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## **CK Infrastructure Holdings Limited** **長江基建集團有限公司**

*(Incorporated in Bermuda with limited liability)*  
**(Stock Code: 1038)**

### **THE CHAIRMAN'S LETTER FOR 2025**

With the closing of the financial year 2025, we heralded in 2026, the year which marks the 30th anniversary of the listing of CK Infrastructure Holdings Limited (“CKI”, the “Company” or the “Group”). This is a momentous milestone and we take pride in looking at what we have achieved over the past three decades.

It has been a journey of growth in scale, scope, and reach. What began in 1996 as a Hong Kong / Chinese Mainland focused company has grown into one of the world’s largest global infrastructure players. Today, CKI has investments and operations across four continents with a diversified infrastructure portfolio. Our net assets have increased over 15 times, from approximately HK\$8.4 billion as at 31st December, 1996, the year the company was listed, to HK\$137.9 billion as at 31st December, 2025. Since listing, CKI has maintained a record of continued dividend growth, underscoring our resilience and dedication to shareholders. An investment in CKI’s shares at IPO would have realised a total shareholder return of over 15 times (as of 27th February, 2026). These achievements have been attained in the face of both headwinds and tailwinds, through fluctuating economic cycles and turbulent geopolitical developments.

The macro-economic environment has been challenging in recent years. 2025 was no different as geopolitical tensions, trade disruptions, interest rate uncertainties and inflationary stress continued to dominate headlines. It was against these conditions that CKI continued to demonstrate the strength of our economic model and the resilience of our businesses.

Another year of steady performance was achieved in 2025. For the year ended 31st December, 2025, profit attributable to shareholders was HK\$8,265 million, an increase of 2% over last year. Our strong financial position continued, with cash on hand being HK\$7.4 billion and a low net debt to net total capital ratio of 8.9% as at 31st December, 2025. The Group is well-placed to capitalise on upcoming growth opportunities.

## **DIVIDEND GROWTH**

The Board of Directors of CKI (the “Board”) has recommended a final dividend of HK\$1.88 per share. Together with the interim dividend of HK\$0.73 per share, the total dividend for the year will amount to HK\$2.61 per share, representing an upward trajectory of continued dividend growth since listing. The proposed dividend will be paid on Wednesday, 10th June, 2026, subject to approval at the 2026 Annual General Meeting to those shareholders whose names appear on the Register of Members of the Company at the close of business on Wednesday, 27th May, 2026. As at the date hereof, the Company does not hold any treasury shares whether in the Central Clearing and Settlement System, or otherwise.

## **BUSINESS REVIEW**

Across the portfolio, CKI’s businesses have reported steady performances with good growth achieved by a number of operations.

### **Power Assets**

Profit contribution from Power Assets Holdings Limited (“Power Assets”) was HK\$2,246 million, an increase of 2% over last year. The international infrastructure portfolio maintained solid operational performances, underpinned by a diverse mix of infrastructure businesses which have demonstrated resilience amidst global macroeconomic volatility. HK Electric delivered steady returns, recording a modest 1% increase in profit contribution compared with the previous year’s slight decline.

### **United Kingdom Infrastructure Portfolio**

Profit contribution from the United Kingdom (“UK”) was HK\$3,983 million, similar to last year (in local currency terms, this represented a 3% decrease). The decline was primarily due to a lower profit contribution from UK Power Networks (“UKPN”) as high true-ups from the previous regulatory period were recorded in 2024.

During the year, a solid operational performance was achieved at UKPN. The company has earned widespread industry recognition and over 50 national and international awards, including being named the much coveted Utility of the Year in the Utility Week Awards 2025; this marks the fifth time UKPN has won this accolade, a record amongst all UK utilities. It was also named Team of the Year and Strategic Partner of the Year at the same awards. The Institute of Customer Service also ranked UKPN first in the UK Customer Satisfaction Index in the Utility Sector and Utility Joint Sector.

