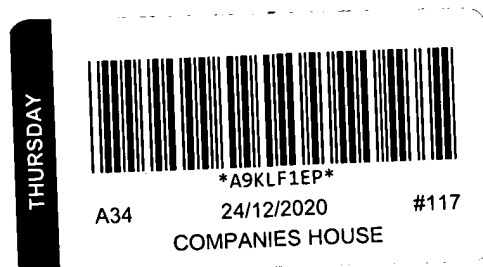


Hutchison Global Enabling Services Limited

(Registered Number: 08710411)

Annual Report

For the year ended 31 December 2019



Hutchison Global Enabling Services Limited

Company Information

Directors	Frank Sixt Clemence Cheng <i>Christian Salbaing</i> Joseph Parker David Ashley
Secretary	Edith Shih
Company number	08710411
Registered office	Hutchison House 5 Hester Road Battersea London SW11 4AN
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 40 Clarendon Road, Watford WD17 1TQ

Hutchison Global Enabling Services Limited

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Hutchison Global Enabling Services Limited

(Registered Number: 08710411)

Directors' Report

The directors present their report and the audited financial statements of the Company for the year ended 31 December 2019.

Principal activities

The Company is a private limited company incorporated and domiciled in the United Kingdom. The principal activity of the Company is to support the resale of telecoms services for other group companies of CK Hutchison Holdings Limited (the ultimate holding company of the Company) using mobile virtual network enabling and Internet of Things platforms. No changes to the Company's principal activities are expected during 2020.

This report has been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

Results and dividends

The profit for the financial year was USD 702,274 (2018: Profit of USD 695,310). The directors did not pay or approve a dividend in 2019 (2018: nil).

Branches outside the United Kingdom

The Company has no branches outside the United Kingdom.

Business review, future developments and key performance indicators (KPI's)

Management uses a range of performance measures to monitor and manage the business effectively. Certain measures are particularly important in the generation of shareholder value and are considered key performance indicators (KPIs). Revenue, operating profit and operating margin indicate the volume of work performed and the profitability.

	2019	2018
Revenue	8,941,864	7,765,953
Operating Profit	812,897	845,812
Operating Margin	9%	11%

The directors are satisfied with the performance of the Company during the year.

The Company is expected to continue with the principal activities as stated above and is not expected to be impacted by Brexit.

Further, the Company also does not expect any major impact on future business because of COVID-19. The future prospectus of the Company has not impacted given the nature of business and also witnessed that the volume / activities are in-line with initial budgets. Business with external parties is also expected to be in line with initial budget expectations.

Hutchison Global Enabling Services Limited

(Registered Number: 08710411)

Directors' Report (continued)

Financial risk management

The main financial assets and liabilities are trade debtors and trade payables arising directly from operations.

The Company's financial risks are managed within the framework of financial and credit policies determined by the Board of Directors of the ultimate parent undertaking, CK Hutchison Holdings Limited. Management of these risks is largely centralised to the Group's Treasury Department, thereby minimising the Company's financial risks. See the notes on pages 63-75 of the Annual Report 2019 of CK Hutchison Holdings Limited for more details. Accordingly, the Company's financial risks are minimised.

Despite the unprecedented economic conditions caused by COVID-19, the directors are satisfied that all associated risks are being managed and will not have a material impact on the Company.

Principal risks and uncertainties

Due to the nature of the wholesale telecommunications market, the key business risk to the Company would be a decline in customer demand or technical failures introduced by our vendors. A reduction in customer demand or difficulties with vendors are the Company's main financial and business risks, as it does not have any non-trading debts external to the CK Hutchison Holdings Limited group to fund the cost of running the business. The Company does not undertake any investment or other activities that would introduce additional risks. Potential risks are credit risk, interest rate risk and foreign exchange risk.

Some credit risk exists due to trading with external companies.

Interest rate risk is limited due to funding being provided from the group.

Foreign exchange risk is limited due to minimal transactions occurring in foreign currencies.

