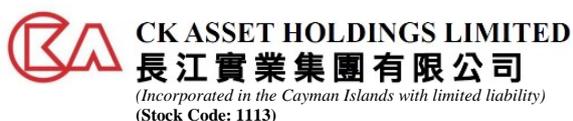


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JOINT ANNOUNCEMENT SUPPLEMENTAL AGREEMENT TO THE CKA AGREEMENT

As disclosed in the August 2018 Joint Announcement, the Economic Benefits Agreements relate to the respective Relevant Percentage of CKA Sub, CKI Sub and PAH Sub of the Economic Benefits. The Economic Benefits Amounts payable by CKH Sub to CKA Sub under the CKA Agreement refer to the sums (in US dollars) equal to the Relevant Percentage of CKA Sub (being 40%) of the Economic Benefits, comprising amounts including dividends and other distributions declared by CKII to CKH and other proceeds or payments (including interest payments) received by CKH from CKII from and including the Effective Date.

The CKA Board and the CKHH Board jointly announce that the CKA Sub Supplemental Agreement was entered into on 29 March 2019 (after trading hours) to amend and restate the CKA Agreement, with effect from the Amendment Effective Date, on the terms of and subject to the conditions set out in the CKA Sub Supplemental Agreement.

Subject to the satisfaction (or, where applicable, waiver) of the conditions summarised below, the CKA Agreement will be amended and restated pursuant to the CKA Sub Supplemental Agreement to provide certain ancillary protections in relation to CKA Sub's interest in the Economic Benefits Amounts under the existing terms of the CKA Agreement which will, on one hand, enhance the protection of the CKA Group's interest in relation to its Economic Benefits Amounts through the voting arrangement provided to CKA Sub over the exercise of 40% of the voting rights at general meetings of any Voting Right Company and the director nomination rights to the relevant Voting Right Companies (other than 1822604 Alberta Ltd.) (as further explained below) and thereby further solidify its interests in the Relevant Businesses concerned with effect from the Amendment Effective Date, while, on the other hand, streamline the existing operation of the CKA Agreement for CKHH and CKH Sub.

The CKA Sub Supplemental Agreement constitutes a variation of the terms of the connected transaction of each of CKHH and CKA as disclosed in the August 2018 Joint Announcement, and the variation may be regarded as material. This Announcement is made for information of shareholders and other investors pursuant to the Note under Rule 14A.35 of the Listing Rules.

Reference is made to the August 2018 Joint Announcement relating to the Economic Benefits Agreements, including the CKA Agreement. Unless otherwise defined in this Announcement, capitalised terms used in this Announcement shall have the same meanings as those defined in the August 2018 Joint Announcement.

1. CKA SUB SUPPLEMENTAL AGREEMENT

The major terms of the CKA Sub Supplemental Agreement are set out below.

Date

29 March 2019

Parties

- (1) CKH Sub
- (2) CKHH (as guarantor of CKH Sub)
- (3) CKA Sub

Conditions

The Amendment is subject to the satisfaction (or, where applicable, waiver) of the conditions that all consents, approvals, permits, authorisations, clearances or consultation (as the case may be) that each of CKH Sub, CKA Sub and CKHH reasonably considers necessary pursuant to applicable laws, regulations or rules of any government authority for its execution, implementation and completion of the CKA Sub Supplemental Agreement have been obtained, and have not been revoked or withdrawn.

The Amendment will take effect on the date confirmed by CKH Sub and CKA Sub following the satisfaction (or, where applicable, waiver) of the above conditions.

If any of the above conditions has not been waived by CKH Sub or CKA Sub (as the case may be) or has not been satisfied by 31 July 2019 (or such other date as the parties may agree), being the Supplemental Long Stop Date, the CKA Sub Supplemental Agreement will automatically terminate with immediate effect (unless the parties agree otherwise in writing) and the CKA Agreement (in the form as originally executed on 31 August 2018) will remain valid and effective.

