

2022 AGM

Questions and Answers

For the Questions and Answers session, a number of questions were submitted by Shareholders, the Chairman and management had addressed some of these during the allocated time and the discussion of these are recorded in the AGM minutes. For the questions that were not addressed at the AGM, the responses are set out below.

Q. Would the company buy back its shares if the share price declined below HK\$70?

CLP Holdings would undertake share repurchases to optimise the Company's capital structure and enhance earnings per share, as and when appropriate, having regard to a number of aspects including but not limited to:

- the Company's cash position and distributable reserves;
- alternative uses of funds including, for example, dividends or allocation to new investments; and
- the Company's share price.

Q. The earnings per share this year is HKD3.36 which is 25.9% below the previous year. Would Chairman please give confidence to shareholders that how CLP will improve the earnings in future. What projects and business models will be employed to improve the Company's performance?

CLP introduced a new operating model on 1 April 2022 as we strive to sharpen our focus on delivering decarbonisation and the opportunities that spring from Greater Bay Area (GBA) development, while remaining as a leader in Asia Pacific with a strong network of partners. This new operating model will allow us to share resources, coordinate efforts, and maximise efficiencies to achieve critical mass in new regions and in other sectors.

In terms of new opportunities, we have signed an agreement with Qingdao TGOOD Electric Co., Ltd. (TGOOD) on 5 May 2022 to form a joint venture in Mainland China to invest in EV charging infrastructure network, initially in the cities in the GBA. The joint venture seeks to serve as a development platform for both parties to invest in EV charging businesses in the GBA and support the Chinese Government's strategic plan to integrate resources for the construction of smart energy charging networks, promoting the development of a green, low-carbon economy.

We will also explore smart energy opportunities and strengthen collaboration across the GBA, aligned with the Chinese Government's 14th Five-Year Plan.

With the new business opportunities in the GBA, our core markets of Hong Kong and Mainland China will continue to see growth in asset base.

Q. What is the dividend policy for 2022?

CLP's dividend policy is to provide reliable and consistent ordinary dividends with steady growth when supported by our earnings while ensuring that a solid financial position can be maintained to fund our business growth.

Notwithstanding the lingering impact of the pandemic and other challenges such as the energy crisis and high fuel prices, the Board is confident in the Group's ability to maintain the integrity of its operations and has approved a fourth interim dividend payment for 2021 of HK\$1.21 per share, in line with the same period in 2020. Total dividends per share for 2021 are maintained at HK\$3.10.

Looking forward, since each dividend payment is determined by the Board based on their assessments at the time, we cannot provide any guidance or forecast, however, it can be expected that CLP's longstanding dividend policy will be adhered to.

Q. Would special dividend be declared for the Kowloon property development project?

The residential development project, named as St. George's Mansions, is still in progress. The payment of dividends is determined by the Board based on their assessments at the time, we cannot provide any guidance.

Our longstanding practice is to provide reliable and consistent ordinary dividends with gradual growth, linked to the underlying earnings performance of the business.