

CLP 中電

120 years 同行望遠
of shared vision

CLP Holdings Investor Presentation Introductory Pack

September 2021

Energy for Brighter Tomorrows

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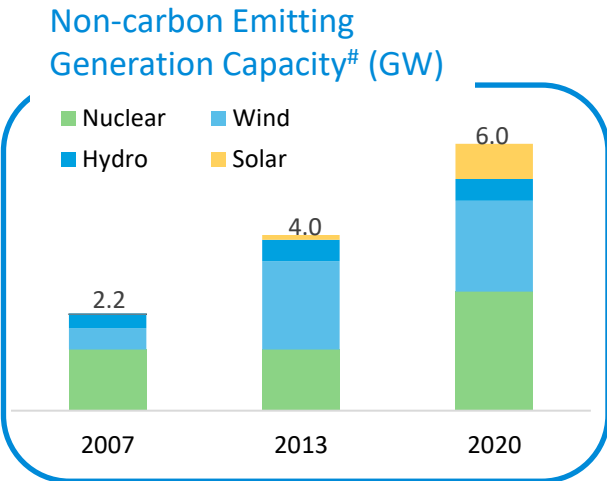
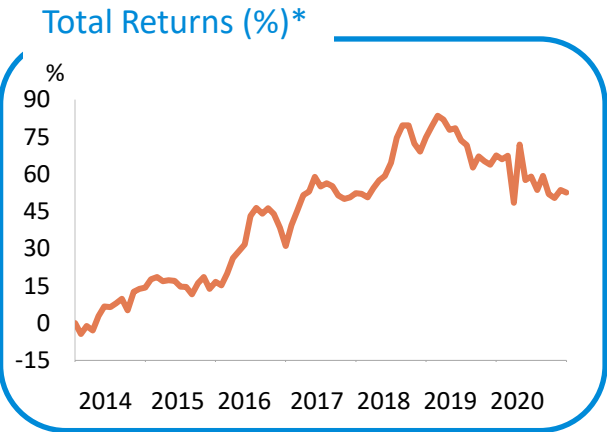
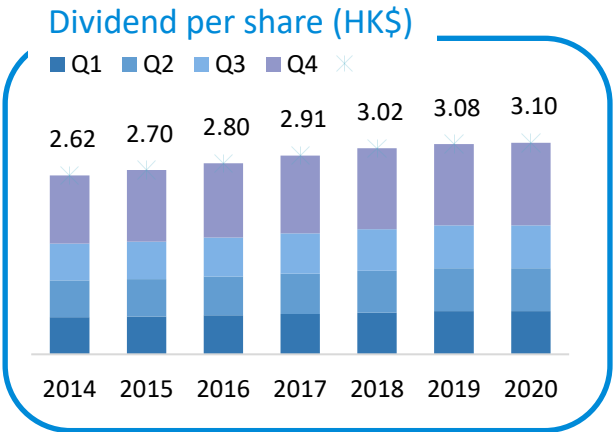
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Building the Utility of the Future

- ✓ CLP provides sustainable energy solutions to create value for shareholders, customers, employees and the wider community. We aim to be the leading responsible energy provider in the Asia-Pacific region, from one generation to the next.
- ✓ Climate Vision 2050 outlines our commitment to decarbonisation, digital transformation and pursuit of new business models as we address the energy transition. Together with customer centric solutions and workforce transformation, this guides our journey to becoming the Utility of the Future.



Assets diversified by geography, activities and technology

Revenue in 2020

HK\$80bn

(about US\$10bn)

Market Capitalisation

Over HK\$181bn

(~US\$23bn as at 31 Dec 20)



Over 5.1 million
customer accounts



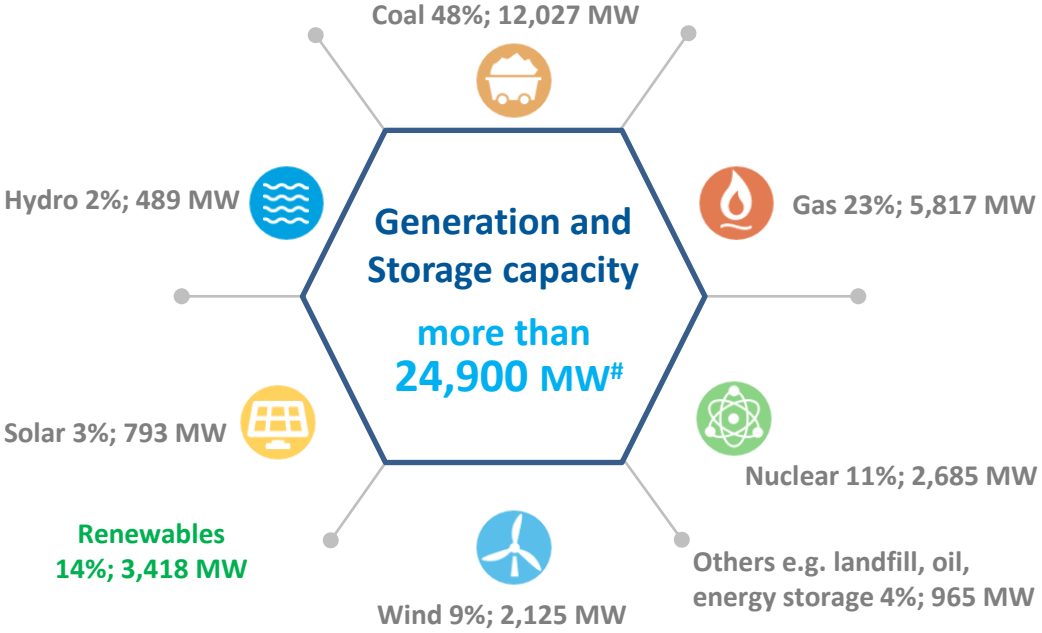
2.7 million
in Hong Kong



2.4 million
in Australia



Over 16,500 km transmission lines



For more information on the diversified assets

For more information on CLP at a Glance

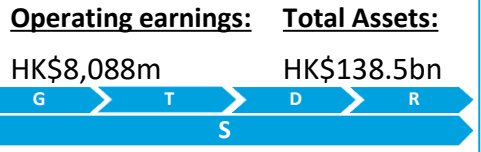
Equity basis plus long-term capacity and energy purchase arrangements. Includes battery discharge capacity