Amendment and restatement of the CKA Agreement

The principal terms of the Amendment, which will be made to the CKA Agreement with effect from the Amendment Effective Date, are set out below:

(a) Exercise of Voting Rights of a Voting Right Company

CKHH will undertake to CKA Sub that it will (amongst other things), subject to any restrictions imposed by and requirements of any applicable laws and regulations, procure that:

- (i) in respect of any Voting Right Company (being certain of the Relevant Companies and Intermediate Companies):
 - (A) CKII will exercise CKA Sub's Relevant Percentage (being 40%) of its voting rights at any general meeting of a Voting Right Company in accordance with the written instructions of CKA Sub; and

- (B) if CKHH receives written notification from CKA Sub that the passing of any proposed resolution in writing of shareholder(s) of a Voting Right Company is disagreed with by CKA Sub, CKII will request the Voting Right Company that the proposed resolution not be passed by way of resolution in writing and shall request the Voting Right Company to convene a general meeting to consider such proposed resolution;
- (ii) CKII will, upon the written request of CKA Sub, exercise its power as shareholder of any Voting Right Company to request that a general meeting of the Voting Right Company be convened to consider such resolution(s) proposed by CKA Sub (being resolution(s) which any shareholder of the Voting Right Company is entitled to propose to shareholders for consideration) and set out in the written notice to CKII;
- (iii) CKII will, upon the written request of CKA Sub, procure that there will be appointed on the board of directors of the relevant Voting Right Company (other than 1822604 Alberta Ltd.) such person(s) nominated by CKA Sub as director(s) of such Voting Right Company which represent CKA Sub's Relevant Percentage (rounded down to the nearest whole number) of the total number of directors on such board following the appointment; and
- (iv) CKII will promptly notify CKA Sub of the scheduled date of any meeting of the board of directors of any Voting Right Company to be held.
- (b) Undertakings given by CKHH to CKA Sub in relation to distributions and operation of Subject Group Companies**

As disclosed in the section headed "2. *Economic Benefits Agreements – (b) Distributions and Operation of Relevant Businesses*" in the August 2018 Joint Announcement, in the CKA Agreement, CKHH has given undertakings to CKA Sub in relation to certain aspects of the distributions and operation of the Subject Group Companies.

Following the Amendment Effective Date and until such time CKHH (without taking into account voting power through CKI) is not able to exercise, or control the exercise of, more than 50% of the voting power at general meetings of the relevant Subject Group Companies, the existing undertakings given by CKHH to CKA Sub in the CKA Agreement will continue to apply.

As stated in the August 2018 Joint Announcement, CKHH has guaranteed to CKA Sub the performance by CKH Sub of its obligations, covenants and undertakings under the CKA Agreement (including the payment obligation of CKH Sub in respect of the Economic Benefits Amounts) and such guarantee obligation will continue to be valid notwithstanding the Amendment.

(c) Exclusion and Termination

As explained in the section headed "2. *Economic Benefits Agreements – (c) Termination*" in the August 2018 Joint Announcement, CKA Sub is entitled to terminate the CKA Agreement and to the payment of a sum equivalent to the consideration paid by CKA Sub under the CKA Agreement if the aggregate relevant Economic Benefits Amounts paid and payable to CKA Sub from the Effective Date until 31 December 2023 is less than the minimum amount of HK\$2,000 million.

Following the Amendment Effective Date and until such time CKHH (without taking into account voting power through CKI) is not able to exercise, or control the exercise of, more than 50% of the voting power at general meetings of the relevant Agreed Companies (or 25% in the case of 1822604 Alberta Ltd.), the existing termination right as described above will continue to apply.

However, at such time when CKHH (without taking into account voting power through CKI) is not able to exercise, or control the exercise of, more than 50% of the voting power at general meetings of the relevant Agreed Companies (or 25% in the case of 1822604 Alberta Ltd.), instead of the entitlement to terminate the CKA Agreement in its entirety, the parties have agreed to provide flexibility for the other Agreed Companies (that is, the Specified Companies) to be excluded by CKA Sub from the scope of the CKA Agreement (the "**Exclusion Right**") if the aggregate Economic Benefits Amounts derived from the Specified Companies from the Effective Date until 31 December 2023 is less than a certain minimum amount. The minimum amount triggering the Exclusion Right and the amount of payment to which CKA Sub is entitled upon exercise of the Exclusion Right will be calculated by reference to the Specified Companies concerned, with each of the aggregate of the minimum amount triggering the Exclusion Right and the aggregate amount of payment to which CKA Sub is entitled upon exercise not to exceed HK\$2,000 million and the CKA Consideration, respectively, as originally set out in the CKA Agreement.