The global pandemic of COVID-19 has had a severe impact on the economy. This can potentially impact business risk, credit risk, interest rate risk and foreign exchange risk, however given the nature of business, there is no material impact on the financial statements.

After the COVID-19 outbreak in early 2020, a series of precautionary and control measures have been and continued to be implemented across the globe. The Company is paying close attention to the development of, and the disruption to business and economic activities caused by, the COVID-19 outbreak and to evaluate its impact on the financial position, cash flows and operating results of the Company. The directors have evaluated the potential impacts on the Company's financial position, cash flows and operating results and consider these to be minimal at the date on which these financial statements are authorised for issue, as CK Hutchison Holdings Limited has offered support in case there is default by group undertakings owing amounts to the Company and CK Hutchison Holdings Limited has sufficient resources to cover the Company's interest and capital payments as they come due.

Hutchison Global Enabling Services Limited
(Registered Number: 08710411)

Directors' Report (continued)

Charitable and political donations

During the year, the Company made no charitable donations (2018: nil).

Directors

The directors who held office during the year and up to the date of signing the financial statements, were as follows:

Frank Sixt
Clemence Cheng
Christian Salbaing
Joseph Parker (Appointed on 15 June 2020)
David Ashley (Appointed on 15 June 2020)
Jonathan Miller (Resigned on 15 June 2020)

Directors' and officers' liability insurance is provided by another Group company.

Going Concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing the financial statements. Financial support by the ultimate parent, CK Hutchison Holdings Limited has been confirmed for a period of not less than 12 months from the date of signing these financial statements.

Hutchison Global Enabling Services Limited
(Registered Number: 08710411)

Directors' Report (continued)

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent auditors

The independent auditors, PricewaterhouseCoopers LLP, have indicated their willingness to be reappointed as auditors and are deemed to be reappointed as auditors unless otherwise resolved by the directors or shareholders.

On behalf of the Board


Director

Date 21.12.20

DAVID ASHLEY

Independent auditors' report to the members of Hutchison Global Enabling Services Limited

Report on the audit of the financial statements

Opinion

In our opinion, Hutchison Global Enabling Services Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the statement of financial position as at 31 December 2019; the statement of comprehensive income and the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

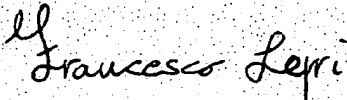
Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Francesco Lepri (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Watford
21 December 2020

Hutchison Global Enabling Services Limited
(Registered Number: 08710411)

Statement of Comprehensive Income
For the year ended 31 December 2019

	<i>Note</i>	2019 USD	2018 USD
Revenue	4	8,941,864	7,765,953
Cost of sales		(7,122,528)	(2,221,477)
Gross profit		1,819,336	5,544,476
Administrative expenses		(1,006,439)	(4,698,664)
Operating profit		812,897	845,812
Profit before taxation	5	812,897	845,812
Tax on profit	8	(110,623)	(150,502)
Profit for the financial year		702,274	695,310
Total comprehensive income for the year		702,274	695,310

All of the Company's activities are in respect of continuing operations.

The notes on pages 10 to 23 form an integral part of these financial statements.


Hutchison Global Enabling Services Limited
(Registered Number: 08710411)

Statement of Financial Position
As at 31 December 2019

	Note	2019 USD	2018 USD
Fixed assets			
Intangible assets	9	-	45,867
Tangible assets	10	-	6,950
		-	52,817
Current assets			
Debtors	11	11,755,469	6,782,577
Cash at bank and in hand		2,386,871	922,968
		14,142,340	7,705,545
Current liabilities			
Creditors - due within one year	12	(6,933,278)	(28,563,020)
Net current assets / (liabilities)		7,209,062	(20,857,475)
Net assets / (liabilities)		7,209,062	(20,804,658)
Capital and reserves			
Called up share capital	13	3	2
Share premium		27,311,445	-
Accumulated losses		(20,102,386)	(20,804,660)
Total shareholders' funds / (deficit)		7,209,062	(20,804,658)

The notes on pages 10 to 23 form an integral part of these financial statements.