Business Units – Capabilities along the Value Chain

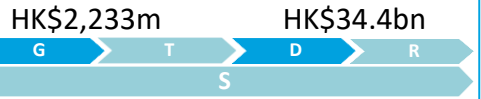
2020



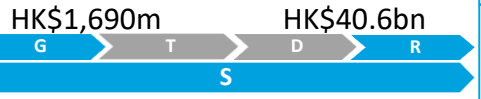
Hong Kong



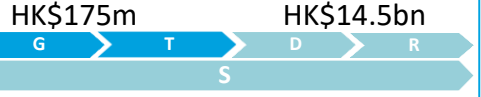
Mainland China



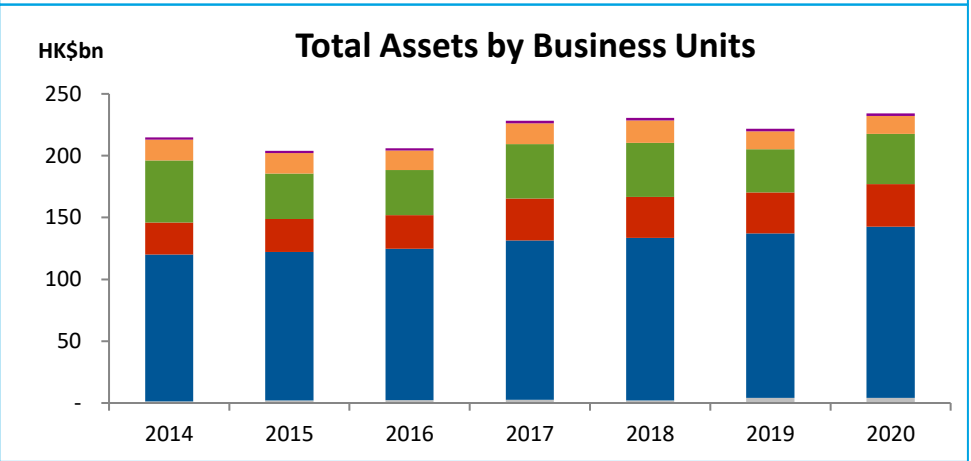
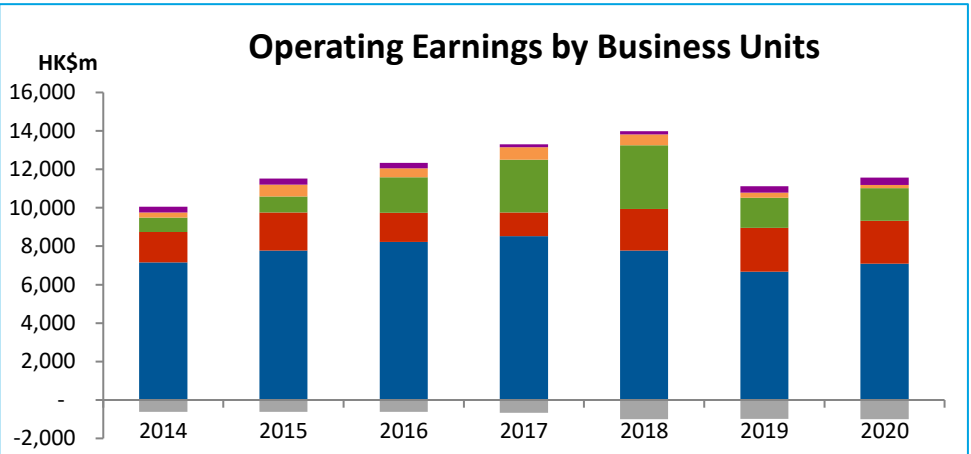
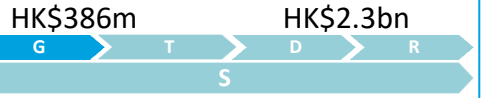
Australia



India



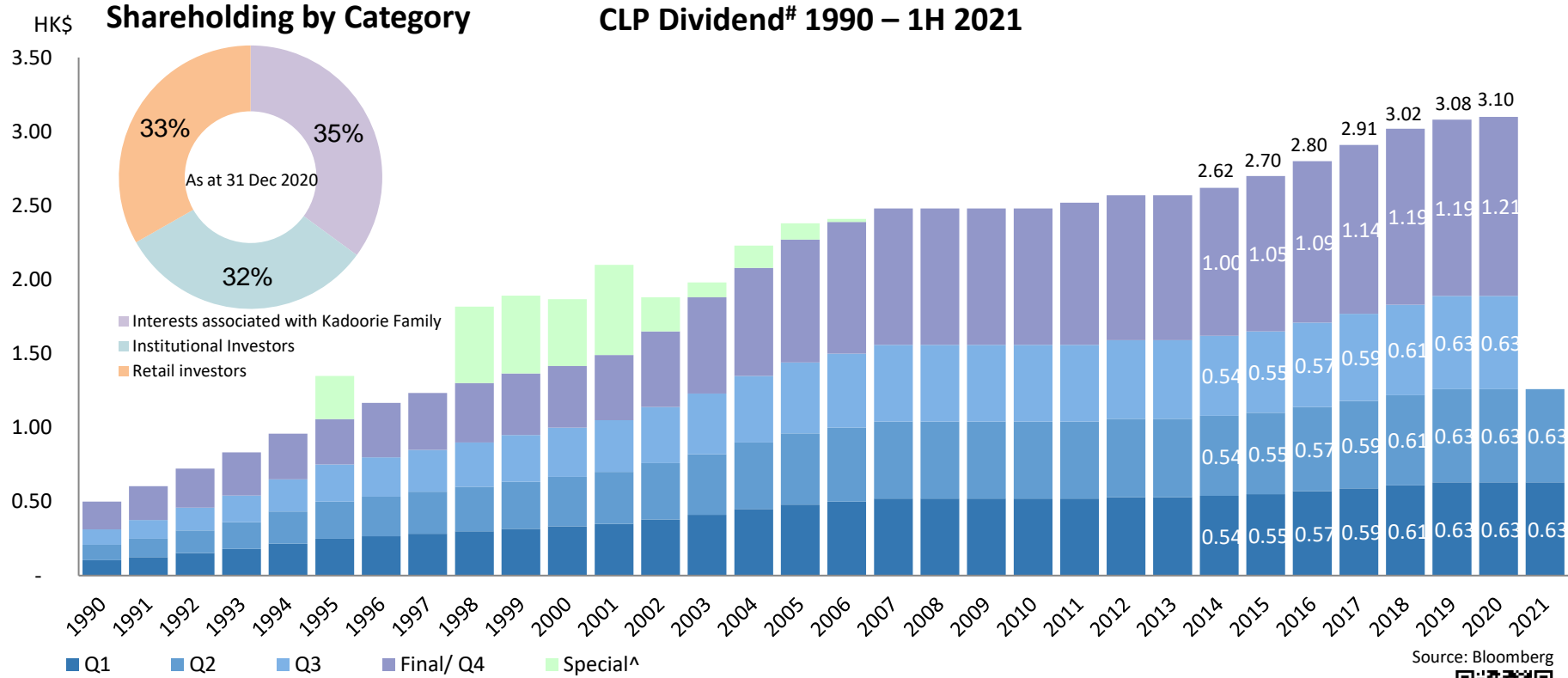
Southeast Asia & Taiwan



- SEA & Taiwan
- India
- Australia
- Mainland China
- Hong Kong
- Unallocated

Dividend# History and Shareholding by Category

CLP's Dividend Policy aims to provide reliable and consistent ordinary dividends with steady growth when supported by our earnings whilst ensuring that a solid financial position can be maintained to fund our business growth. In line with our established practice, our ordinary dividends are paid four times a year in each of the quarters.



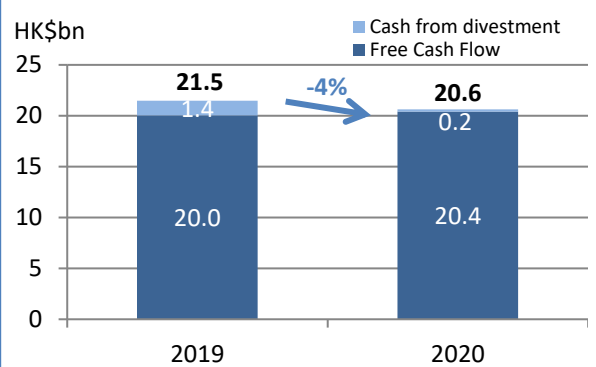
Source: Bloomberg

For more information:

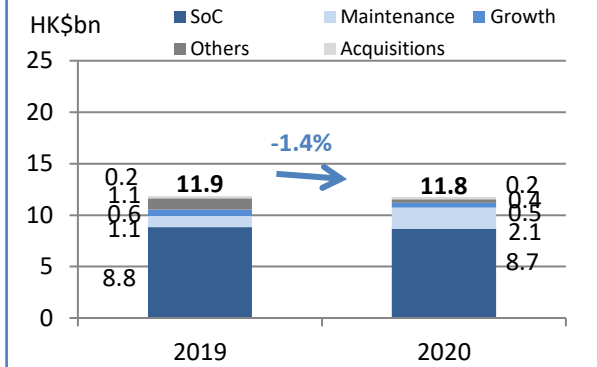


Capital investments and dividend supported by cash flow

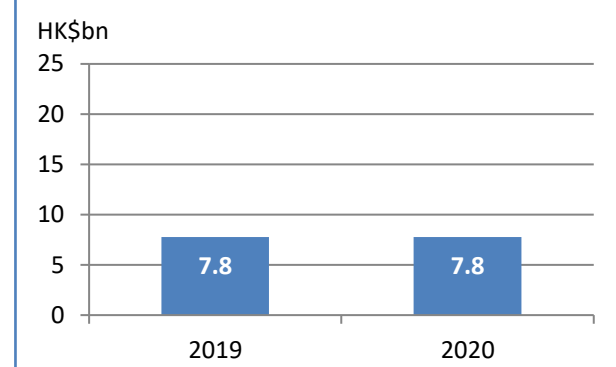
Cash Flow



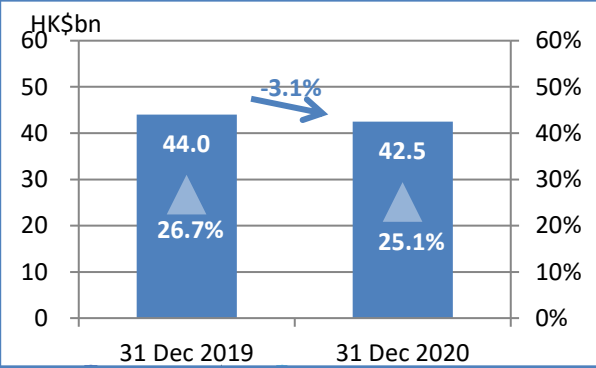
Capital Investments



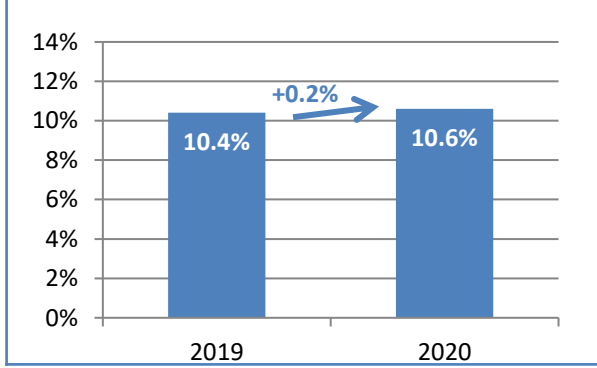
Dividend paid



Net Debt Net Debt/Total Capital



Operating Return on Equity *



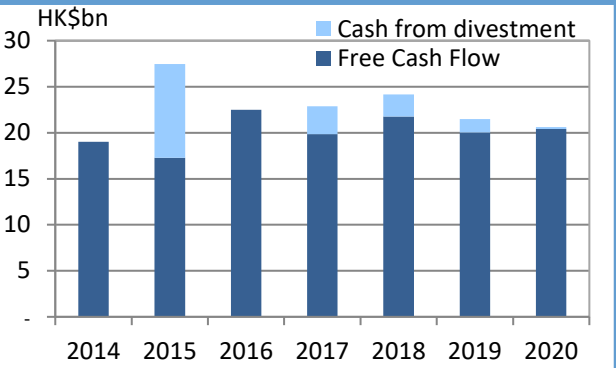
Credit Ratings#	S&P	Moody's
CLP Holdings	A Stable	A2 Stable
CLP Power Hong Kong	A+ Stable	A1 Stable
CAPCO	AA- Stable	A1 Stable
EnergyAustralia	BBB+ Stable	-

As at Jun 2021

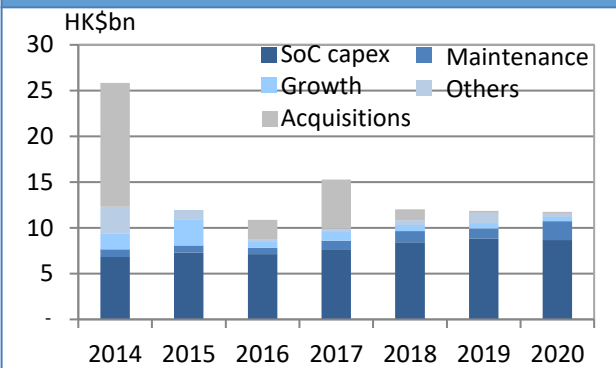
* Operating Earnings/Average Shareholders' fund

Financial Summary

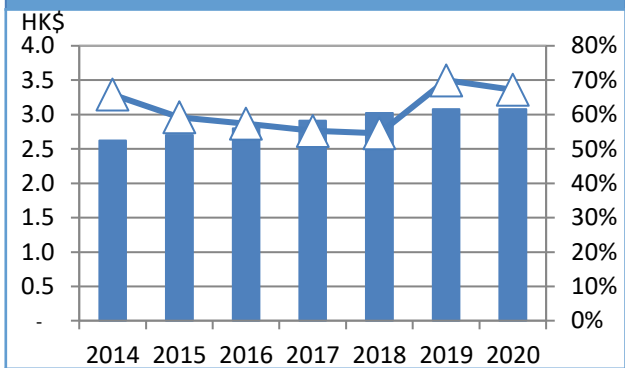
Free Cash Flows



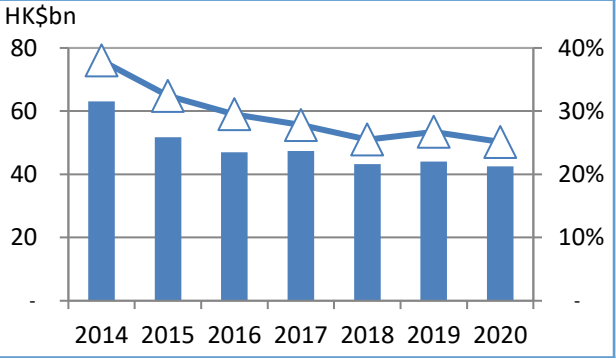
Capital Investment



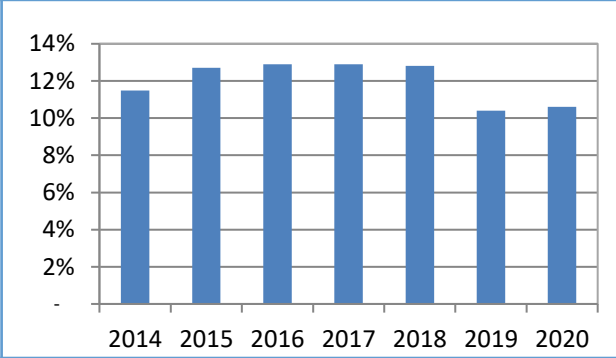
Dividend per share Dividend pay-out %^{▲*}



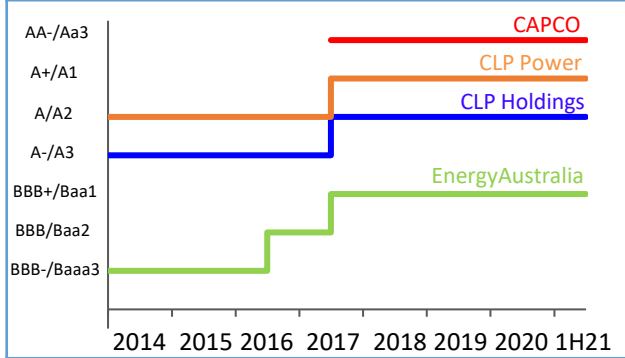
Net Debt Net Debt/Total Capital (%)[▲]