Upon any exercise of the Exclusion Right, all rights and obligations of CKA Sub, CKH Sub and CKHH under the CKA Agreement in connection with the Specified Companies (and any other Intermediate Companies or Subject Group Companies directly or indirectly held thereby or attributable thereto) will cease immediately, save and except, among other things, the then accrued rights and obligations of the parties.

CKA Sub will only be entitled to exercise the Exclusion Right once. If the Exclusion Right is exercised in respect of all the Agreed Companies, the CKA Agreement will be terminated.

Except as provided in the CKA Sub Supplemental Agreement, the other terms of the CKA Agreement will remain in full force and effect.

2. INFORMATION ON CKII AND THE RELEVANT BUSINESSES

CKII is a wholly-owned investment holding subsidiary of CKH, which in turn is a wholly-owned subsidiary of CKHH.

CKII (through the Intermediate Companies) holds shareholding interests in the Relevant Businesses, which are infrastructure businesses comprising interests in (a) Park'N Fly, the largest off-airport car park provider in Canada, of which CKII holds an indirect interest of 50%, (b) Northumbrian Water, one of the 10 regulated water and sewerage companies in England and Wales, of which CKII holds an indirect interest of 40%, (c) Australian Gas Networks, one of Australia's largest distributors of natural gas, of which CKII holds an indirect interest of 27.51%, (d) Wales & West Gas Networks, a gas distribution network that serves Wales and the South West of England, of which CKII holds an indirect interest of 30%, (e) UK Rails, one of the three major rolling stock operating companies in the United Kingdom, of which CKII holds an indirect interest of 50% and (f) Dutch Enviro Energy, the largest energy-from-waste company in the Netherlands, of which CKII holds an indirect interest of 35%.

Based on the respective unaudited consolidated management financial statements of each of CKII and of GML (an intermediate investment holding company which holds certain Relevant Companies, and which became a subsidiary of CKII during 2018) for the financial years ended 31 December 2017 and 31 December 2018 prepared in accordance with the Hong Kong Financial Reporting Standards, the combined unaudited consolidated profit before and after taxation of CKII and GML for the financial year ended 31 December 2017 were approximately HK\$1,999 million and approximately HK\$1,998 million, respectively, and the combined unaudited consolidated profit before and after taxation of CKII and GML for the financial year ended 31 December 2018 were approximately HK\$1,836 million and approximately HK\$1,835 million, respectively.

Based on the unaudited consolidated management financial statements of CKII for the year ended 31 December 2018 prepared in accordance with the Hong Kong Financial Reporting Standards, the unaudited consolidated net asset value of CKII (inclusive of GML) as at 31 December 2018 was approximately HK\$23,024 million.

3. INFORMATION ON THE CKA GROUP

The CKA Group is a leading multinational corporation and has diverse capabilities with activities encompassing property development and investment, hotel and serviced suite operation, property and project management, investment in infrastructure and utility asset operation and aircraft leasing.

4. INFORMATION ON THE CKHH GROUP

The CKHH Group is principally engaged in five core businesses: ports and related services, retail, infrastructure, energy, and telecommunications.

5. REASONS FOR, AND BENEFITS OF, THE CKA SUB SUPPLEMENTAL AGREEMENT

At the time the CKA Agreement was entered into on 31 August 2018, the CKA Group had excess funds to deploy and were considering various investment options that would increase the portion of its stable recurring revenue base. The CKA Directors considered that the CKA Agreement would allow the utilisation of the excess funds within a relatively short time-frame and could provide CKA Sub and the CKA Group with the immediate opportunity to earn a reasonable return based on the performance of the portfolio of infrastructure assets which comprise the Relevant Businesses owned by CKII (through the Intermediate Companies), and thereby generate stable investment income for CKA Sub and the CKA Group.