The financial statements on pages 7 to 23 were approved by the Board on 18.12.20 and signed on its behalf by:


Director
DAVID ASTLEY
 21.12.20

Hutchison Global Enabling Services Limited
(Registered Number: 08710411)

Statement of Changes in Equity
For the year ended 31 December 2019

	Called-up share capital	Share Premium	Accumulated losses	Total shareholders' funds
	USD	USD	USD	USD
Balance as at 1 January 2018	2	-	(21,499,970)	(21,499,968)
Total comprehensive income for the year	-	-	695,310	695,310
Balance as at 31 December 2018	2	-	(20,804,660)	(20,804,658)
Balance as at 1 January 2019	2	-	(20,804,660)	(20,804,658)
Share premium	1	27,311,445	-	27,311,446
Total comprehensive income for the year	-	-	702,274	702,274
Balance as at 31 December 2019	3	27,311,445	(20,102,386)	7,209,062

Hutchison Global Enabling Services Limited

(Registered Number: 08710411)

Notes to the Financial Statements for the year ended 31 December 2019

1 General information

The principal activity of the Company is to support the resale of telecoms services for other group companies of CK Hutchison Holdings Limited (the ultimate holding company of the Company) using mobile virtual network enabling and Internet of Things platforms.

The Company is a private limited company incorporated and domiciled in the United Kingdom.

(Registered address: Hutchison House, 5 Hester Road, Battersea, London, SW11 4AN, United Kingdom)

2 Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The financial statements of Hutchison Global Enabling Services Limited have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101), and the Companies Act 2006.

The financial statements are prepared in US Dollars, which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest US dollar. Conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed if applicable.

The financial statements are prepared on a going concern basis and under the historical cost convention. The principal accounting policies adopted are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

In accordance with paragraphs 7 and 8 of FRS 101, the following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7, 'Financial instruments: Disclosures'.
- Paragraphs 91 to 99 of IFRS 13, 'Fair Value Measurement' (disclosure of valuation techniques and input used for fair value measurement of assets and liabilities).
- Paragraphs 38 of IAS 1, 'Presentation of Financial Statements' comparative information requirements in respect of:

- (i) paragraph 79(a)(iv) of IAS 1;
- (ii) paragraph 73(e) of IAS 16 'Property, plant and equipment';

Hutchison Global Enabling Services Limited
(Registered Number: 08710411)

Notes to the Financial Statements for the year ended 31 December 2019
(continued)

2 Accounting policies (continued)

(a) Basis of preparation (continued)

- The following paragraphs of IAS 1, 'Presentation of Financial Statements':
 - 10(d) (statement of cash flows),
 - 16 (statement of compliance with IFRS),
 - 38A (requirement for minimum of two primary statements, including cash flow statements),
 - 38B-D (additional comparative information),
 - 111 (cash flow statement information), and
 - 134-136 (capital management disclosures).
- The disclosure requirements of paragraphs 110, 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 "Revenue from Contracts with Customers".
- The disclosure requirements of IFRS 9 "Financial Instruments"
- The requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases
- IAS 7, 'Statement of Cash Flows'.
- Paragraph 17 of IAS 24 'Related Party Disclosures' (key management compensation).
- The requirements in IAS 24 'Related Party Disclosures' to disclose related party transactions entered into between two or more member of a group.

(b) New standards, amendments and IFRIC interpretations

IFRS 16 is a new accounting standard that is effective for the year ended 31 December 2019 and has had no material impact on the Company's financial statements. There are no other amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2019 that have had a material impact on the Company's financial statements.

(c) Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing the financial statements. Financial support by the ultimate parent, CK Hutchison Holdings Limited, has been confirmed for a period of not less than 12 months from the date of signing these financial statements.

Hutchison Global Enabling Services Limited
(Registered Number: 08710411)

Notes to the Financial Statements for the year ended 31 December 2019
(continued)

2 Accounting policies (continued)

(d) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for services supplied, stated net of discounts and value added taxes. The Company recognises revenue when performance obligations have been satisfied and for the Company this is when the services have transferred to the customer and the customer has control of these. The Company's activities are described in detail below. The Company bases its estimate of return on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(a) Sales of services

The Company provides consultancy and professional services, platform traffic and subscriber charges and platform management and development services under fixed-price contracts. Revenue from providing services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously.