Operating Return On Equity (%)

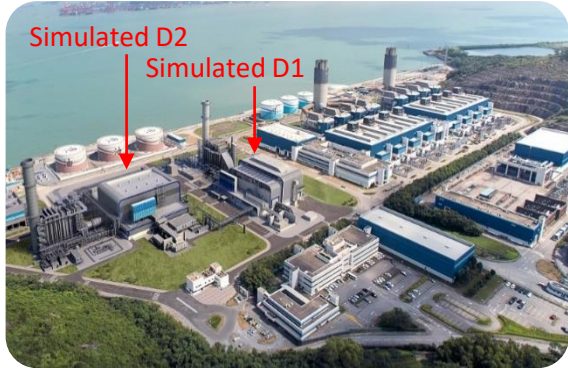


Credit Rating History (by S&P)



* Based on Operating Earnings

Accelerating the decarbonisation journey in Hong Kong

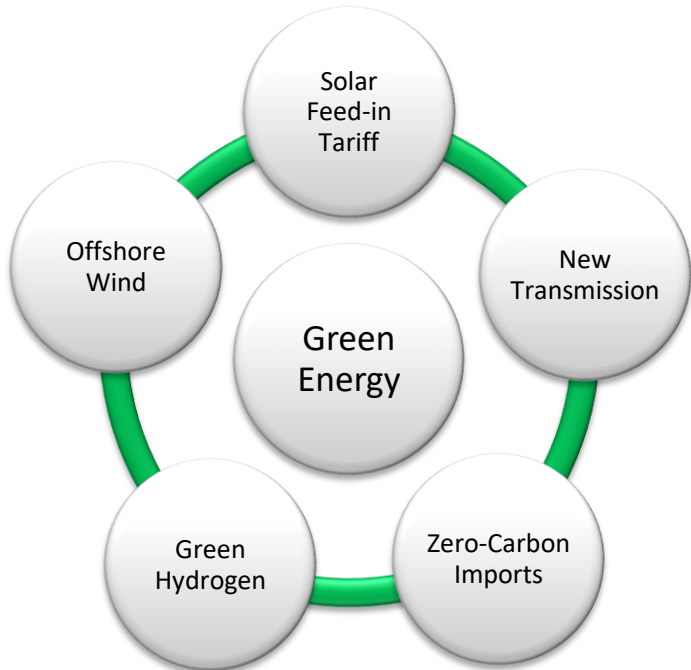


Construction of D1 & D2 CCGTs



Construction of the Offshore LNG terminal

Towards Carbon Neutral by 2050



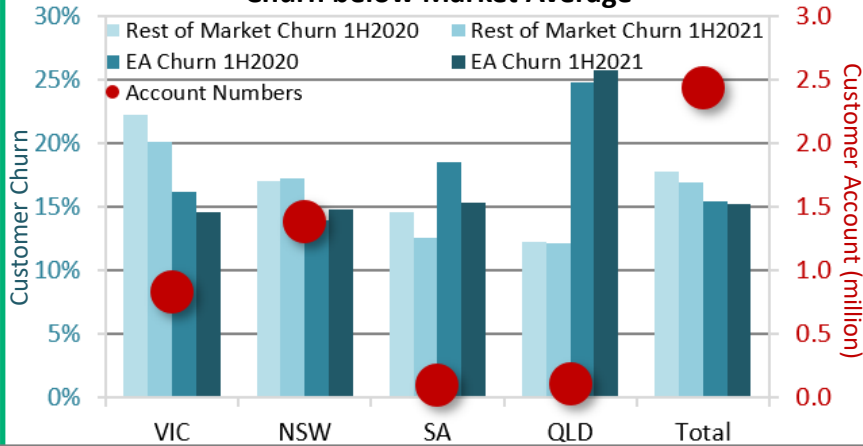
Clean Energy Transmission System



Potential Offshore Wind Farm

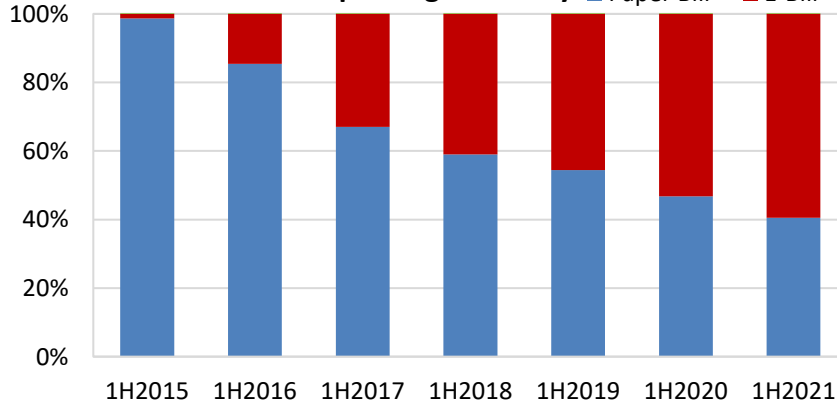
Australia – intense competition and volatile prices

Churn below Market Average

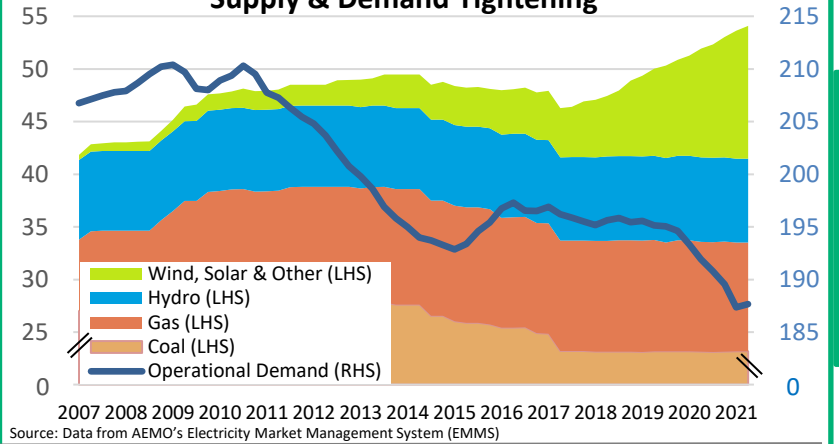


Customer (Retail)

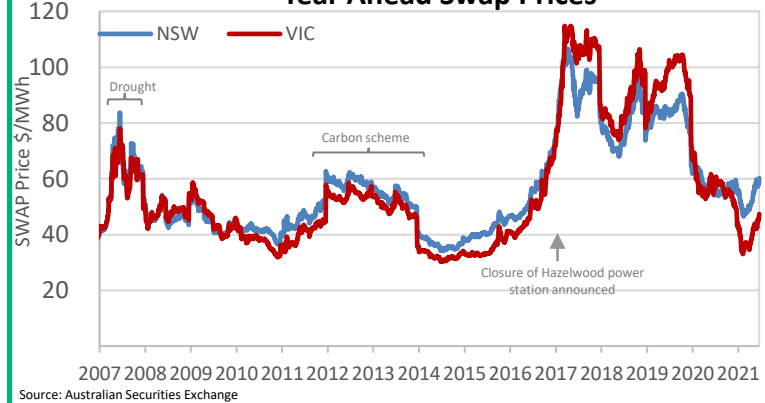
Improving Efficiency



Supply & Demand Tightening



Year Ahead Swap Prices





Vision

CLP's vision is to be the leading responsible energy provider in the Asia-Pacific region, from one generation to the next.