As disclosed in the August 2018 Joint Announcement, the CKA Directors considered that it was in the interests of the CKA Group to enter into the CKA Agreement as a long-term investment for CKA Sub and the CKA Group, although the CKA Agreement does not create or pass to CKA Sub any right, title or interest (whether legal or beneficial) in or to, or give to CKA Sub any voting right or any other right or power associated with, any shares of CKII. Amending and restating the CKA Agreement pursuant to the CKA Sub Supplemental Agreement will enhance the protection of the CKA Group's interest in relation to its Economic Benefits Amounts through the voting arrangement provided to CKA Sub over the exercise of 40% of the voting rights at general meetings of any Voting Right Company (each of which is either an Intermediate Company or a Relevant Company) and the director nomination rights to the relevant Voting Right Companies (other than 1822604 Alberta Ltd.) and thereby further

solidify its interests in the Relevant Businesses concerned with effect from the Amendment Effective Date.

While regulatory approvals are required as described in the section headed "*Conditions*" above and it may take time to obtain such approvals, the CKA Agreement will continue to provide the CKA Group with stable investment income during the interim period prior to the Amendment Effective Date. If, eventually, the parties are not able to obtain all necessary regulatory approvals or fulfil the other conditions by the Supplemental Long Stop Date, the CKA Sub Supplemental Agreement will automatically terminate and the CKA Agreement (in the form as originally executed on 31 August 2018) will remain valid and effective and the relevant investment will continue to be a long-term investment of the CKA Group.

The CKA Directors (including the independent non-executive directors of CKA), having regard to the benefits which are expected to accrue to the CKA Group as a result of entering into the CKA Sub Supplemental Agreement, consider that the terms of the CKA Sub Supplemental Agreement are on normal commercial terms and in the ordinary and usual course of business of the CKA Group, and the terms of the CKA Sub Supplemental Agreement are fair and reasonable and in the interest of the CKA Group and its shareholders as a whole. Since Mr. Victor T K Li has or may be regarded as having a material interest in the transactions contemplated in the CKA Sub Supplemental Agreement, he has voluntarily abstained from voting on the board resolutions of CKA in relation to the transactions contemplated under the CKA Sub Supplemental Agreement.

For CKHH, the voting arrangement provided to CKA Sub over the exercise of 40% of the voting rights at the general meetings of any Voting Right Company (each of which is either an Intermediate Company or Relevant Company) pursuant to the CKA Sub Supplemental Agreement relieves CKHH and CKH Sub of their obligations to CKA Sub under the CKA Agreement to the extent that such voting arrangements (together with any other voting arrangements which may be entered into in respect of the Voting Rights Companies in the future) will streamline CKHH's administrative processes in complying with the various undertakings given by CKHH to CKA Sub originally contained in the CKA Agreement.

Further, at such time when CKHH (without taking into account voting power through CKI) is not able to exercise or control the exercise of, more than 50% of the voting power at general meetings of the relevant Specified Companies (or 25% in the case of 1822604 Alberta Ltd.), the amendment to the CKA Agreement in relation to the entitlement of CKA Sub to terminate the CKA Agreement will provide flexibility for one or more of the Specified Companies to be excluded from the scope of the CKA Agreement through the exercise of the Exclusion Right, instead of a complete termination of the CKA Agreement in respect of all the Subject Group Companies.

The Amendment does not result in any Subject Group Company ceasing to be a subsidiary of CKHH and no profit or loss will be recognised in the consolidated financial statements of CKHH upon the Amendments taking effect pursuant to the CKA Sub Supplemental Agreement.

The CKHH Directors (including the independent non-executive directors of CKHH), having regard to the benefits which are expected to accrue to the CKHH Group as a result of the CKA Sub Supplemental Agreement, consider that the terms of the CKA Sub Supplemental Agreement are on normal commercial terms and in the ordinary and usual course of business of the CKHH Group, and the terms of the CKA Sub Supplemental Agreement are fair and reasonable and in the interest of the CKHH Group and its shareholders as a whole. Since Mr. Victor T K Li has or may be regarded as having a material interest in the transactions contemplated in the CKA Sub Supplemental Agreement, he has voluntarily abstained from voting on the board resolutions of CKHH in relation to the CKA Sub Supplemental Agreement.