On 1st April, 2025, Northumbrian Water (“NWG”) entered into its new regulatory period. A number of recognitions were awarded to NWG also, including being ranked as the United Kingdom’s best water company for customer service by industry regulator Ofwat – the highest of all accolades in the country’s water sector; as well as being named Customer Initiative of the Year and Water Efficiency Project of the Year at the Water Industry Awards.

The final determination for both Northern Gas Networks (“NGN”) and Wales & West Utilities (“WWU”) was received in December 2025, while the first full year contribution was received from Phoenix Energy in 2025. The three UK gas distribution networks – namely NGN, WWU and Phoenix Energy – all reported satisfactory earnings.

The divestment of UK Rails, which was announced in July 2025, was completed in January 2026, further strengthening CKI’s balance sheet.

### **Australian Infrastructure Portfolio**

Profit contribution from Australia was HK\$1,784 million, the same as last year (in local currency terms, profit increased by 2%).

SA Power Networks (“SAPN”) entered into a new regulatory period on 1st July, 2025. Under the final determination, higher allowable returns and strong asset growth will be features of the 2025 to 2030 period. In November 2025, severe weather caused substantial damage to South Australia’s electricity network. Crews responded swiftly to address the situation. The team’s prompt action drew positive feedback from the local community and key stakeholders, reinforcing confidence in SAPN’s operational resilience.

Victoria Power Networks (“VPN”), which comprises electricity distribution networks CitiPower and Powercor, and United Energy have submitted their revised proposals for the upcoming regulatory resets which will commence on 1st July, 2026. Higher capital investments have been proposed to enhance the networks’ ability to support strong demand growth from energy transition.

In the 2025 Annual Benchmarking Report published by the Australian Energy Regulator (“AER”), CKI’s four distribution network service providers – namely Powercor, SAPN, United Energy and CitiPower – are among the six top performing providers nationally, in terms of average operational expenditure (opex) efficiency scores over the 2006-2024 time period. Notably, CitiPower was ranked first among 13 distributors for multilateral total factor productivity in the same report.

Satisfactory growth was achieved by Australian Gas Infrastructure Group (“AGIG”), which consists of Australian Gas Networks (“AGN”), Multinet Gas Networks and Dampier Bunbury Pipeline. In November, AGIG successfully acquired the shares in the APA entities that provide operation and maintenance (“O&M”) services to the AGN networks, as well as other third-party gas assets. This enables AGIG to insource all O&M activities and regain full control of network operations. The transaction has resulted in the onboarding of an additional 720 staff, which more than doubles AGIG’s existing staff base of 530.

Lower contributions from Energy Developments were reported resulting from the expiration of various lucrative contracts and low prevailing electricity prices.

### **Infrastructure Portfolio in Continental Europe**

In Continental Europe, profit contribution was HK\$961 million, representing 58% growth (in local currency terms, this marked an increase of 50%). The increase was driven by a favorable deferred tax credit resulting from a reduction in corporate tax rate in Germany and a strong performance from ista, which continued its strategy of making value accretive acquisitions. One such transaction was the addition of SGW-Metering in September 2025. The acquisition of this metering installation company which features strong internal capabilities and established utility relationships expands ista’s installation capacity for power metering and EV charging services.

Dutch Enviro Energy’s plant in Rozenburg has been back in operation for treating waste since March 2025 following the fire in September 2023.

### **Canadian Infrastructure Portfolio**

Profit contribution from Canada was HK\$528 million, a 1% increase over last year (in local currency terms, this represented an increase of 3%).

Reliance Home Comfort performed well and completed the acquisition of two home service businesses in the United States.

Park’N Fly saw a decline in airport parking volumes as a result of the US-Canada trade tensions which affected travel demand. Cost-saving measures were implemented to mitigate the impact.

## **New Zealand Portfolio**

Profit contribution from New Zealand was HK\$200 million, marking an increase of 8% over last year (in local currency terms, this represented an increase of 13%). The growth arose due to strong performances from both Enviro NZ and Wellington Electricity.

Enviro NZ successfully secured a number of new contracts while Wellington Electricity commenced its new regulatory period, with higher allowable permitted returns starting on 1st April, 2025.

