waterfront Powerhouse (Stages 2 & 3), The Rotunda, East Tower, Block KC4 and Block KC2A	Chelsea / Fulham, London	431,501	95%

3. New Acquisitions and Joint Developments and Other Major Events:

- (1) March 2024: A joint venture company (owned as to 40%, 40% and 20% by the Company, CK Infrastructure Holdings Limited (“CKI”) and Power Assets Holdings Limited (“PAH”) respectively), through its wholly owned subsidiary (as purchaser), entered into a sale and purchase agreement in March 2024 in relation to the acquisition of Phoenix Energy Holdings Limited and its subsidiaries (“Phoenix Energy”) for a total consideration of approximately GBP312 million (equivalent to approximately HK\$3,049 million). Phoenix Energy is a gas distribution network operator in Northern Ireland. Such acquisition was completed in April 2024.
- (2) May 2024: A joint venture company (owned as to 20%, 40% and 40% by the Company, CKI and PAH respectively), through its wholly owned subsidiary (as purchaser), entered into a sale and purchase agreement in May 2024 in relation to the acquisition of Powerlink Renewable Assets Limited (“Powerlink Renewable Assets”) for a total consideration of approximately GBP88 million (equivalent to approximately HK\$859 million). Powerlink Renewable Assets owns and operates a portfolio of renewable power generation assets (including solar, wind and hydro assets) in the United Kingdom. Such acquisition was completed on the same day of the sale and purchase agreement was signed.
- (3) August 2024: A joint venture company (owned as to 40%, 40% and 20% by the Company, CKI and PAH respectively), through its wholly owned subsidiary (as purchaser), entered into a sale and purchase agreement in August 2024 in relation to the acquisition of a portfolio of operating onshore wind farms in the United Kingdom for a total consideration of approximately GBP329 million (equivalent to approximately HK\$3,404 million). Such acquisition was completed in October 2024.
- (4) October 2024: An open-ended fund (of which an indirect wholly owned subsidiary of the Company is the sole limited partner) entered into a framework agreement and individual purchase agreements in October 2024 to acquire 26 elderly care and assisted living homes in Germany at the aggregate purchase price of approximately EUR282.7 million (equivalent to approximately HK\$2,424 million). The acquisition of 17 properties completed in February 2025. Completion in respect of the remaining properties is subject to fulfilment of certain terms and conditions under the relevant purchase documents.

- (5) October 2024: A joint venture company (owned as to 80% and 20% by the Company and CK Life Sciences Int'l, (Holdings) Inc. respectively), through its wholly owned subsidiary (as purchaser), entered into a sale and purchase agreement in October 2024 in relation to the acquisition of pastoral leases and rights over agricultural land of over 350,000 hectares designated for carbon sequestration in Western Australia. Completion of such acquisition is subject to fulfilment of certain terms and conditions under the sale and purchase agreement.
- (6) March to July 2024: The Company bought back a total of 48,906,000 shares of HK\$1.00 each in the capital of the Company (the “Shares”) from March to July 2024 on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) with the aggregate consideration (before expenses) amounting to HK\$1,545,564,825.00. All the Shares bought back were subsequently cancelled.

Property Sales

Revenue of property sales (including share of joint ventures) recognised for the year was HK\$9,962 million (2023 – HK\$13,153 million), comprising mainly (i) sales of residential projects in Hong Kong – #LYOS in Hung Shui Kiu and Grand Jeté Phase 1 and 2 in Tuen Mun; (ii) sales of residential and commercial units on the Mainland including Laguna Verona in Dongguan, Upper West Shanghai in Shanghai and La Grande Ville in Beijing; and (iii) sales of residential units of Chelsea Waterfront in London, the United Kingdom. Revenue of property sales is summarised by location as follows:

Location	2024 HK\$ Million	2023 HK\$ Million
Hong Kong	5,718	5,840
The Mainland	3,235	6,630
Overseas	1,009	683
	9,962	13,153

Contribution for the year was HK\$2,209 million (2023 – HK\$4,475 million) and is summarised by location as follows:

Location	2024 HK\$ Million	2023 HK\$ Million
Hong Kong	1,609	2,087
The Mainland	354	2,238
Overseas	246	150
	2,209	4,475

Revenue and contribution of property sales for the year decreased, when compared with last year, amid weak economic environment and property market sentiment in Hong Kong and on the Mainland.