The CKA Sub Supplemental Agreement does not amend or restate the CKI Agreement or the PAH Agreement. However, after the satisfaction of the conditions under the CKA Sub Supplemental Agreement and subject to the Amendment taking effect on the Amendment Effective Date, the CKHH Directors would consider proceeding with discussion with the CKI Group and the PAH Group in relation to possible amendment and restatement of the CKI Agreement and the PAH Agreement, including arrangements relating to CKI's and PAH's respective Relevant Percentage of voting rights in respect of the Voting Right Companies, similar to those under the CKA Sub Supplemental Agreement. Subject to such agreements being reached with the CKI Group and the PAH Group, the entering into of other related documents, the obtaining of the relevant regulatory approvals, and upon those other arrangements with the CKI Group and the PAH Group becoming effective, further arrangements may be made for a voters' agreement to be entered into between the CKHH group, CKA Sub, CKI Sub and PAH Sub in respect of the exercise of voting rights or power in the Voting Right Companies. Upon completion of such other and further arrangements, which may or may not be entered into, and subject to the obtaining of relevant regulatory approvals, each of the Voting Right Companies would cease to be a subsidiary of CKHH and the results of each of the Voting Right Companies would cease to be consolidated in the financial statements of CKHH.

6. IMPLICATIONS UNDER THE LISTING RULES

(a) In respect of CKA

CKHH has been deemed by the Stock Exchange to be a connected person of CKA under Chapter 14A of the Listing Rules. Accordingly, the entering into of the CKA Agreement constituted a connected transaction for CKA under the Listing Rules.

The CKA Sub Supplemental Agreement constitutes a variation of the terms of the connected transaction of CKA as disclosed in the August 2018 Joint Announcement, and the variation may be regarded as material. This announcement is made for information of shareholders and other investors pursuant to the Note under Rule 14A.35 of the Listing Rules.

(b) In respect of CKHH

CKA has been deemed by the Stock Exchange to be CKHH's connected person under the Listing Rules. Accordingly, the entering into of the CKA Agreement constituted a connected transaction for CKHH under the Listing Rules.

The CKA Sub Supplemental Agreement constitutes a variation of the terms of the connected transaction of CKHH as disclosed in the August 2018 Joint Announcement, and the variation may be regarded as material. This Announcement is made for information of shareholders and other investors pursuant to the Note under Rule 14A.35 of the Listing Rules.

7. DEFINITIONS

In this Announcement, the following expressions have the meanings set out below, unless the context requires otherwise:

"Agreed Companies"	the following six companies: <ul style="list-style-type: none">(a) Cheer Hill Limited(b) GML(c) Business Thrive Limited(d) Horizon Spring International Limited(e) Orewa Development Limited(f) 1822604 Alberta Ltd. and "Agreed Company" means any of them
"Amendment"	the amendment and restatement of the CKA Agreement on the terms of and subject to the conditions set out in the CKA Sub Supplemental Agreement
"Amendment Effective Date"	the date on which the conditions set out in the CKA Sub Supplemental Agreement are satisfied (or, where applicable, waived) as confirmed by the notice issued by CKH Sub to CKA Sub pursuant to the CKA Sub Supplemental Agreement
"Announcement"	this announcement jointly issued by CKA and CKHH
"August 2018 Joint Announcement"	the announcement jointly issued by CKA, CKHH, CKI and PAH dated 31 August 2018 in relation to the Economic Benefits Agreements
"CKA Agreement"	the agreement dated 31 August 2018 between CKH Sub, CKHH (as guarantor of CKH Sub) and CKA Sub in relation to CKA Sub's Relevant Percentage of the Economic Benefits and (from the Amendment Effective Date) as amended and restated pursuant to the CKA Sub Supplemental Agreement