Mission

In a changing world, CLP's mission is to provide sustainable energy solutions to create value for shareholders, customers, employees and the wider community.

Values and Commitments

Our values guide us in fulfilling our mission and turning CLP's vision into reality. Our commitments are the promises that we make to our stakeholders about the way in which we will uphold our values.

Policies and Codes

CLP's policies and codes aid in the articulation and incorporation of our values and commitments into our everyday operations and practices.

Appendix 1: Environment, Social & Governance

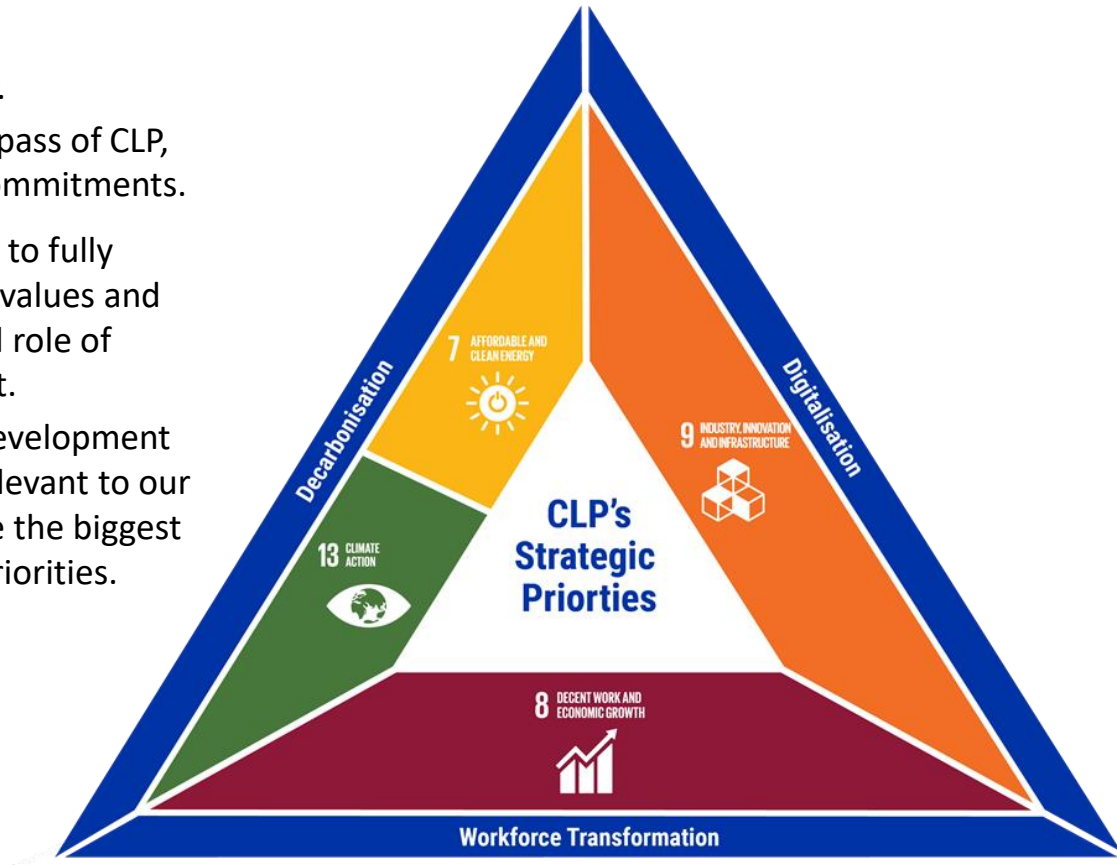
CLP's Value Framework



For more information

CLP's Sustainability Principles

- Sustainability has always been integral to CLP.
- Our Value Framework reflects the moral compass of CLP, articulating our values, vision, mission and commitments.
- In 2020, CLP's Value Framework was updated to fully integrate the Sustainability Principles into its values and commitments, and to underscore the integral role of sustainability in CLP's long-term development.
- CLP's prioritised four of the 17 Sustainable Development Goals (SDGs) that we consider as the most relevant to our business and where we are expected to make the biggest impact. They are aligned with our strategic priorities.

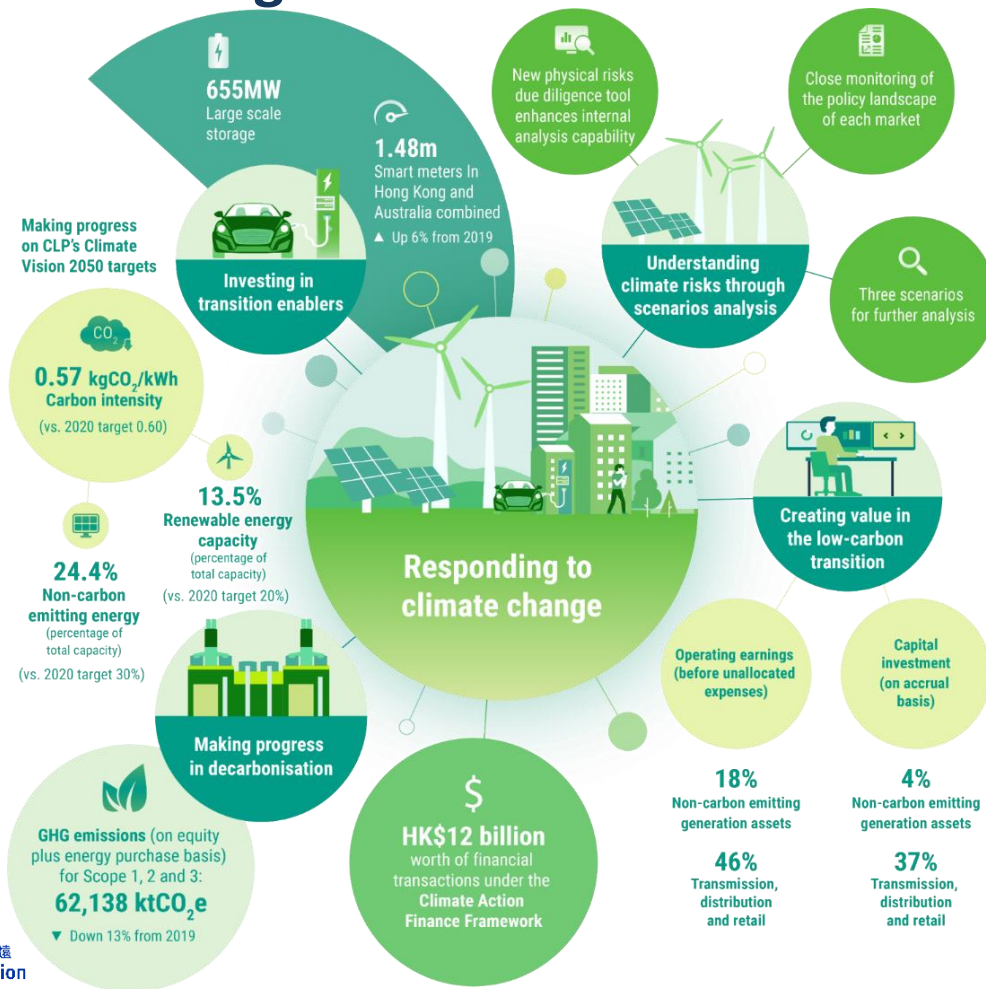


For more information on:
[Standard ESG Disclosure](#)