## **Hong Kong and Chinese Mainland Businesses**

In Hong Kong and Chinese Mainland, CKI's portfolio recorded profit contribution of HK\$68 million, a decrease of 48% over last year. This was mainly due to weak volumes for the cement business in Chinese Mainland and the decreasing prices for the concrete business in Hong Kong.

## **SOLID FINANCIAL FOUNDATION**

The Group has maintained an impressive financial standing. Funds from operations was a robust HK\$8.5 billion for the year. As at 31st December, 2025, cash on hand was HK\$7.4 billion, while the net debt to net total capital ratio was 8.9% and an industry low of 48.5% when taking into account the net debt in the infrastructure investment portfolio on a look-through basis. This firm foundation provides the underpinnings of CKI's solid business model and supports its acquisition strategy for future growth.

Standard & Poor's has reaffirmed the Group's credit rating of "A/Stable".

## **SUSTAINABILITY INITIATIVES**

All businesses of CKI are carrying out environmental initiatives in support of the respective countries' net zero targets. The electricity distribution networks in the UK and Australia have continued to make progress in a number of key sustainability projects, including smart grid solutions, electric vehicle charging infrastructure and integration systems with renewable energy sources. Advancements are also being made by the gas transmission and distribution networks in hydrogen and biomethane projects. In addition, the unregulated businesses are securing contracts on major renewable energy projects including Battery Energy Storage System (BESS) as well as solar and wind facilities and related infrastructure systems.

## **SUBSEQUENT EVENT**

In February 2026, CKI, Power Assets and CK Asset – holding 40%, 40% and 20% interests in UKPN, respectively, through their indirect wholly-owned subsidiaries – entered into a share purchase agreement to divest 100% interest of UKPN to Engie S.A., a Euronext-listed player in energy whose single largest shareholder is the French State.

The full disposal of UK Power Networks represents a flagship transaction for the CK Group and the UK utility sector. This divestment demonstrates the value generated by the transformation delivered during CK Group’s ownership, with the expected cash proceeds from the disposal together with the distributions that UKPN has delivered over the years, resulting in a strong return on our initial investment made in 2010.

Completion of the transaction is expected before the end of June 2026, subject to the fulfilment of certain conditions, including approval under the UK’s National Security Investment Act for the buyer, and independent shareholders’ approval from each of CKI, Power Assets, CK Asset and CK Hutchison Holdings Limited.

## **OUTLOOK**

As the global economy continues to experience uncertainty and challenges, the unwavering resilience of our quality asset portfolio underscores CKI’s leading market position. The Group is one of the key infrastructure players on the world stage with an enviable track record in improving efficiency and financial performance as well as in delivering good service.

Despite the challenges in the macro-economic landscape, there are potential opportunities for growth and expansion. Market conditions – such as tightened liquidity and rising capital costs – are working in CKI’s favour. In addition to having the financial might to actively pursue new acquisitions, we are able to offer unparalleled experience and expertise in streamlining and growing infrastructure businesses.

We are also able to benefit from our network of strategic partners within the CK Group, including CK Asset and Power Assets, to pool resources for the right acquisitions that align with our shared investment philosophies.

Many of the Group's businesses are growing organically and are actively expanding their portfolios. This is especially evident in the unregulated arms of our regulated businesses as well as in companies which have large numbers of contracted businesses such as ista and Enviro NZ. CKI is also well-placed to generate synergies as we continue to diversify our portfolio by industry and geography.

We have built our reputation over the past three decades on our ability to deliver continued earnings growth and value to shareholders while always maintaining a comfortable gearing position. Optimising the delicate balance between growth and stability is at the heart of our business model. As part of this, we always adhere to strict financial discipline and never succumb to the "must-win" mentality in pursuing acquisitions.

There is considerable value embedded in our infrastructure portfolio of world-class assets, further backed by CKI's business development strategy. In recognition of this, may I take this opportunity to express my gratitude to the Board, our staff and our shareholders for their continued support.

**VICTOR T K LI**

Chairman

18th March, 2026

## FINANCIAL REVIEW

### Financial Resources, Treasury Activities and Gearing Ratio

The Group's capital expenditure and investments were funded from cash on hand, internal cash generation, loans, notes, bonds, share placement and other project loans.

