

15 July 2024

CLP Power Debuts Landmark 3-Year A\$500 Million Kangaroo Bond

CLP Power Hong Kong Limited (CLP Power) is pleased to announce the successful arrangement of a new three-year A\$500 million dual-tranche floating- and fixed-rate bond offering through its wholly-owned subsidiary, CLP Power Hong Kong Financing Limited. This milestone transaction marks the first Kangaroo bond issuance by a Hong Kong commercial corporate entity in the Australian market.

The issuance is structured into two tranches: a three-year A\$350 million floating-rate note tranche and a three-year A\$150 million fixed-rate note tranche. The Kangaroo bond is unconditionally and irrevocably guaranteed by CLP Power, which holds an A1 (Stable) rating from Moody's and an A+ (Stable) rating from S&P. Kangaroo bonds are Australian dollar-denominated bonds issued by foreign entities in Australia.

"This successful issuance in the Australian market enables us to further diversify our sources of funding in a cost-effective way, and we are encouraged by the favourable market response," said Mr Alexandre Keisser, Chief Financial Officer of CLP Holdings Limited.

The floating-rate tranche was priced at 85 basis points above the benchmark three-month Bank Bill Swap (BBSW) rate. The fixed-rate tranche was priced at 85 basis points above semi-quarterly coupon matched asset swap (SQASW) rate, equivalent to an annualised rate of 5.10%. Both are expected to receive an A+ rating from S&P.

The Kangaroo bond offering expanded CLP Power's debt capital market financing activities to the Australian onshore public market for the first time, further broadening the company's funding options and enhancing its resilience against potential market volatility.

"We are delighted to have witnessed strong demand for this Kangaroo bond offering, which attracted participation from a diverse group of institutional investors across U.K., Australia and Asia," said Mr Joseph Law, Managing Director of CLP Power. "The strong market response to the offering is a vote of confidence in CLP Power's business, and we will continue our efforts to deliver our 2024-28 Development Plan to support Hong Kong's growth."

The competitive pricing of this issuance made it more cost-effective than other international channels of debt capital market financing after swapping the proceeds into Hong Kong dollars, on the date of completion, according to ANZ, the Sole

Coordinator and Joint Lead Manager for the transaction. KDB Asia and KIS Asia acted as Joint Lead Manager and Co-Manager, respectively.

"The debut Kangaroo bond by CLP Power is a significant transaction that underscores the strength of Hong Kong's corporate issuers in the global capital markets," commented Mr Kang Jae Kim, Head of Capital Markets Asia at ANZ. "This issuance will further enrich the diversity and depth of the Australian bond market, benefiting both domestic and international investors."

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About CLP Power Hong Kong Limited

CLP Power Hong Kong Limited (CLP Power) is the Hong Kong utility subsidiary wholly owned by CLP Holdings Limited, a company listed on the Hong Kong Stock Exchange and one of the largest investor-owned power businesses in Asia. CLP Power operates a vertically integrated electricity supply business in Hong Kong, and provides a highly reliable supply of electricity and excellent customer service to more than six million people in its supply area.

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