In Hong Kong, the development of The Coast Line I was completed in November 2024 and The Coast Line II will be completed in 2025. The residential units of The Coast Line I and II have been presold and profit contribution will be recognised upon completion of property sales in 2025. The presales of residential units of Blue Coast and Blue Coast II have progressed steadily and over 70% of the units have been presold. The consent for presale of residential units of Victoria Blossom Phase 1 in the Kai Tak runway area has been obtained and presale of units will be launched in the first half of 2025.

On the Mainland, the development of The Greenwich Phase 2 in Beijing was completed before the end of 2024 and the sales of its residential units recently have been well received. The completion of Regency Garden Phase 5B-2a in Shanghai has been postponed to 2025. Profit contribution will be recognised in 2025 upon handover of the completed properties sold.

The development of Perfect Ten, a residential project in Singapore, is scheduled for completion in 2025. All units have been presold and profit contribution will be recognised upon completion of the development and property sales.

Property sales contracted but not yet recognised at 31 December 2024 are as follows:

Location	Schedule for Sales Recognition		
	2025 HK\$ Million	After 2025 HK\$ Million	Total HK\$ Million
Hong Kong	17,810	5,297	23,107
The Mainland	4,463	22	4,485
Overseas	4,149	-	4,149
	26,422	5,319	31,741

At the year end date, the Group had a development land bank (including developers' interests in joint development projects but excluding agricultural land and completed properties) of approximately 70 million sq.ft., of which 7 million sq.ft., 60 million sq.ft. and 3 million sq.ft. were located in Hong Kong, on the Mainland and overseas respectively.

Property Rental

Revenue of property rental (including share of joint ventures) for the year was HK\$6,135 million (2023 – HK\$5,909 million) and comprised rental income derived from leasing of properties as follows:

Use of Property	2024 HK\$ Million	2023 HK\$ Million
Retail	1,867	2,056
Office	1,780	1,881
Industrial	771	771
Social infrastructure	1,275	751
Others	442	450
	6,135	5,909

Contribution for the year was HK\$4,720 million (2023 – HK\$4,635 million), and is summarised by location as follows:

Location	2024 HK\$ Million	2023 HK\$ Million
Hong Kong	3,487	3,734
The Mainland	241	323
Overseas	992	578
	4,720	4,635

Contribution from overseas for the year increased, when compared with last year, as the social infrastructure property portfolio of Civitas in the United Kingdom made a full year rental contribution to profit for the year. Civitas was acquired by the Group in July 2023.

The Group’s investment properties in Hong Kong comprise mainly retail, office and industrial properties including Cheung Kong Center, Cheung Kong Center II (“CKC II”) and China Building in Central, 1881 Heritage in Tsimshatsui, The Whampoa in Hunghom, OP Mall in Tsuen Wan and Hutchison Logistics Centre in Kwai Chung.

CKC II was completed in May 2024, a Super Grade A office property with approximately 560,000 sq.ft. of lettable gross floor area, and will provide recurrent rental income and cashflow to the Group when the property is occupied with tenants.

At the year end date, the Group had an investment property portfolio of approximately 22.4 million sq.ft. (including share of joint ventures but excluding car parking spaces) as follows:

Location	Retail Million sq.ft.	Office Million sq.ft.	Industrial Million sq.ft.	Social Infrastructure Million sq.ft.	Total Million sq.ft.
Hong Kong	3.3	3.9	5.9	-	13.1
The Mainland	3.0	1.6	-	-	4.6
Overseas	0.1	0.2	-	4.4	4.7
	6.4	5.7	5.9	4.4	22.4

An increase of HK\$1,349 million (2023 – HK\$3,238 million) in fair value of investment properties was recorded at 31 December 2024 based on a professional valuation using capitalisation rates ranging from approximately 4% to 8%.

Hotel and Serviced Suite Operation

The Group's hotel and serviced suite properties are mostly located in Hong Kong including Harbour Grand Hotels, Harbour Plaza Hotels & Resorts, Horizon Hotels & Suites, Sheraton Hong Kong Hotel & Towers, Hotel Alexandra and a few others.

During the year, visitor arrivals in Hong Kong increased year-on-year. The Group's results of hotel and serviced suite operation in Hong Kong was slightly better than last year. On the Mainland, the Group continued to strive for a positive contribution for its hotel and serviced suite operation in a difficult business environment.

Revenue of hotel and serviced suite operation (including share of joint ventures) for the year was HK\$4,390 million (2023 – HK\$4,383 million) and the average occupancy rates for hotels and serviced suites were 82% (2023 – 79%) and 91% (2023 – 90%) respectively.