As at 31st December, 2025, cash and bank deposits on hand amounted to HK\$7,350 million and the total borrowings of the Group amounted to HK\$20,835 million, which included Hong Kong dollar notes of HK\$260 million and foreign currency borrowings of HK\$20,575 million. Of the total borrowings, 13 per cent were repayable in 2026 and 87 per cent were repayable between 2027 and 2030. To refinance certain borrowings repayable in 2026, the Group has obtained and is finalising loan facilities with certain banks. The Group's financing activities continue to be well received and fully supported by its bankers.

The Group adopts conservative treasury policies in cash and financial management. To achieve better risk control and minimise the cost of funds, the Group's treasury activities are centralised. Cash is generally placed in short-term deposits mostly denominated in U.S. dollars, Hong Kong dollars, Australian dollars, New Zealand dollars, British pound, Canadian dollars, Euros or Renminbi. The Group's liquidity and financing requirements are reviewed regularly. The Group will continue to maintain a strong capital structure when considering financing for new investments or maturity of bank loans.

As at 31st December, 2025, the Group maintained a net debt position with a net debt to net total capital ratio of 8.9 per cent. This was based on HK\$13,485 million of net debt and HK\$151,337 million of net total capital, which represents the total borrowings plus total equity net of cash and bank deposits. This ratio was higher than that of 7.8 per cent at the year end of 2024, which was mainly due to cash movement for hedging instruments.

The net debt to net total capital ratio would be 48.5 per cent by sharing of net debt in infrastructure investment portfolio on a look-through basis, which was based on HK\$129,679 million of net debt and HK\$267,531 million of net total capital. This ratio was 47.0 per cent at the year end of 2024.

To minimise currency risk exposure in respect of its investments in other countries, the Group generally hedges those investments with (i) currency swaps and (ii) the appropriate level of borrowings denominated in the local currencies. The Group also entered into certain interest rate swaps to mitigate interest rate risks. As at 31st December, 2025, the notional amounts of these derivative instruments amounted to HK\$57,005 million.

## Charge on Group Assets

As at 31st December, 2025, certain assets were pledged to secure bank borrowings totalling HK\$1,485 million granted to the Group.

## Contingent Liabilities

As at 31st December, 2025, the Group was subject to the following contingent liabilities:

HK\$ million

Performance bond indemnities	162
Sub-contractor warranties	25
Total	187

## Employees

The Group, including its subsidiaries but excluding affiliated companies, employs a total of 2,253 employees. Employees' cost (excluding directors' emoluments) amounted to HK\$1,041 million. The Group ensures that the pay levels of its employees are competitive and that its employees are rewarded on a performance related basis within the general framework of the Group's salary and bonus system.

Preferential subscription of 2,978,000 new shares of the Company was given to those employees who had subscribed for shares of HK\$1.00 each in the Company at HK\$12.65 per share on the flotation of the Company in 1996. The Group does not have any share option scheme for employees.

## **Purchase, Sale or Redemption of Listed Securities**

During the year ended 31st December, 2025, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury share). As at 31st December, 2025, the Company and its subsidiaries did not hold any treasury shares whether in the Central Clearing and Settlement System, or otherwise.

## **Corporate Governance Code**

The Board of Directors ("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 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 and, where applicable, the recommended best practices of the Corporate Governance Code ("CG Code") as set out in Appendix C1 to the Rules Governing the Listing of Securities ("HK Listing Rules") on The Stock Exchange of Hong Kong Limited throughout the year ended 31st December, 2025.

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 five members, all of whom are Independent Non-executive Directors. The Audit Committee is chaired by Mr. Paul Joseph Tighe with Mr. Cheong Ying Chew, Henry, Mrs. Sng Sow-mei alias Poon Sow Mei, Mr. Lan Hong Tsung, David and Ms. Koh Poh Wah as members.