Building a 'Utility of the Future'



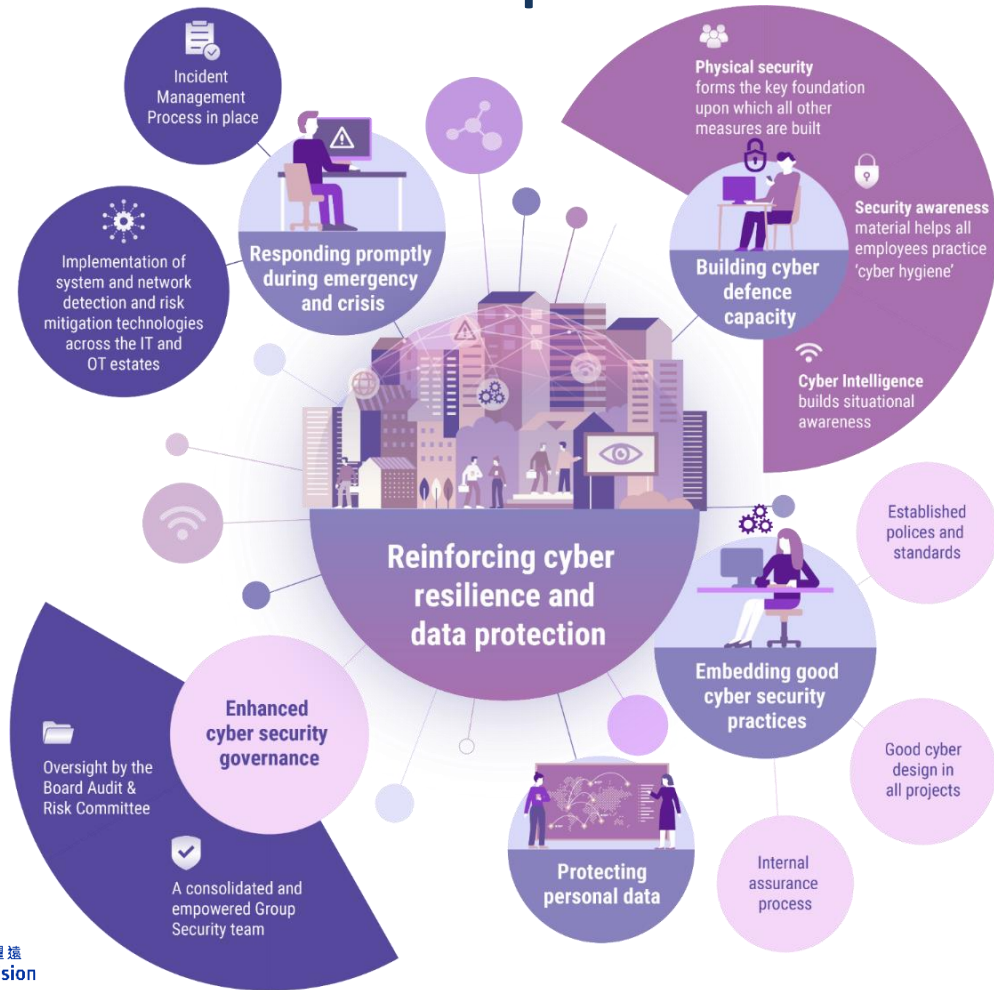
Responding to climate change



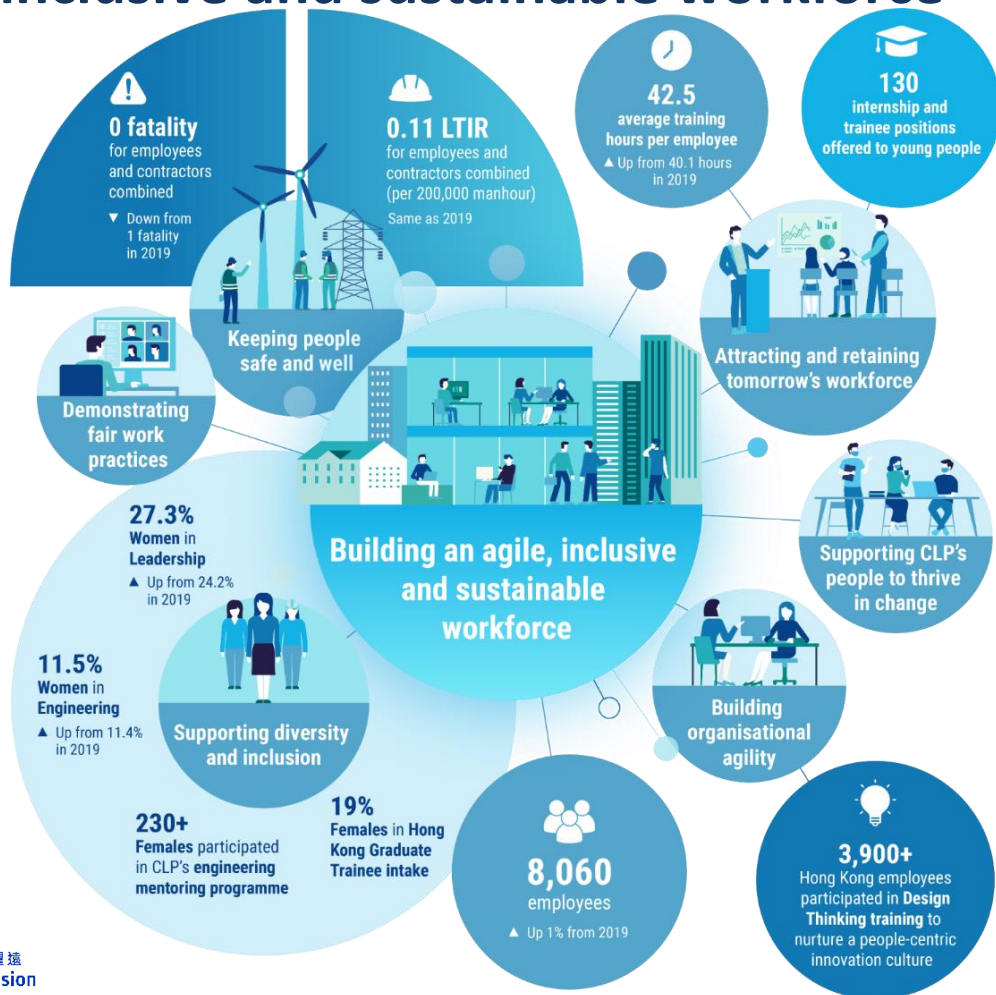
Harnessing the power of technology



Reinforcing cyber resilience and data protection



Building an agile, inclusive and sustainable workforce



Our People – Senior Leadership Team*



From the right:
Geert Herman August Peeters
*Executive Director & Chief Financial Officer*¹
(to 31 March 2021)

Yuen So Siu Mai Betty
Group Director & Vice Chairman – CLP Power Hong Kong

David Christopher Smales
Chief Operating Officer

Chong Wai Yan Quince
Chief Corporate Development Officer

David John Simmonds
Group General Counsel & Chief Administrative Officer, Company Secretary

Eileen Burnett-Kant
Chief Human Resources Officer

From the left:
Richard Kendall Lancaster
Chief Executive Officer

Chiang Tung Keung
Managing Director – CLP Power Hong Kong

Catherine Leigh Tanna
*Managing Director – EnergyAustralia*²
(to 30 June 2021)

Chan Siu Hung
Managing Director – China

Rajiv Ranjan Mishra
Managing Director – India



Nicolas Alain Marie Tissot
*Chief Financial Officer*¹
(From 1 April 2021)



