

CK Hutchison Group Telecom

Financial Performance Summary

Pre-IFRS 16 ⁽³⁾ 2019 EUR million		Pre-IFRS 16 ⁽¹⁾ 2019 HK\$ million	2018 ⁽²⁾ HK\$ million	Change %	Local currencies change %
10,094	Total Revenue⁽⁴⁾	87,516	78,411	12%	17%
2,754	3 Group Europe	23,876	25,525	-6%	-2%
4,911	- UK	42,581	30,109	41%	48%
646	- Italy	5,597	6,435	-13%	-5%
296	- Sweden	2,563	2,717	-6%	—
877	- Denmark	7,608	8,157	-7%	-2%
610	- Austria	5,291	5,468	-3%	2%
644	- Ireland	5,582	7,912	-29%	-29%
48	HTHKH	419	410	2%	2%
10,786	Corporate and others	93,517	86,733	8%	12%
3,865	Total Revenue	33,511	28,761	17%	21%
826	EBITDA⁽⁴⁾	7,164	7,860	-9%	-5%
2,125	3 Group Europe	18,426	12,601	46%	53%
209	- UK	1,806	2,066	-13%	-4%
114	- Italy	990	906	9%	16%
377	- Sweden	3,268	3,475	-6%	-1%
214	- Denmark	1,857	1,853	—	6%
160	- Austria	1,389	1,371	1%	1%
51	- Ireland	441	225	96%	96%
4,076	HTHKH	35,341	30,357	16%	21%
2,320	Corporate and others	20,112	17,663	14%	18%
440	Total EBITDA	3,815	4,594	-17%	-14%
1,374	3 Group Europe	11,914	8,246	44%	51%
116	- UK	1,008	1,305	-23%	-15%
64	- Italy	552	511	8%	15%
236	- Sweden	2,043	2,125	-4%	2%
90	- Denmark	780	882	-12%	-6%
67	- Austria	581	553	5%	5%
50	- Ireland	438	193	127%	127%
2,437	HTHKH	21,131	18,409	15%	19%
(401)	Corporate and others	(3,484)	(4,622)	25%	
2,036	Total EBIT	17,647	13,787	28%	
(48)	Interest expenses and other finance costs ⁽⁴⁾	(419)	453	-193%	
(148)	Profit before tax	(1,279)	1,589	-181%	
(196)	Tax ⁽⁴⁾	(1,698)	2,042	-183%	
1,840	Current tax	15,949	15,829	1%	
(72)	Deferred tax	(622)	(660)	6%	
1,768	Profit after tax	15,327	15,169	1%	4%
	Non-controlling interests				
	Profit attributable to ordinary shareholders ("NPAT")⁽⁵⁾				

Note 1: Following the adoption of International Financial Reporting Standard 16 "Leases" ("IFRS 16") on 1 January 2019, the Group's statutory results for the year ended 31 December 2019 are on a IFRS 16 basis, whereas the statutory results for the corresponding year ended 31 December 2018 are on the precedent lease accounting standard International Accounting Standard 17 "Leases" ("IAS 17") basis ("Pre-IFRS 16 basis") as previously reported. Hence, any comparison between the two bases of reporting would not be meaningful. The Group believes that the IAS 17 basis metrics, which are not intended to be a substitute for, or superior to, the reported metrics on a IFRS 16 basis ("Post-IFRS 16 basis"), allows a like-with-like comparison with the prior year results, and better reflects management's view of the Group's underlying operational performance. As a result, the Group has provided an alternative presentation of the Group's EBITDA, EBIT, interest expenses and other finance costs, tax, non-controlling interests and profit attributable to ordinary shareholders prepared under the Pre-IFRS 16 basis relating to the accounting for leases for the year ended 31 December 2019. Unless otherwise specified, the discussion of the Group's operating results in this results announcement is on a Pre-IFRS 16 basis as mentioned above.

Note 2: Refer to Note 1 in the Financial Statements for the basis of preparation and presentation.

Note 3: The translation into EUR of the results for the year ended 31 December 2019 is for convenience only and has been made at the rate of HK\$8.67 to EUR1. This translation should not be construed as a representation that the Hong Kong dollar amounts actually represented have been, or could be, converted into EUR at this or any other rate.

Note 4: Total revenue, EBITDA, EBIT, interest expenses and other finance costs and tax include the Group's proportionate share of joint ventures' respective items.