The Group's annual results for the year ended 31st December, 2025 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 Mr. Cheong Ying Chew, Henry, an Independent Non-executive Director, with another Independent Non-executive Director, Mrs. Sng Sow-mei alias Poon Sow Mei and the Chairman of the Board, 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 Mrs. Kwok Eva Lee, an Independent Non-executive Director, with another Independent Non-executive Director, Mr. Cheong Ying Chew, Henry and the Chairman of the Board, 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. Paul Joseph Tighe, an Independent Non-executive Director with the Deputy Chairman, Mr. Ip Tak Chuen, Edmond, an Independent Non-executive Director, Mr. Lan Hong Tsung, David and the Company Secretary, Ms. Eirene Yeung as members.

## **Annual General Meeting**

The 2026 Annual General Meeting ("2026 AGM") of the shareholders of the Company will be held on Wednesday, 20th May, 2026. Details of the arrangements will be provided in the Company's circular in relation to the 2026 AGM which will be published and disseminated to the shareholders in accordance with the HK 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 2026 AGM is Wednesday, 20th May, 2026. The Register of Members of the Company will be closed from Friday, 15th May, 2026 to Wednesday, 20th May, 2026, 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 2026 AGM, all share certificates with completed transfer forms, either overleaf or separately, must be lodged with (a) the Company's Branch 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. (Hong Kong time) on Thursday, 14th May, 2026 or (b) the Company's Principal Share Registrar, Computershare Investor Services (Bermuda) Limited c/o 13 Castle Street, St Helier, Jersey, JE1 1ES, not later than 3:30 p.m. (UK time) on Thursday, 14th May, 2026.

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, 27th May, 2026, 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 (a) the Company's Branch 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. (Hong Kong time) on Wednesday, 27th May, 2026 or (b) the Company's Principal Share Registrar, Computershare Investor Services (Bermuda) Limited c/o 13 Castle Street, St Helier, Jersey, JE1 1ES, not later than 3:30 p.m. (UK time) on Wednesday, 27th May, 2026. As at the date hereof, the Company does not hold any treasury shares whether in the Central Clearing and Settlement System, or otherwise.

*As at the date of this document, the Executive Directors of the Company are Mr. LI Tzar Kuoi, Victor (Chairman), Mr. KAM Hing Lam (Deputy Chairman and Co-Managing Director), Mr. IP Tak Chuen, Edmond (Deputy Chairman), Mr. FOK Kin Ning, Canning (Deputy Chairman), Mr. Frank John SIXT, Mr. Andrew John HUNTER (Co-Managing Director), Mr. CHAN Loi Shun (Chief Financial Officer and General Manager) and Ms. CHEN Tsien Hua; the Non-executive Directors are Mr. CHEONG Ying Chew, Henry (Independent Non-executive Director), Mrs. KWOK Eva Lee (Independent Non-executive Director), Mrs. SNG Sow-mei alias POON Sow Mei (Independent Non-executive Director), Mr. LAN Hong Tsung, David (Independent Non-executive Director), Mr. Paul Joseph TIGHE (Independent Non-executive Director), Ms. KOH Poh Wah (Independent Non-executive Director), Mrs. LEE Pui Ling, Angelina and Mr. George Colin MAGNUS; and the Alternate Directors are Mr. MAN Ka Keung, Simon (Alternate Director to Mr. IP Tak Chuen, Edmond) and Ms. Eirene YEUNG (Alternate Director to Mr. KAM Hing Lam).*

## CONSOLIDATED INCOME STATEMENT

for the year ended 31st December

HK\$ million	Notes	2025	2024
<b>Turnover</b>	2	<b>41,679</b>	38,985
<b>Sales and interest income from infrastructure investments</b>	2	<b>4,418</b>	4,993
Other income	3	359	546
Operating costs	4	(4,272)	(4,150)
Finance costs		(815)	(865)
Exchange gain		131	113
Share of results of associates		2,895	2,765
Share of results of joint ventures		6,127	5,269
<b>Profit before taxation</b>		<b>8,843</b>	8,671
Taxation	5	(165)	(126)
<b>Profit for the year</b>	6	<b>8,678</b>	8,545
<b>Attributable to:</b>			
Shareholders of the Company		8,265	8,115
Owners of perpetual capital securities		438	438
Non-controlling interests		(25)	(8)
		<b>8,678</b>	8,545
<b>Earnings per share</b>	7	<b>HK\$3.28</b>	HK\$3.22