Contribution for the year was HK\$1,651 million (2023 – HK\$1,525 million), an increase of HK\$126 million when compared with last year, and is summarised by location as follows:

Location	2024 HK\$ Million	2023 HK\$ Million
Hong Kong	1,700	1,652
The Mainland	(49)	(127)
	1,651	1,525

Property and Project Management

Revenue of property and project management (including share of joint ventures) for the year was HK\$912 million (2023 – HK\$900 million) and mainly comprised management fees received for provision of property management and related services.

Contribution for the year (including share of joint ventures) was HK\$361 million (2023 – HK\$359 million) and is summarised by location as follows:

Location	2024 HK\$ Million	2023 HK\$ Million
Hong Kong	257	241
The Mainland	62	53
Overseas	42	65
	361	359

At the year end date, the Group provided management services to approximately 254 million sq.ft. of completed properties mainly in Hong Kong and on the Mainland. The Group is committed to providing high quality services to the properties under its management.

Pub Operation

The Group's pub businesses comprise 2 breweries and about 2,600 pubs, restaurants and hotels operated by Greene King across England, Wales and Scotland. The trading conditions for pub businesses in the United Kingdom remain difficult, experiencing significant cost inflation in the past years and a further increase in labour costs in 2025, whereas consumer confidence remains stagnant in the current unstable economic outlook.

Revenue of pub operation for the year was HK\$24,425 million (2023 – HK\$23,217 million), an increase of HK\$1,208 million when compared with last year, mainly driven by price optimisation.

Profit contribution for the year amounted to HK\$539 million (2023 – HK\$997 million) after a significant provision of HK\$1,233 million (2023 – HK\$535 million) required for asset impairment. The results by division of pub operation are as follows:

Division	2024		2023	
	Revenue HK\$ Million	Contribution HK\$ Million	Revenue HK\$ Million	Contribution HK\$ Million
Pub Company - operates food-led and drink-led destination pubs and restaurants and community-focused local pubs	20,122	(68)	19,186	627
Pub Partners - owns a portfolio of mainly drink-led pubs which are run as franchised or leased pubs	1,933	479	1,796	221
Brewing & Brands - sells and distributes a wide range of beers including ale brands brewed in own breweries	2,370	128	2,235	149
	24,425	539	23,217	997

Infrastructure and Utility Asset Operation

At the year end date, the Group's infrastructure and utility asset businesses were operated through joint ventures as follows:

	Principal Activity	Interest in Joint Venture
CK William JV	Owner and operator of energy utility assets in Australia, the United Kingdom, the United States and Canada	40%
CKP (Canada) JV	A building equipment and service provider under the consumer brand identity of "Reliance Home Comfort" in Canada	75%
ista JV	A fully integrated energy management service provider operated by ista Group in Europe	65%
UK Power Networks JV	A power distributor that serves London, the South East and East of England	20%
Northumbrian Water JV	A regulated water and sewerage company in England and Wales	27%
Dutch Enviro Energy JV	An operator of energy-from-waste business in the Netherlands	24%
Wales & West Utilities JV	A gas distributor that serves Wales and the South West of England	22%
UK Rails JV	A rolling stock operating company in the United Kingdom	20%

The Group also held interests in the economic benefits of other infrastructure and utility asset businesses as follows:

	Principal Activity	Interest in Economic Benefit
Park'N Fly	An off-airport car park provider in Canada	20%
Australian Gas Networks	A distributor of natural gas in Australia	11%

Revenue of the joint venture operations was shared by the Group for the year as follows:

	2024	2023
	HK\$ Million	HK\$ Million
CK William JV	4,974	4,469
CKP (Canada) JV	4,661	4,689
ista JV	6,680	6,296
UK Power Networks JV	3,961	3,595
Northumbrian Water JV	2,811	2,541
Dutch Enviro Energy JV	803	712
Wales & West Utilities JV	1,224	1,184
UK Rails JV*	647	34
	25,761	23,520

*UK Rails has been accounted for as a joint venture after the reorganisation of equity interest in December 2023.