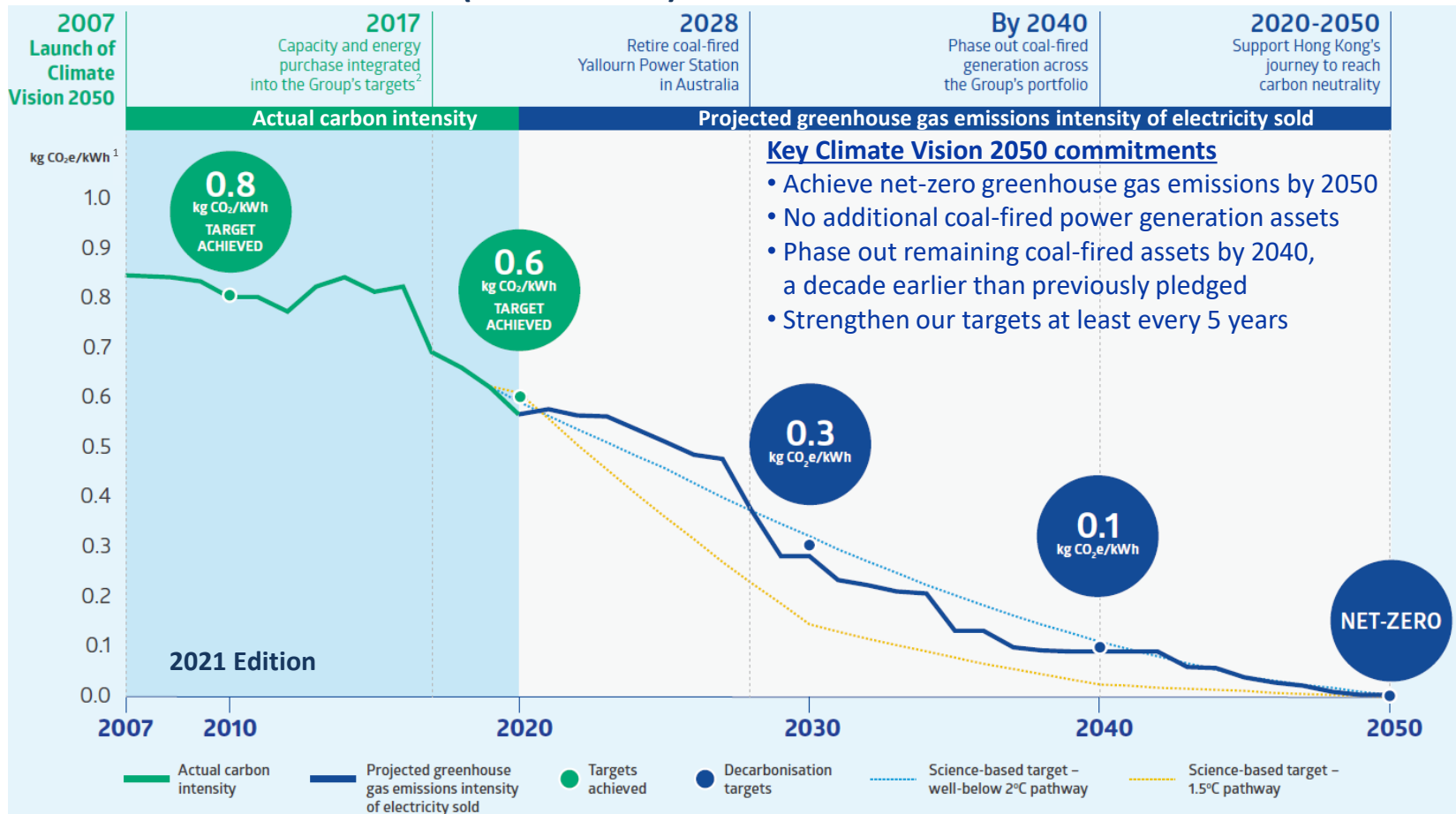
Mark Richard Collette
*Managing Director – EnergyAustralia*²
(From 1 July 2021)

¹ Appointment of Mr Tissot as Chief Financial Officer effective 1 April 2021

² Appointment of Mr Collette as Managing Director – EnergyAustralia effective 1 July 2021



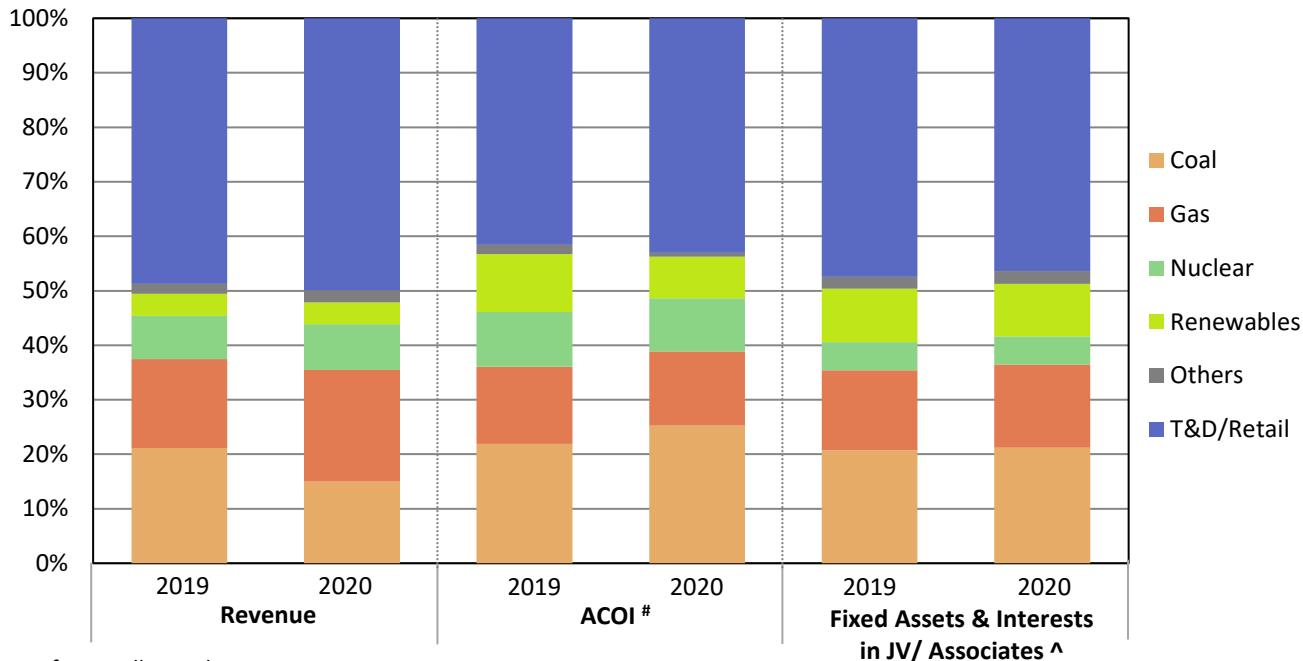
Climate Vision 2050 (2021 Edition)



Our Environment

Financial Metrics and Generation by Activity

- CLP's integrated business includes energy retailing, transmission and distribution (T&D) and generation
- Approximately half of our earnings are contributed by our energy retailing and T&D businesses
- Over 50% of our generation portfolio is zero emission or gas-fired