In case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by the Company exceeds the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

(e) Tangible assets

Depreciation is calculated using the straight-line method to allocate the cost to their residual values over their estimated useful lives as follows:

- Leasehold improvements are depreciated over the remaining period of the lease
- Computer equipment over 3 years

At each reporting period end date, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Hutchison Global Enabling Services Limited
(Registered Number: 08710411)

Notes to the Financial Statements for the year ended 31 December 2019
(continued)

2 Accounting policies (continued)

(e) Tangible assets (continued)

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in statement of comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in statement of comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(f) Intangible assets

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Hutchison Global Enabling Services Limited
(Registered Number: 08710411)

Notes to the Financial Statements for the year ended 31 December 2019
(continued)

2 Accounting policies (continued)

(g) Financial instruments

Financial assets

The Company classifies its financial assets in the following categories: loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) Financial assets at fair value through other comprehensive income.

Financial assets at fair value through other comprehensive income (FVOCI) comprise:

- (i) Equity securities which are not held for trading, and which the group has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the group considers this classification to be more relevant.
- (ii) Debt securities where the contractual cash flows are solely principal and interest and the objective of the group's business model is achieved both by collecting contractual cash flows and selling financial assets.

(b) Financial assets at amortised cost

The Company classifies its financial assets at amortised cost only if both of the following criteria are met:

- (i) the asset is held within a business model whose objective is to collect the contractual cash flows, and;
- (ii) the contractual terms give rise to cash flows that are solely payments of principal and interest.

(c) Financial assets at fair value through profit or loss

The following financial assets are classified at fair value through profit or loss (FVPL):

- (i) debt investments that do not qualify for measurement at amortised cost
- (ii) equity investments that are held for trading; and
- (iii) equity investments for which the entity has not elected to recognise fair value gains and losses through OCI.

Hutchison Global Enabling Services Limited
(Registered Number: 08710411)

Notes to the Financial Statements for the year ended 31 December 2019
(continued)

2 Accounting policies (continued)

(g) Financial instruments (continued)

(d) Trade and other receivables

Trade and other receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business, if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred, future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of comprehensive income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in statement of comprehensive income.

(e) Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

(h) Cash at bank and in hand

In the statement of financial position, cash at bank and in hand includes deposits held at call with banks.

Hutchison Global Enabling Services Limited
(Registered Number: 08710411)

Notes to the Financial Statements for the year ended 31 December 2019
(continued)

2 Accounting policies (continued)

(i) Related party transactions

The Company discloses transactions with related parties that are not wholly owned within the same Group. It does not disclose transactions with its parent or with members within the same Group that are wholly owned.

(j) Share capital and distributions to shareholders

Ordinary shares are classified as equity. Dividends to the Company's shareholders are recognised as a liability in the financial statements in the period in which the dividends are approved by the Company's shareholders. These amounts are recognised in the statement of changes in equity.

(k) Current and deferred tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholders' funds. In this case, the tax is also recognised in other comprehensive income or directly in shareholders' funds, respectively.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; or arise from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and law) that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes assets and liabilities relate to income tax levied by the same taxation authority on either the same entity or different taxable entities where there is an intention to settle the balances on a net basis.

Hutchison Global Enabling Services Limited
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Notes to the Financial Statements for the year ended 31 December 2019
(continued)

2 Accounting policies (continued)

(I) Foreign currency

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates ruling at the balance sheet date and revenues, costs and non-monetary assets at the exchange rates ruling at the date of the transactions.

Profits and losses arising from foreign currency translations and on settlement of amounts receivable and payable in foreign currency are dealt with through the Statement of comprehensive income. Monetary assets are money held and amounts to be received in money; all other assets are non-monetary assets.