Profit contribution for the year amounted to HK\$8,363 million (2023 – HK\$7,773 million), and is summarised by locations as follows:

	Australia	Europe	North America	2024	2023
	HK\$ Million	HK\$ Million	HK\$ Million	Total	Total
				HK\$ Million	HK\$ Million
CK William JV	1,308	216	(1)	1,523	1,400
CKP (Canada) JV	-	-	1,463	1,463	1,456
ista JV	-	1,432	-	1,432	1,291
UK Power Networks JV	-	2,143	-	2,143	2,025
Northumbrian Water JV	-	815	-	815	672
Dutch Enviro Energy JV	-	74	-	74	129
Wales & West Utilities JV	-	582	-	582	621
UK Rails JV*	-	331	-	331	19
Others	-	-	-	-	160
	1,308	5,593	1,462	8,363	7,773

During the year, CK William JV acquired Phoenix Energy, a gas distribution network operator in Northern Ireland, for a consideration of approximately GBP312 million (equivalent to approximately HK\$3,049 million) and completed the acquisition of a portfolio of operating onshore wind farms in the United Kingdom for a total consideration of approximately GBP329 million (equivalent to approximately HK\$3,404 million).

UK Power Networks JV acquired Powerlink Renewable Assets Limited, an owner and operator of a portfolio of renewable power generation assets in the United Kingdom, for a consideration of approximately GBP88 million (equivalent to approximately HK\$859 million) in May 2024.

Interests in Real Estate Investment Trusts

The Group's interests in listed real estate investment trusts at the year end date were as follows:

	Principal Activity	Interest
Hui Xian REIT	Investment in hotels and serviced suites, office and retail properties on the Mainland	34.9%
Fortune REIT	Investment in retail properties in Hong Kong and Singapore	25.9%
Prosperity REIT	Investment in office, retail and industrial properties in Hong Kong	17.8%

Hui Xian REIT is an associate. The Group shared a net profit of HK\$48 million (2023 – HK\$55 million), taking into account of the REIT's net rental and exchange loss on bank loan. Distributions of HK\$10 million (2023 – HK\$152 million) were received during the year, a significant decrease from last year due to exchange loss realised on bank loan repayment.

Distributions received from Fortune REIT and Prosperity REIT during the year amounted to HK\$226 million (2023 – HK\$270 million) and were recognised as investment income. A decrease of HK\$551 million (2023 – decrease of HK\$890 million) in fair value of the Group's investments in Fortune REIT and Prosperity REIT was recorded based on the market closing price at 31 December 2024.

FINANCIAL REVIEW

Liquidity and Financing

The Group monitors its liquidity requirements on a short to medium term basis and arranges its financing accordingly. During the year, notes of HK\$3,790 million and US\$250 million were redeemed upon maturity in April 2024 and June 2024 respectively.

At the year end date, the Group's bank and other loans amounted to HK\$52.7 billion, a decrease of HK\$2.2 billion when compared with bank and other loans at 31 December 2023. The maturity profile was spread over a period of 12 years, with HK\$11.1 billion repayable within 1 year, HK\$35.9 billion within 2 to 5 years and HK\$5.7 billion beyond 5 years.

Taking into account the bank balances and deposits of HK\$36.1 billion at 31 December 2024, the Group carried a net debt of HK\$16.6 billion at the year end date. The net debt to net total capital ratio was approximately 4%.

With plenty of cash on hand as well as available banking facilities, the Group's liquidity position remains strong and the Group has sufficient financial resources to satisfy its commitments and working capital requirements.

Treasury Policies

The Group adopts a conservative approach on foreign exchange risk management and maintains an appropriate mix of floating and fixed rate borrowings to mitigate interest rate risk. The Group's exposure to foreign exchange fluctuations and interest rate changes are reviewed regularly. Hedging instruments including swaps and forwards are used in the management of foreign exchange and interest rate risks.

At the year end date, the Group's borrowings were 37% in HK\$/US\$ and 63% in foreign currencies (including AUD, GBP and RMB); and about 56% were on a floating interest rate basis and 44% were on a fixed interest rate basis, after taking into account of effective swaps in place. Foreign currencies borrowings had been arranged for investments and operations in Australia, the United Kingdom and on the Mainland.

The Group derives its revenue mainly from property businesses in HK\$ and RMB, and maintains bank balances and deposits substantially in HK\$, RMB and US\$. Income in foreign currencies is generated by overseas investments and operations, and cash in foreign currencies is maintained for business requirements.

Charges on Assets

At the year end date, (i) properties amounting to HK\$6,414 million (2023 – HK\$9,420 million) were charged to secure bank loans arranged for property development and investment; and (ii) properties amounting to HK\$24,760 million (2023 – HK\$25,978 million) were charged to secure other loans arranged for pub operation.