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31st December

HK\$ million	Notes	2025	2024
Property, plant and equipment		2,917	2,914
Investment properties		381	389
Interests in associates		40,063	38,068
Interests in joint ventures		110,520	102,148
Other financial assets		1,235	1,539
Derivative financial instruments		896	1,281
Goodwill and intangible assets		2,090	2,025
Deferred tax assets		3	1
<b>Total non-current assets</b>		<b>158,105</b>	<b>148,365</b>
Inventories		118	113
Derivative financial instruments		90	522
Debtors and prepayments	9	599	732
Bank balances and deposits		7,350	8,105
<b>Total current assets</b>		<b>8,157</b>	<b>9,472</b>
Bank and other loans		2,733	4,602
Derivative financial instruments		491	393
Creditors, accruals and others	10	5,891	6,137
Taxation		54	66
<b>Total current liabilities</b>		<b>9,169</b>	<b>11,198</b>
<b>Net current liabilities</b>		<b>(1,012)</b>	<b>(1,726)</b>
<b>Total assets less current liabilities</b>		<b>157,093</b>	<b>146,639</b>
Bank and other loans		18,102	14,639
Derivative financial instruments		377	2
Deferred tax liabilities		515	461
Other non-current liabilities		247	294
<b>Total non-current liabilities</b>		<b>19,241</b>	<b>15,396</b>
<b>Net assets</b>		<b>137,852</b>	<b>131,243</b>
Representing:			
Share capital		2,520	2,520
Reserves		125,390	118,760
<b>Equity attributable to shareholders of the Company</b>		<b>127,910</b>	<b>121,280</b>
Perpetual capital securities		9,885	9,885
Non-controlling interests		57	78
<b>Total equity</b>		<b>137,852</b>	<b>131,243</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 1. CHANGES IN ACCOUNTING POLICIES

In the current year, the Group has adopted the amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (the “IASB”) and HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) that are effective to the Group for accounting period beginning on 1st January, 2025. The adoption of both amendments to IFRS Accounting Standards and HKFRS Accounting Standards has no material impact on the Group’s results and financial position for the current or prior years and does not result in any significant change in accounting policies of the Group.

### 2. TURNOVER

Turnover represents net sales of infrastructure materials, interest income from loans granted to associates and joint ventures, sales of waste management services and share of turnover of joint ventures. Sales of infrastructure materials and waste management services were substantially recognised at a point in time.

Turnover comprises both sales and interest income from infrastructure investments and share of turnover of joint ventures as follows:

HK\$ million	2025	2024
Sales of infrastructure materials	1,333	1,573
Interest income from loans granted to associates	76	98
Interest income from loans granted to joint ventures	1,083	1,325
Sales of waste management services	1,926	1,997
<b>Sales and interest income from infrastructure investments</b>	<b>4,418</b>	<b>4,993</b>
<b>Share of turnover of joint ventures</b>	<b>37,261</b>	<b>33,992</b>
<b>Turnover</b>	<b>41,679</b>	<b>38,985</b>

### 3. OTHER INCOME

Other income includes the following:

<u>HK\$ million</u>	<u>2025</u>	<u>2024</u>
Bank interest income	244	467

### 4. OPERATING COSTS

Operating costs include the following:

<u>HK\$ million</u>	<u>2025</u>	<u>2024</u>
Depreciation of property, plant and equipment	380	301
Amortisation of intangible assets	15	18
Cost of inventories sold	1,208	1,477
Cost of services provided	844	858

### 5. TAXATION

Taxation is provided for at the applicable tax rates on the estimated assessable profits less available tax losses. Deferred taxation is provided on temporary differences under the liability method using tax rates applicable to the Group's operations in different countries.