Note 5: 2018 NPAT presented above excluded the one-off re-measurement and other gains of HK\$8,600 million from the acquisition of the remaining 50% interest in the telecommunications businesses in Italy operated by Wind Tre. Reconciliation of NPAT is as follows:

	2019 HK\$ million	2018 HK\$ million	Change %	Local currencies change %
NPAT presented above	15,327	15,169	1%	4%
One-off re-measurement and other gains	—	8,600		
Total NPAT	15,327	23,769	-36%	-33%

CK Hutchison Group Telecom

Financial Performance Summary

Post-IFRS 16 ⁽³⁾ 2019 EUR million		Post-IFRS 16 ⁽¹⁾ 2019 HK\$ million	2018 ⁽²⁾ HK\$ million	Change %	Local currencies change %
10,094	Total Revenue⁽⁴⁾	87,516	78,411	12%	17%
	3 Group Europe				
2,754	- UK	23,876	25,525	-6%	-2%
4,911	- Italy	42,581	30,109	41%	48%
646	- Sweden	5,597	6,435	-13%	-5%
296	- Denmark	2,563	2,717	-6%	—
877	- Austria	7,608	8,157	-7%	-2%
610	- Ireland	5,291	5,468	-3%	2%
644	HTHKH	5,582	7,912	-29%	-29%
48	Corporate and others	419	410	2%	2%
10,786	Total Revenue	93,517	86,733	8%	12%
	EBITDA⁽⁴⁾				
4,628	3 Group Europe	40,126	28,761	40%	44%
921	- UK	7,984	7,860	2%	5%
2,652	- Italy	22,994	12,601	82%	88%
240	- Sweden	2,083	2,066	1%	9%
134	- Denmark	1,165	906	29%	35%
427	- Austria	3,698	3,475	6%	12%
254	- Ireland	2,202	1,853	19%	24%
213	HTHKH	1,850	1,371	35%	35%
51	Corporate and others	441	225	96%	96%
4,892	Total EBITDA	42,417	30,357	40%	44%
	EBIT⁽⁴⁾				
2,417	3 Group Europe	20,952	17,663	19%	23%
460	- UK	3,988	4,594	-13%	-11%
1,424	- Italy	12,349	8,246	50%	55%
120	- Sweden	1,040	1,305	-20%	-13%
67	- Denmark	577	511	13%	19%
245	- Austria	2,123	2,125	—	5%
101	- Ireland	875	882	-1%	4%
69	HTHKH	597	553	8%	8%
50	Corporate and others	438	193	127%	127%
2,536	Total EBIT	21,987	18,409	19%	24%
(520)	Interest expenses and other finance costs⁽⁴⁾	(4,507)	(4,622)	2%	
2,016	Profit before tax	17,480	13,787	27%	
	Tax⁽⁴⁾				
(51)	Current tax	(439)	453	-197%	
(148)	Deferred tax	(1,287)	1,589	-181%	
(199)		(1,726)	2,042	-185%	
1,817	Profit after tax	15,754	15,829	—	
(72)	Non-controlling interests	(626)	(660)	5%	
1,745	Profit attributable to ordinary shareholders ("NPAT")⁽⁵⁾	15,128	15,169	—	3%

Note 1: Following the adoption of International Financial Reporting Standard 16 "Leases" ("IFRS 16") on 1 January 2019, the Group's statutory results for the year ended 31 December 2019 are on a IFRS 16 basis, whereas the statutory results for the corresponding year ended 31 December 2018 are on the precedent lease accounting standard International Accounting Standard 17 "Leases" ("IAS 17") basis.

Note 2: Refer to Note 1 in the Financial Statements for the basis of preparation and presentation.

Note 3: The translation into EUR of the results for the year ended 31 December 2019 is for convenience only and has been made at the rate of HK\$8.67 to EUR1. This translation should not be construed as a representation that the Hong Kong dollar amounts actually represented have been, or could be, converted into EUR at this or any other rate.

Note 4: Total revenue, EBITDA, EBIT, interest expenses and other finance costs and tax include the Group's proportionate share of joint ventures' respective items.

Note 5: 2018 NPAT presented above excluded the one-off re-measurement and other gains of HK\$8,600 million from the acquisition of the remaining 50% interest in the telecommunications businesses in Italy operated by Wind Tre. Reconciliation of NPAT is as follows:

	2019 HK\$ million	2018 HK\$ million	Change %	Local currencies change %
NPAT presented above	15,128	15,169	—	3%
One-off re-measurement and other gains	—	8,600		
Total NPAT	15,128	23,769	-36%	-34%