

Cheung Kong Group Annual Dinner 2017

Speech by Mr. Li Ka-shing

January 5, 2017

Dear Directors and Colleagues, it is always great to welcome the New Year with you all.

What a year 2016 has been. Rising economic and political tensions piqued by globalisation brewed populist sentiment and much discontent - reshaping politics and economies. The ripple effects of Brexit, rising rates and the strong dollar will spawn market uncertainties. Thus, even if there is modest growth we will need to stay vigilant.

Current challenges impelled us to strive always for best returns to shareholders. Looking forward, we shall cast our eyes far and wide to identify both dynamic and stable, long-term opportunities. I firmly believe our guiding principle “to advance while maintaining stability” will remain our thriving edge.

Since 1950, we have morphed from plastics manufacturing into a multi-national conglomerate that invests and operates in 52 countries; in property, infrastructure, telecom, retail, ports, energy, and aircraft leasing. When we acquired Hutchison in 1979, the A.S. Watson Group had 31 stores. Today our 606 stores proudly serve over 7 million residents in Hong Kong, and around the world in 22 countries - more than 13,000 stores serve many millions more.

Diversification overseas has always been and will always be the cornerstone of our corporate strategy. I am grateful for all your hard work and dedication that contributed to our success story. My vote of confidence in you all is reflected through my shareholdings in the group, which have only increased over the years. I will continue to work with you side by side for a brighter future.

The sigh of experience tells us that the “long arc of the moral universe” is a work in progress. It needs our conscious collective effort to bend it toward justice and compassion. This is why I started my foundation in 1980, and have gradually injected one-third of my assets to advance education reforms and to support medical research and healthcare initiatives. We have contributed more than HK\$20 billion over 30 years, of which over 80% of the projects are in the Greater China Region.

I dedicate my time and energy putting funds to work behind people and missions to effect positive and progressive impact that can make a difference for others. In changing times, the Foundation is my unchanging promise.

I often remind myself and my grandchildren that having the capacity to give is a blessing. Especially at times when people are anxious and fearful of the future, we need to be a formidable operator with a compassionate heart. While your duty towards shareholders compels you to net greater returns and perpetual growth, your duty towards the Foundation is to effect positive impact for our country and all humanity.

No doubt 2016 has been a difficult year, but thanks to each and every colleague's efforts our performance is expected to meet expectations. The coming year of the Rooster may usher in greater political and economic challenges, but the Rooster is a symbol for self-respect, ambition and perseverance. With prudence and agility, and with creativity and innovation we will sail through. I take this opportunity to thank everyone again for their hard work and to wish you all a happy New Year!