<u>HK\$ million</u>	<u>2025</u>	<u>2024</u>
Current taxation – Hong Kong	2	2
Current taxation – outside Hong Kong	131	101
Deferred taxation	32	23
<b>Total</b>	<b>165</b>	<b>126</b>

## 6. PROFIT FOR THE YEAR AND SEGMENT INFORMATION

for the year ended 31st December

HK\$ million	Infrastructure Investments																			
	Investment in Power Assets Holdings Limited		United Kingdom		Australia		Continental Europe		Hong Kong and Chinese Mainland		Canada		New Zealand		Total before unallocated items		Unallocated items		Consolidated	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Turnover	-	-	21,744	19,123	6,740	6,965	5,404	4,634	2,596	3,001	2,721	2,737	2,474	2,525	41,679	38,985	-	-	41,679	38,985
Sales and interest income from infrastructure investments	-	-	373	428	479	579	227	222	1,333	1,573	80	194	1,926	1,997	4,418	4,993	-	-	4,418	4,993
Bank interest income	-	-	-	-	-	-	-	-	33	66	3	5	2	4	38	75	206	392	244	467
Other income	-	-	-	-	-	-	-	-	94	41	-	-	6	7	100	48	15	31	115	79
Change in fair value of other financial assets	-	-	(319)	-	-	-	-	-	-	-	-	-	-	-	(319)	-	-	-	(319)	-
Depreciation and amortisation	-	-	-	-	-	-	-	-	(202)	(108)	-	-	(192)	(210)	(394)	(318)	(1)	(1)	(395)	(319)
Other operating costs	-	-	-	-	-	-	-	-	(1,350)	(1,640)	-	-	(1,518)	(1,566)	(2,868)	(3,206)	(690)	(625)	(3,558)	(3,831)
Finance costs	-	-	-	-	-	-	-	-	-	-	-	-	(83)	(107)	(83)	(107)	(732)	(758)	(815)	(865)
Exchange gain	-	-	-	-	-	-	-	-	-	2	-	-	-	-	-	2	131	111	131	113
Share of results of associates and joint ventures	2,246	2,203	3,929	3,553	1,349	1,205	734	385	137	199	535	401	92	88	9,022	8,034	-	-	9,022	8,034
<b>Profit / (Loss) before taxation</b>	<b>2,246</b>	<b>2,203</b>	<b>3,983</b>	<b>3,981</b>	<b>1,828</b>	<b>1,784</b>	<b>961</b>	<b>607</b>	<b>45</b>	<b>133</b>	<b>618</b>	<b>600</b>	<b>233</b>	<b>213</b>	<b>9,914</b>	<b>9,521</b>	<b>(1,071)</b>	<b>(850)</b>	<b>8,843</b>	<b>8,671</b>
Taxation	-	-	-	-	(44)	-	-	-	(2)	(9)	(90)	(76)	(33)	(28)	(169)	(113)	4	(13)	(165)	(126)
<b>Profit / (Loss) for the year</b>	<b>2,246</b>	<b>2,203</b>	<b>3,983</b>	<b>3,981</b>	<b>1,784</b>	<b>1,784</b>	<b>961</b>	<b>607</b>	<b>43</b>	<b>124</b>	<b>528</b>	<b>524</b>	<b>200</b>	<b>185</b>	<b>9,745</b>	<b>9,408</b>	<b>(1,067)</b>	<b>(863)</b>	<b>8,678</b>	<b>8,545</b>
<b>Attributable to:</b>																				
Shareholders of the Company	2,246	2,203	3,983	3,981	1,784	1,784	961	607	68	132	528	524	200	185	9,770	9,416	(1,505)	(1,301)	8,265	8,115
Owners of perpetual capital securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	438	438	438	438
Non-controlling interests	-	-	-	-	-	-	-	-	(25)	(8)	-	-	-	-	(25)	(8)	-	-	(25)	(8)
	<b>2,246</b>	<b>2,203</b>	<b>3,983</b>	<b>3,981</b>	<b>1,784</b>	<b>1,784</b>	<b>961</b>	<b>607</b>	<b>43</b>	<b>124</b>	<b>528</b>	<b>524</b>	<b>200</b>	<b>185</b>	<b>9,745</b>	<b>9,408</b>	<b>(1,067)</b>	<b>(863)</b>	<b>8,678</b>	<b>8,545</b>

## 6. PROFIT FOR THE YEAR AND SEGMENT INFORMATION (CONT'D)

Segment profit attributable to shareholders of the Company represents the profit earned by each segment after the profit attributable to owners of perpetual capital securities and non-controlling interests without allocation of gains or losses from treasury activities, corporate overheads and other expenses of the Group's head office.