3 Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Useful economic lives of tangible and intangible assets

The annual depreciation and amortisation charges for tangible and intangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See notes 9 and 10 for the carrying amount of the intangible and tangible assets.

(ii) Impairment of trade receivables

The Company makes an estimate of the recoverable value of trade and other receivables. When assessing impairment of trade and other receivables, management considers factors including the credit rating of the debtor, the ageing profile of receivables and historical experience. See note 11 for the carrying value of receivables.

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Notes to the Financial Statements for the year ended 31 December 2019
(continued)

4 Revenue

Revenue by category	2019	2018
	USD	USD
Revenue arises from provision of the following services:		
Platform traffic and active subscriber charges	5,877,833	1,913,899
Platform management services and development charges	164,799	710,361
Consultancy and support services to other group companies	2,899,232	5,141,693
Total	8,941,864	7,765,953

Revenue by geography	2019	2018
	USD	USD
Austria	4,446,097	2,032,175
United Kingdom	945,531	3,203,265
United States of America	-	2,062,037
Italy	193,881	308,071
Ireland	183,674	138,956
Denmark	139,908	20,449
Sweden	133,541	1,000
Hong Kong	2,899,232	-
Total	8,941,864	7,765,953

5 Profit before taxation

	2019	2018
	USD	USD
The profit before taxation is stated after charging:		
Depreciation	135,354	17,786
Amortisation	45,867	1,813,625
Impairment of intangible asset (included in administrative expenses)	-	2,294,323
Operating lease charges	-	55,717
Foreign exchange loss	9,990	52,333

Services provided by the Company's auditors	2019	2018
	USD	USD
Auditors' remuneration for audit services	31,693	12,497
Amount paid to auditors in respect of tax services	704	2,000

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Notes to the Financial Statements for the year ended 31 December 2019
(continued)

6 Directors' emoluments

No fees or other emoluments were paid to the directors in respect of their services to the Company during the year (2018: USD Nil) as their services to the Company were merely incidental to their employment in other Hutchison Group companies.

There were no employees during the year (2018: Nil), apart from the directors.

7 Staff costs

There were no employees during the year (2018: Nil) except for the directors.

8 Tax on profit

	2019	2018
	USD	USD
a) Analysis of tax charge in the year		

Current tax

United Kingdom corporation tax on profit for the year	(123,389)	(79,944)
Adjustment in respect of prior years	12,766	(70,558)
Tax charge	(110,623)	(150,502)

b) Factors affecting current tax charge for the year

The tax assessed on the profit / (loss) before taxation for the year is lower (2018: lower) than the standard rate of corporation tax in the United Kingdom at 19.00% (2018: 19.00%).

	2019	2018
	USD	USD
Profit before taxation	812,897	845,812
Corporation tax on profit before taxation at 19.00% (2018: 19.00%)	(154,450)	(160,704)
Effect of:		
Adjustment in respect of prior years	(12,766)	(70,558)
Utilisation of brought forward tax losses	77,225	79,944
Capital allowances in excess of depreciation	(20,632)	816
Tax charge	(110,623)	(150,502)

The Company is carrying forward unrecognised tax losses of USD 3,328,843 (2018: 4,250,558) in respect of unutilised tax losses.

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Notes to the Financial Statements for the year ended 31 December 2019
(continued)

8 Tax on profit (continued)

c) Factors that may affect future tax charges

Previously enacted changes to the UK corporation tax rates as part of Finance Bill 2017 (on 6 September 2016) were withdrawn during the 2020 Budget (on 11 March 2020). The government announced that the corporation tax main rate for the years starting 1 April 2020 and 1 April 2021 would remain at 19%.

9 Intangible assets

	USD
Cost	
At 1 January 2019	9,688,637
Additions	-
At 31 December 2019	9,688,637
Accumulated amortisation and impairment	
At 1 January 2019	9,642,770
Amortisation	45,867
Impairment	-
At 31 December 2019	9,688,637
Net book amount	
At 31 December 2019	-
At 31 December 2018	45,867

Following the termination of the master services agreement on 23 December 2018 by the main supplier of the MVNE platform and the current focus of the Company to support the existing customer base and other group companies the decision was made to fully impair the MVNE and IoT intangible assets as at 31 December 2018 given there will be no future economic benefit to the Company from these assets.