Contingent Liabilities

At the year end date, the Group provided guarantees for (i) revenue shared by land owner of a hotel project amounting to HK\$443 million (2023 – HK\$458 million); and (ii) mortgage loans provided by banks to purchasers of properties developed by the Group on the Mainland amounting to HK\$439 million (2023 – HK\$646 million).

Employees

At the year end date, the Group employed approximately 55,000 employees. The related employees' costs for the year (excluding directors' emoluments) amounted to approximately HK\$13,442 million. The Group ensures that the pay levels of its employees are competitive and employees are rewarded on a performance related basis, together with reference to the profitability of the Group, remuneration benchmarks in the industry, and prevailing market conditions within the general framework of the Group's salary and bonus system. The Group does not have any share option scheme for employees.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

CK Property Finance (MTN) Limited ("CPFM"), a wholly owned subsidiary of the Company, redeemed the US\$250,000,000 0.75% guaranteed senior fixed rate notes due 2024 (listed on the Stock Exchange) under the US\$5 billion Euro Medium Term Note Programme at principal amount upon maturity on 30 June 2024.

During the year ended 31 December 2024, the Company bought back a total of 48,906,000 Shares on the Stock Exchange with an aggregate consideration of HK\$1,545,564,825.00 (before expenses). All the Shares bought back were subsequently cancelled. As at 31 December 2024, (i) the total number of Shares in issue was 3,499,778,333; and (ii) the Company did not hold any treasury shares.

Particulars of the Share buy-backs are as follows:

Month	Number of Shares bought back	Purchase price per Share		Aggregate consideration (before expenses) (HK\$)
		Highest (HK\$)	Lowest (HK\$)	
March 2024	18,070,000	33.50	32.05	585,050,375.00
April 2024	19,786,000	32.65	30.70	629,767,825.00
June 2024	10,800,000	30.50	29.10	323,476,625.00
July 2024	250,000	29.10	29.05	7,270,000.00
	<u>48,906,000</u>			<u>1,545,564,825.00</u>

The Directors were of the view that the above Share buy-backs would lead to an enhancement of the net assets and/or earnings per Share and benefit the Company and the shareholders.

Save as disclosed above, during the year ended 31 December 2024, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares).

CORPORATE GOVERNANCE CODE

The Board of Directors (the “Board”) and the management of the Company are committed to the maintenance of good corporate governance practices and procedures of the Company and its subsidiaries. The Company acknowledges that a good corporate governance framework is essential for effective management, a healthy corporate culture, business growth and shareholder value enhancement. The corporate governance principles of the Company emphasise a quality Board, sound internal controls, and transparency and accountability to all shareholders.

The Company has applied the principles and complied with all code provisions (except code provision C.2.1 as further elucidated below) and, where applicable, the recommended best practices of the Corporate Governance Code (the “CG Code”) as set out in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) throughout the year ended 31 December 2024.

In respect of code provision C.2.1 of the CG Code, the positions of the Chairman of the Board (the “Chairman”) and Managing Director are held by the same individual, namely, Mr. Victor T K Li. Although the positions of Chairman and Managing Director are not separately held, the Board is of the view that this is the most appropriate arrangement in the interest of the shareholders as a whole at present. All major decisions are made, in accordance with current practice, in consultation with members of the Board and relevant Board Committees and key personnel of the Group after thorough discussions. The Board has a majority of Independent Non-executive Directors. These nine Independent Non-executive Directors have a balance of expertise, skills, experience and diversity of perspectives appropriate to the requirements of the Group’s business. The Company’s Independent Non-executive Directors will continue to provide views and comments to Mr. Victor T K Li as Chairman and Managing Director as they have done so over the years.

The Group adheres to high corporate governance standards and conducts its businesses with ethics and integrity. The Group’s vision, values and strategy are inextricably linked to its purpose and business operations. In compliance with the CG Code, the Company has adopted, and regularly reviews its comprehensive set of corporate governance policies such as Anti-Fraud and Anti-Bribery Policy, Anti-Money Laundering Policy, Employee Code of Conduct, Policy on Handling of Confidential Information, Information Disclosure, and Securities Dealing, and Whistleblowing Policy - Procedures for Reporting Possible Improprieties. The Group maintains a robust corporate governance framework and internal control systems to uphold its accountability with support from internal and external auditors and other professional advisors.

