

7 August 2023

CLP Reports Solid Financial Performance Investing for a Sustainable Future while Delivering Value

CLP Holdings Limited today announced its 2023 Interim Results. The following are the opening remarks delivered by Chief Executive Officer Richard Lancaster at a media briefing.

Our first-half performance demonstrated strengths across the Group that position us well for the year.

We delivered a solid and stronger financial performance, which is especially pleasing given the headwinds we faced last year in Australia. This is a testament to the need to constantly adapt to a fast-changing energy landscape.

We are making positive strides in low-carbon investments and growth initiatives while continuing to reliably operate our assets to support our ability to deliver consistent dividends to our shareholders.

The CLP Group reported operating earnings of HK\$4,972 million in the first half of 2023, compared to an operating loss of HK\$3,846 million a year earlier. A further HK\$88 million gain from our share of the sale of properties at St. George's Mansions brought total earnings to HK\$5,060 million.

Based on the Group's robust performance, the Board has declared a second interim dividend of HK\$0.63 per share, same as the first interim dividend and unchanged from a year ago.

In the first half, Hong Kong's performance was again dependable. We continued to make investments in electricity infrastructure and decarbonisation. The recent commissioning of the offshore LNG terminal is a testament to our commitment to transitioning to lower-carbon, reliable energy sources.

We are committed to providing customers with reliable and reasonably priced energy, so we have continued with our stringent cost controls and a diversified fuel mix to ease the pressure on tariffs. We also provided rebates and subsidies to alleviate pressure, especially for low-income families.

In Mainland China, our nuclear and renewable portfolios performed strongly. Notably, Yangjiang Nuclear Power Station achieved close to record electricity generation showcasing the reliability of nuclear.

We are also making investments to expand our renewable portfolio at an accelerated pace as we see significant opportunities on the back of the Central Government's strong commitment to decarbonisation.

EnergyAustralia showed signs of progressive initial recovery in a less volatile market environment and as a result of measures taken to improve our coal fleet's operations. While operating conditions progressively recover, the retail market operated with lower margins due to the higher costs of procuring energy.

In India, Apraava Energy benefitted from a solid operational performance and a positive one-off income payment. The joint venture also pressed ahead in broadening its renewable energy capacity and diversifying its portfolio at a time of growing national power demand.

Looking ahead, we will continue to play our role in the energy transition, working closely with governments, partners and customers to drive the deployment of non-carbon energy, and deliver reliable and affordable energy for all.

In Hong Kong, we are poised for two major milestones this year that will lay the groundwork for future power infrastructure developments and ensure CLP continues to deliver reliable, cleaner and cost-effective power to our customers.

One is the completion of the interim review of the Scheme of Control Agreement with the Hong Kong SAR Government, and the second is the finalisation of the Development Plan that covers investments over the 2024 to 2028 period. Both are important and necessary – they link and affirm the regulatory and economic certainty needed to plan and invest in energy infrastructure which has allowed us to deliver one of the best electricity systems in the world. They are also what underpins the capital-intensive investments required to achieve energy security and support the Government's development and infrastructure plans.

We take confidence that the Scheme of Control has worked well for over half a century now, and we will stay the course with our commitment to maintaining Hong Kong as an attractive place to live, invest and do business.

In Mainland China, another core market of ours, CLP is well positioned to benefit from the sizable growth opportunities emerging there.

We have conviction about China's leading role in transitioning the global energy system. Our long-term presence, expertise and experience position us well to participate and assist the country in achieving its clean energy goals.

Our performance today reflects the resilience of our business model. And our strategic focus will position us to capture emerging opportunities – enabling an orderly transition to a net zero future.

For more details, please refer to the following documents:

- [Announcement of Interim Results as from 1 January 2023 to 30 June 2023, Dividend Declaration and Closure of Books](#)
- [CLP Holdings 2023 Interim Results Highlights](#)



CLP Holdings Chief Executive Officer Richard Lancaster (centre), Chief Executive Officer – Designate T. K. Chiang (left) and Chief Financial Officer Nicolas Tissot (right) at today's 2023 Interim Results media briefing.

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