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Notes to the Financial Statements for the year ended 31 December 2019
(continued)

10 Tangible assets

	Leasehold Improvements	Computer Equipment	Total
	USD	USD	USD
Cost			
At 1 January 2019	75,321	8,666	83,987
Additions	-	128,404	128,404
At 31 December 2019	75,321	137,070	212,391
Accumulated depreciation			
At 1 January 2019	69,853	7,184	77,037
Charge for the year	5,468	129,886	135,354
At 31 December 2019	75,321	137,070	212,391
Net book amount			
At 31 December 2019	-	-	-
At 31 December 2018	5,468	1,482	6,950

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Notes to the Financial Statements for the year ended 31 December 2019
(continued)

11 Debtors

	2019	2018
	USD	USD
Trade debtors	1,912,045	203,315
Amounts owed by Group undertakings	176,942	831,167
VAT receivable	113,784	24,083
Prepayments and accrued income	9,552,698	5,724,012
Total	11,755,469	6,782,577

Amounts owed by Group undertakings are unsecured, interest-free and repayable on demand.

Prepayments and accrued income includes accrued income of \$8,891,613 (2018: \$5,141,693) which is generated by group undertakings. Trade debtors disclosed above are net of provisions \$82,232 (2018: \$150,502).

12 Creditors: amounts falling due within one year

	2019	2018
	USD	USD
Amounts owed to Group undertakings	4,491,622	27,476,526
Trade creditors	762,226	345,948
Accruals	1,679,430	740,546
Total	6,933,278	28,563,020

Amounts owed to Group undertakings are unsecured, interest-free, have no fixed date of repayment and repayable on demand.

13 Called up share capital

	2019	2018
	USD	USD
Allotted, called up and fully paid:		
2 (2018: 1) ordinary share at GBP1.00	3	2

During the year, Harmonic Sky Limited acquired 1 share at a value of USD 1 and a premium of USD 27,311,445. The total amount paid to acquire the share was USD 27,311,446. All shares issued by the Company were fully paid.

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Notes to the Financial Statements for the year ended 31 December 2019

(continued)

14 Related party transactions

There are no transactions with related parties not wholly owned by the Group headed by CK Hutchison Holdings Limited. The Company is exempt from disclosing related party transactions with its parent or with members of the same Group headed by CK Hutchison Holdings Limited.

15 Obligations under operating leases

As at 31 December, the Company had the following future minimum lease payments under non-cancellable operating leases for each of the following years:

	2019	2018
	USD	USD
Within one year	-	18,572
Within two to five years	-	-

There are no obligations under the operating leases.

16 Ultimate parent undertaking

The immediate parent undertaking is Harmonic Sky Limited, a company incorporated in the British Virgin Islands.

The Company's ultimate parent undertaking and controlling party is CK Hutchison Holdings Limited, a company listed on The Stock Exchange of Hong Kong Limited and incorporated in the Cayman Islands.

The registered address of CK Hutchison Holdings Limited is PO Box 309, Uglund House, Grand Cayman, KY1-1104, Cayman Islands.

The ultimate parent undertaking and the smallest and largest group to consolidate these financial statements is CK Hutchison Holdings Limited. Copies of the CK Hutchison Holdings Limited consolidated financial statements can be obtained from the Company Secretary at 48th Floor, Cheung Kong Center, 2 Queen's Road Central, Hong Kong.

17 Subsequent events

After the COVID-19 outbreak in early 2020, a series of precautionary and control measures have been and continued to be implemented across the globe. The Company is paying close attention to the development of, and the disruption to business and economic activities caused by, the COVID-19 outbreak and to evaluate its impact on the financial position, cash flows and operating results of the Company. The directors have concluded there are no immediate concerns to the going concern status of the business - see note 2(c).

Refer to the Director's Report for additional comment.