AUDIT COMMITTEE

The Audit Committee comprises seven members, all of whom are Independent Non-executive Directors. The Audit Committee is chaired by Mr. Cheong Ying Chew, Henry with Ms. Hung Siu-lin, Katherine, Mr. Donald Jeffrey Roberts, Mr. Stephen Edward Bradley, Mr. Lam Siu Hong, Donny, Ms. Lee Wai Mun, Rose and Dr. Wong Yick-ming, Rosanna as members.

The Group's annual results for the year ended 31 December 2024 have been reviewed by the Audit Committee and audited by the independent auditor of the Company, Deloitte Touche Tohmatsu.

REMUNERATION COMMITTEE

A majority of the members of the Company's Remuneration Committee are Independent Non-executive Directors. The Remuneration Committee is chaired by Ms. Hung Siu-lin, Katherine, an Independent Non-executive Director with another Independent Non-executive Director, Mr. Cheong Ying Chew, Henry and the Chairman and Managing Director, Mr. Victor T K Li as members.

NOMINATION COMMITTEE

A majority of the members of the Company's Nomination Committee are Independent Non-executive Directors. The Nomination Committee is chaired by Mr. Stephen Edward Bradley, an Independent Non-executive Director with two other Independent Non-executive Directors, Mr. Donald Jeffrey Roberts and Dr. Wong Yick-ming, Rosanna, and the Chairman and Managing Director, Mr. Victor T K Li, as members.

SUSTAINABILITY COMMITTEE

The Sustainability Committee comprises three Directors, a majority of whom are Independent Non-executive Directors, and the Company Secretary. The Sustainability Committee is chaired by Mr. Ip Tak Chuen, Edmond, Deputy Chairman. Other members include two Independent Non-executive Directors, Mr. Cheong Ying Chew, Henry and Mr. Stephen Edward Bradley, and the Company Secretary, Ms. Eirene Yeung.

ANNUAL GENERAL MEETING

The 2025 Annual General Meeting (“2025 AGM”) of the shareholders of the Company will be held on Thursday, 22 May 2025. Details of the arrangements will be provided in the Company’s circular in relation to the 2025 AGM which will be published and disseminated to the shareholders in accordance with the Listing Rules in due course.

CLOSURE OF REGISTER OF MEMBERS AND RECORD DATES

The record date for determining the eligibility of shareholders (except holders of treasury shares, if any) to attend and vote at the 2025 AGM is Thursday, 22 May 2025. The Register of Members of the Company will be closed from Monday, 19 May 2025 to Thursday, 22 May 2025, both days inclusive, during which period no transfer of shares will be effected. In order to determine the entitlement to attend and vote at the 2025 AGM, all share certificates with completed transfer forms, either overleaf or separately, must be lodged with the Company’s Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong, not later than 4:30 p.m. on Friday, 16 May 2025.

The final dividend is payable to shareholders whose names appear on the Register of Members of the Company at the close of business on Wednesday, 28 May 2025, being the record date for determination of entitlement to the final dividend. In order to qualify for the proposed final dividend, all share certificates with completed transfer forms, either overleaf or separately, must be lodged with the Company’s Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong, not later than 4:30 p.m. on Wednesday, 28 May 2025.

The Directors of the Company as at the date of this document are Mr. LI Tzar Kuoi, Victor (*Chairman and Managing Director*), Mr. KAM Hing Lam (*Deputy Managing Director*), Mr. IP Tak Chuen, Edmond (*Deputy Chairman*), Mr. CHUNG Sun Keung, Davy, Dr. CHIU Kwok Hung, Justin, Mr. CHOW Wai Kam, Raymond and Ms. PAU Yee Wan, Ezra as Executive Directors; and Mr. CHEONG Ying Chew, Henry, Ms. HUNG Siu-lin, Katherine, Mr. Donald Jeffrey ROBERTS, Mr. Stephen Edward BRADLEY, Mrs. KWOK Eva Lee, Mrs. SNG Sow-mei alias Poon Sow Mei, Mr. LAM Siu Hong, Donny, Ms. LEE Wai Mun, Rose and Dr. WONG Yick-ming, Rosanna as Independent Non-executive Directors.