"CKA Sub Supplemental Agreement"	the supplemental agreement in relation to the CKA Agreement entered into by CKH Sub, CKHH (as guarantor of CKH Sub) and CKA Sub on 29 March 2019
"Exclusion Right"	has the meaning set out under the sub-section headed "(c) <i>Exclusion and Termination</i> " above
"Specified Subject Group Company"	such Subject Group Company from time to time CKHH (without taking into account its voting power through CKI) is able to exercise, or control the exercise of, more than 50% of the voting power at its general meetings; for this purpose, CKHH shall not be regarded as being able to control or control the exercise of any portion of voting power if the exercise of which by CKHH (whether directly or indirectly) is fettered, restricted or otherwise affected by any contractual or similar arrangement (including the arrangement contemplated under the Amendment and any similar arrangement which may be entered into with CKI Sub and/or PAH Sub)
"Specified Company"	<p>in relation to any exercise by CKA Sub of its Exclusion Right, such Agreed Company which, at all times during the period from the date of the CKA Agreement up to and including 31 December 2023:</p> <p>(a) in the case of Cheer Hill Limited, GML, Business Thrive Limited, Horizon Spring International Limited and Orewa Development Limited, continues to be a Specified Subject Group Company; or</p> <p>(b) in the case of 1822604 Alberta Ltd., where CKHH (without taking into account its voting power through CKI) is able to exercise more than 25% of its voting power at its general meetings,</p> <p>and "Specified Companies" shall be construed accordingly</p>
"Subject Group Companies"	CKII and the Intermediate Companies (other than any Intermediate Company(ies) which are the Specified Companies in respect of which the Exclusion Right has been exercised and such companies directly or indirectly held by such Specified Companies) and "Subject Group Company" means any of them
"Supplemental Long Stop Date"	31 July 2019 (or such other date as the parties may agree)

"Voting Right Companies" GML, 1822604 Alberta Ltd., Business Thrive Limited, Horizon Spring International Limited and Orewa Development Limited (each of which is either an Intermediate Company or Relevant Company) and **"Voting Right Company"** means any of them

By Order of the CKA Board
CK Asset Holdings Limited
Eirene Yeung
*Executive Committee Member
& Company Secretary*

By Order of the CKHH Board
CK Hutchison Holdings Limited
Edith Shih
*Executive Director &
Company Secretary*

Hong Kong, 29 March 2019

As at the date of this Announcement, the CKA Directors are Mr. LI Tzar Kuoi, Victor (Chairman and Managing Director), Mr. KAM Hing Lam (Deputy Managing Director), Mr. IP Tak Chuen, Edmond (Deputy Managing Director), Mr. CHUNG Sun Keung, Davy, Mr. CHIU Kwok Hung, Justin, Mr. CHOW Wai Kam, Raymond, Ms. PAU Yee Wan, Ezra and Ms. WOO Chia Ching, Grace as Executive Directors; and Mr. CHEONG Ying Chew, Henry, Mr. CHOW Nin Mow, Albert, Ms. HUNG Siu-lin, Katherine, Mr. Colin Stevens RUSSEL and Mr. Donald Jeffrey ROBERTS as Independent Non-executive Directors.

As at the date of this Announcement, the CKHH Directors are: Mr. LI Tzar Kuoi, Victor (Chairman and Group Co-Managing Director), Mr. FOK Kin Ning, Canning (Group Co-Managing Director), Mr. Frank John SIXT (Group Finance Director and Deputy Managing Director), Mr. IP Tak Chuen, Edmond (Deputy Managing Director), Mr. KAM Hing Lam (Deputy Managing Director), Mr. LAI Kai Ming, Dominic (Deputy Managing Director) and Ms. Edith SHIH as Executive Directors; Mr. CHOW Kun Chee, Roland, Mrs. CHOW WOO Mo Fong, Susan, Mr. LEE Yeh Kwong, Charles, Mr. LEUNG Siu Hon and Mr. George Colin MAGNUS as Non-executive Directors; and Mr. KWOK Tun-li, Stanley, Mr. CHENG Hoi Chuen, Vincent, The Hon Sir Michael David KADOORIE, Ms. LEE Wai Mun, Rose, Mr. William Elkin MOCATTA (Alternate to The Hon Sir Michael David KADOORIE), Mr. William SHURNIAK, Mr. WONG Chung Hin and Dr. WONG Yick-ming, Rosanna as Independent Non-executive Directors.