## 7. EARNINGS PER SHARE

The calculation of earnings per share is based on the profit attributable to shareholders of the Company of HK\$8,265 million (2024: HK\$8,115 million) and on 2,519,610,945 shares (2024: 2,519,610,945 shares) in issue during the year.

## 8. DIVIDENDS

(a) HK\$ million	2025	2024
Interim dividend paid of HK\$0.73 per share (2024: HK\$0.72 per share)	1,839	1,814
Proposed final dividend of HK\$1.88 per share (2024: HK\$1.86 per share)	4,737	4,687
<b>Total</b>	<b>6,576</b>	<b>6,501</b>

(b) HK\$ million	2025	2024
Final dividend in respect of the previous financial year, approved and paid during the year, of HK\$1.86 per share (2024: HK\$1.85 per share)	4,687	4,661

## 9. DEBTORS AND PREPAYMENTS

Included in debtors and prepayments are trade debtors of HK\$274 million (2024: HK\$250 million) and their aging analysis is as follows:

HK\$ million	2025	2024
Less than 1 month	231	189
1 to 3 months	42	42
More than 3 months but less than 12 months	8	20
More than 12 months	9	8
Gross total	290	259
Loss allowance	(16)	(9)
<b>Total after allowance</b>	<b>274</b>	<b>250</b>

Trade with customers is carried out largely on credit, except for new customers, residential customers of waste management services and customers with unsatisfactory payment records, where payment in advance is normally required. Invoices are normally due within 1 month of issuance, except for certain well-established customers, where the terms are extended to 2 months, and certain customers with disputed items, where the terms are negotiated individually. Each customer has a maximum credit limit, which was granted and approved by senior management in accordance with the laid-down credit review policy and procedures.

## 10. CREDITORS, ACCRUALS AND OTHERS

Included in creditors, accruals and others are trade creditors of HK\$220 million (2024: HK\$236 million) and their aging analysis is as follows:

HK\$ million	2025	2024
Current	138	132
1 month	33	56
2 to 3 months	25	15
Over 3 months	24	33
<b>Total</b>	<b>220</b>	<b>236</b>

## **11. EVENT AFTER THE REPORTING PERIOD**

In July 2025, Eversholt UK Rails Group Limited, a joint venture company of the Group, CK Asset Holdings Limited, Power Assets and CK Hutchison, entered into an agreement to dispose of the entire share capital of Eversholt UK Rails Limited at a consideration of approximately GBP1.1 billion (equivalent to approximately HK\$11 billion). The transaction was completed in January 2026.

Taking into account the Group's 36.01% shareholding interest in Power Assets, an effective gain of over HK\$1.9 billion is expected to be shared from the transaction.

In February 2026, the Group, Power Assets and CK Asset Holdings Limited, through their indirect wholly-owned subsidiaries, entered into a share purchase agreement to dispose of the entire share capital and shareholder debt instruments of UK Power Networks Holdings Limited. The consideration for the Group will be approximately GBP4.2 billion (equivalent to approximately HK\$44.3 billion). Completion of the transaction is subject to the fulfilment of certain terms and conditions under the share purchase agreement. Further details are set out in the Company's announcement dated 26th February, 2026.

## **12. REVIEW OF ANNUAL RESULTS**

The annual results have been reviewed by the Audit Committee.

## **13. SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU**

The figures in respect of the Group's consolidated statement of financial position, consolidated income statement and the related notes thereto for the year ended 31st December, 2025 as set out in the preliminary announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group's audited consolidated financial statements for the year as approved by the Board of Directors on 18th March, 2026. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.