Consolidated Income Statement

For the year ended 31 December 2024

	2024 HK\$ Million	2023 HK\$ Million
Group revenue	45,529	47,243
Share of revenue of joint ventures	26,056	23,839
	<u>71,585</u>	<u>71,082</u>
Group revenue	45,529	47,243
Forfeiture of deposit of property sale	-	2,077
Interest from joint ventures	1,415	1,675
Investment and others	1,586	1,350
Operating costs		
Property and related costs	(8,761)	(9,736)
Pub operation and related costs	(12,862)	(12,382)
Salaries and related expenses	(11,327)	(10,685)
Interest and other finance costs	(2,029)	(1,583)
Depreciation	(1,926)	(1,927)
Other expenses	(574)	(587)
	(37,479)	(36,900)
Gain on financial instruments	476	164
Increase in fair value of investment properties	1,349	3,238
Gain on bargain purchase of Civitas	-	1,486
Goodwill impairment	-	(1,963)
Impairment loss on fixed assets	(1,233)	(535)
Share of profit of joint ventures	3,143	2,436
Share of profit of associates	48	55
Profit before taxation	14,834	20,326
Taxation	(1,100)	(2,802)
Profit for the year	<u>13,734</u>	<u>17,524</u>
Non-controlling interests	208	102
Perpetual capital securities	(285)	(286)
Profit attributable to shareholders	<u>13,657</u>	<u>17,340</u>
Earnings per share	HK\$3.89	HK\$4.86

	2024 HK\$ Million	2023 HK\$ Million
Dividends		
Interim dividend paid	1,365	1,527
Final dividend proposed	4,725	5,688
	<u>6,090</u>	<u>7,215</u>
Dividends per share		
Interim dividend	HK\$0.39	HK\$0.43
Final dividend	HK\$1.35	HK\$1.62

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2024

	2024 HK\$ Million	2023 HK\$ Million
Profit for the year	13,734	17,524
Other comprehensive income to be reclassified to income statement		
Exchange gain (loss) on translation of financial statements of operations outside Hong Kong	(7,358)	3,974
Exchange gain (loss) on translation of bank loans for hedging	814	(100)
Gain (loss) on derivative financial instruments		
Net investment hedges	3,498	(4,533)
Cash flow hedges	206	(377)
Share of other comprehensive income of joint ventures	10	(135)
Other comprehensive income not to be reclassified to income statement		
Gain (loss) on remeasurement of defined benefit obligations	(55)	62
Share of other comprehensive income of joint ventures	(416)	40
Other comprehensive income, net of tax	(3,301)	(1,069)
Total comprehensive income	10,433	16,455
Non-controlling interests	282	185
Perpetual capital securities	(285)	(286)
Total comprehensive income attributable to shareholders	10,430	16,354

Consolidated Statement of Financial Position

As at 31 December 2024

	2024 HK\$ Million	2023 HK\$ Million
Non-current assets		
Fixed assets	70,209	73,027
Investment properties	150,708	147,223
Joint ventures	78,998	79,992
Associates	6,999	6,961
Investments	4,545	6,422
Goodwill	2,516	2,573
Derivative financial instruments	6,940	4,985
Other non-current assets	4,949	5,236
	<u>325,864</u>	<u>326,419</u>
Current assets		
Properties for sale	129,776	130,101
Debtors, prepayments and others	7,901	7,491
Loan receivables	2,171	2,393
Bank balances and deposits	36,069	42,481
	<u>175,917</u>	<u>182,466</u>
Current liabilities		
Creditors, accruals and others	18,713	23,562
Bank and other loans	11,139	17,799
Customers' deposits received	10,766	7,781
Provision for taxation	714	2,658
	<u>41,332</u>	<u>51,800</u>
Net current assets	<u>134,585</u>	<u>130,666</u>
Non-current liabilities		
Bank and other loans	41,577	37,070
Deferred tax liabilities	13,791	14,041
Lease liabilities	4,648	5,555
Derivative financial instruments	223	895
Pension liabilities	10	88
	<u>60,249</u>	<u>57,649</u>
Net assets	<u><u>400,200</u></u>	<u><u>399,436</u></u>
Representing:		
Share capital and share premium	236,471	238,071
Reserves	151,204	147,773
Shareholders' funds	387,675	385,844
Perpetual capital securities	7,929	7,929
Non-controlling interests	4,596	5,663
Total equity	<u><u>400,200</u></u>	<u><u>399,436</u></u>

Notes:

(1) Revenue by principal activities is as follows:

	Group		Joint ventures		Total	
	2024 HK\$ Million	2023 HK\$ Million	2024 HK\$ Million	2023 HK\$ Million	2024 HK\$ Million	2023 HK\$ Million
Property sales	9,958	13,146	4	7	9,962	13,153
Property rental	5,991	5,759	144	150	6,135	5,909
Hotel and serviced suite operation	4,366	4,361	24	22	4,390	4,383
Property and project management	789	760	123	140	912	900
Pub operation	24,425	23,217	-	-	24,425	23,217
Infrastructure and utility asset operation	-	-	25,761	23,520	25,761	23,520
	45,529	47,243	26,056	23,839	71,585	71,082

and is summarised by location as follows:

	Group		Joint ventures		Total	
	2024 HK\$ Million	2023 HK\$ Million	2024 HK\$ Million	2023 HK\$ Million	2024 HK\$ Million	2023 HK\$ Million
Hong Kong	14,605	14,836	47	50	14,652	14,886
The Mainland	4,023	7,565	115	116	4,138	7,681
The United Kingdom	26,727	24,635	9,254	7,739	35,981	32,374
Others	174	207	16,640	15,934	16,814	16,141
	45,529	47,243	26,056	23,839	71,585	71,082

Profit contribution by principal activities after allocation of operating costs is as follows:

	Group		Joint ventures		Total	
	2024 HK\$ Million	2023 HK\$ Million	2024 HK\$ Million	2023 HK\$ Million	2024 HK\$ Million	2023 HK\$ Million
Property sales						
Sale contribution	2,220	4,485	(11)	(10)	2,209	4,475
Forfeiture of deposit	-	2,077	-	-	-	2,077
Property rental	4,615	4,522	105	113	4,720	4,635
Hotel and serviced suite operation	1,648	1,525	3	-	1,651	1,525
Property and project management	318	293	43	66	361	359
Pub operation	539	997	-	-	539	997
Infrastructure and utility asset operation	-	160	8,363	7,613	8,363	7,773
	9,340	14,059	8,503	7,782	17,843	21,841
Bank and other loan finance costs	(1,816)	(1,388)	(2,576)	(2,568)	(4,392)	(3,956)
	7,524	12,671	5,927	5,214	13,451	17,885
Gain on financial instruments					1,168	928
Interests in real estate investment trusts					274	325
Change in fair values						
Real estate investment trusts					(551)	(890)
Investment properties (net of tax)					1,645	3,238
Gain on bargain purchase of Civitas					-	1,486
Goodwill impairment					-	(1,963)
Others					631	275
Taxation						
Group					(1,396)	(2,802)
Joint ventures					(1,488)	(958)
Non-controlling interests					208	102
Perpetual capital securities					(285)	(286)
Profit attributable to shareholders					13,657	17,340

(2) Profit before taxation is arrived at after charging:

	2024 HK\$ Million	2023 HK\$ Million
Interest and other finance costs		
Bank and other loans	2,357	2,163
Less: amount capitalised	(541)	(775)
	1,816	1,388
Lease liabilities	213	195
Costs of properties sold	5,125	7,103
Costs of pub products sold	6,786	6,676
Provision for properties for sale	1,217	-

(3) Taxation

	2024 HK\$ Million	2023 HK\$ Million
Current tax		
Hong Kong	619	827
Outside Hong Kong	747	2,046
Deferred tax	(266)	(71)
	1,100	2,802

(4) During the year, the Company bought back 48,906,000 shares on The Stock Exchange of Hong Kong Limited with an aggregate consideration of HK\$1,546 million.

The calculation of earnings per share is based on profit attributable to shareholders and on the weighted average of 3,514,375,347 shares (2023 – 3,570,941,266 shares) in issue during the year.

(5) Ageing analysis of debtors with reference to terms of agreements is as follows:

	2024 HK\$ Million	2023 HK\$ Million
Current to one month	1,803	1,291
Two to three months	101	128
Over three months	210	131
	2,114	1,550

Ageing analysis of creditors with reference to invoice dates and credit terms is as follows:

	2024 HK\$ Million	2023 HK\$ Million
Current to one month	3,658	4,107
Two to three months	30	36
Over three months	27	33
	3,715	4,176

(6) The International Accounting Standards Board has issued a number of new and revised IFRS Accounting Standards. The application of those IFRS Accounting Standards effective for annual accounting periods beginning on 1 January 2024 has no significant impact on the Group's results and financial position. For the IFRS Accounting Standards which are not yet effective, the Group is in the process of assessing their impact on the Group's results and financial position. Based on preliminary assessment, no significant impact is anticipated for those IFRS Accounting Standards scheduled to be effective in 2025.

(7) The annual results have been reviewed by the Audit Committee.