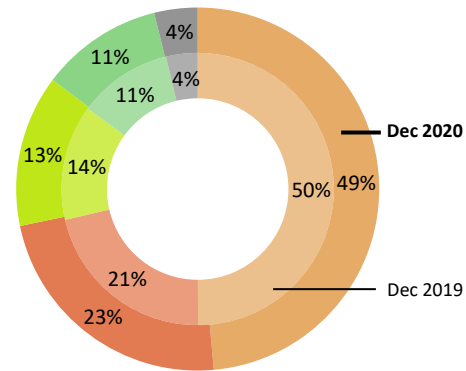


Before unallocated expense

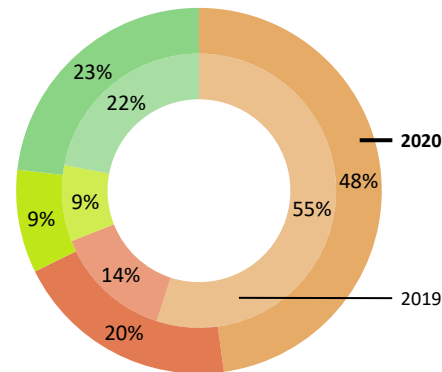
^ Included fixed assets, right-of-use assets/ leasehold land and land use rights, investment properties and interest in and loan to JV and Associates

* Equity basis plus long-term capacity and energy purchase arrangements. Includes battery discharge capacity

Generation and Storage Capacity*

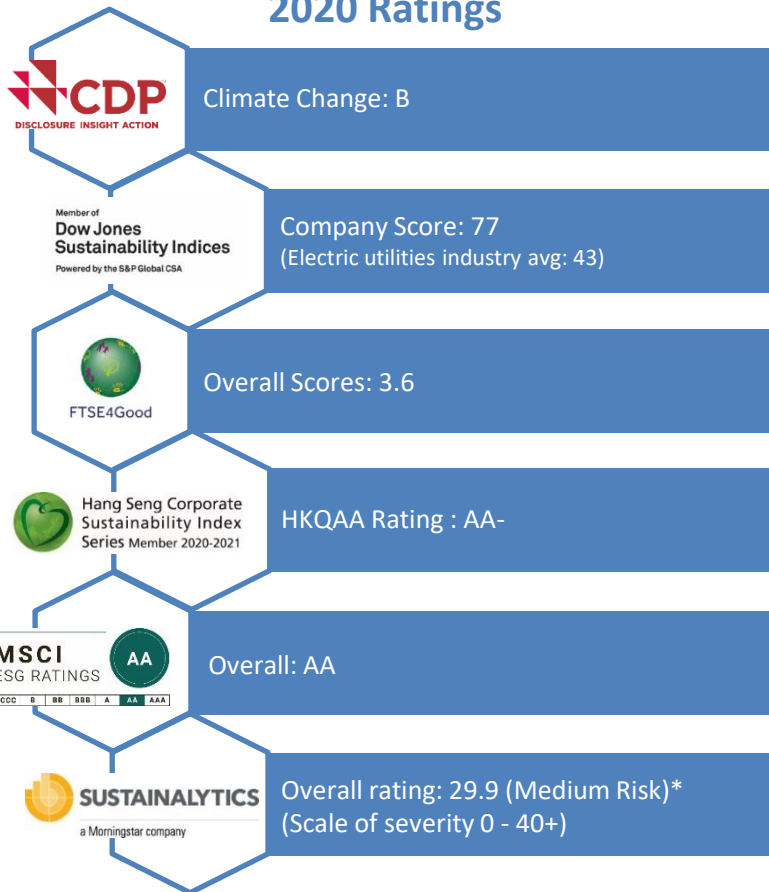


Energy Sent -out*



Key Sustainability Ratings & Awards

2020 Ratings



Awards & Recognitions

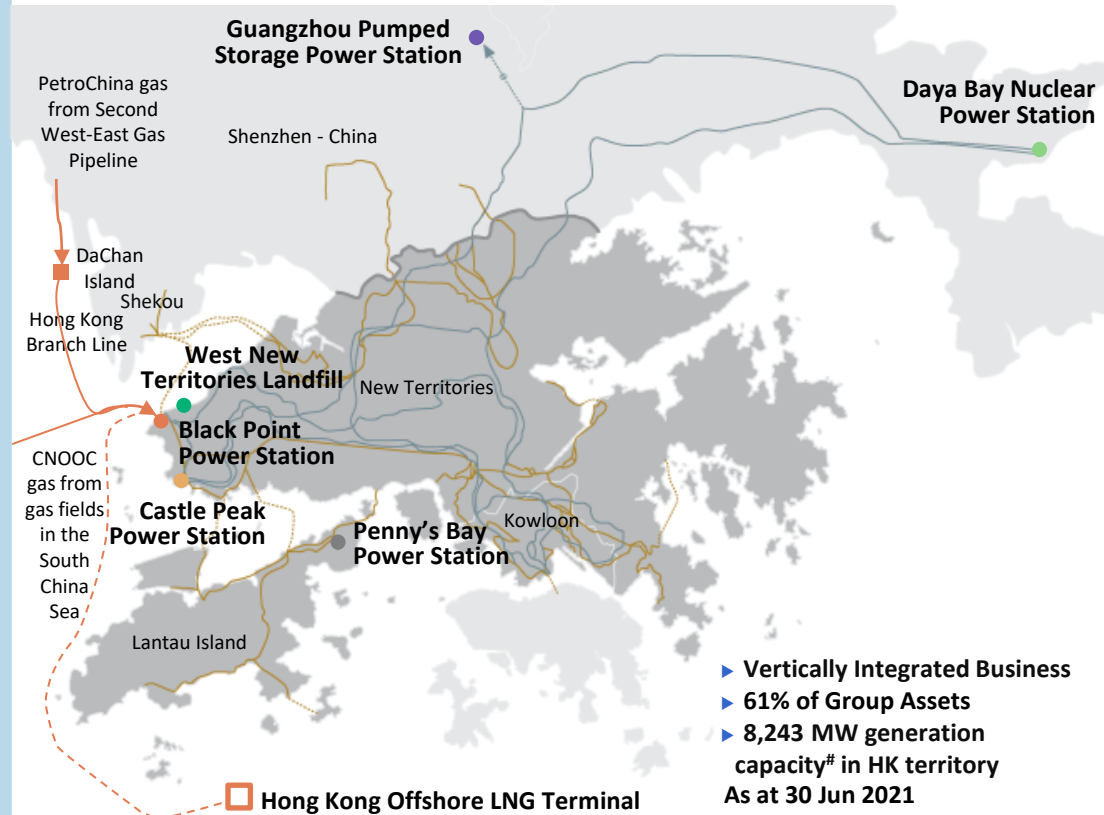




Appendix 2: Business Units Background

Yangjiang Nuclear Power Station, Guangdong, China

Hong Kong



- ▶ Vertically Integrated Business
- ▶ 61% of Group Assets
- ▶ 8,243 MW generation capacity# in HK territory As at 30 Jun 2021

● Coal Power
 ● Gas Power
 ● Nuclear Power
 ● Pumped Storage
 ● Diesel Oil
 ● Energy-from-waste
 ■ FSRU/Gas Station
— 132kV Circuit
 - - - 132kV Submarine Cable
 — 400kV Circuit
 — Gas pipeline
 - - - under construction

CLP has a vertically-integrated business in Hong Kong, which is the **core** of our operation.

The electricity supply in Hong Kong is regulated through the **Scheme of Control (SoC) Agreement** which is a contract signed between CLP and the Government. The current SoC runs for over 15 years from 1 October 2018 to 31 December 2033, with 8% return on average net fixed assets and more frequent Fuel Cost Adjustment.

We generate, distribute and provide a world-class electricity supply with a reliability rate of over **99.999%** to **2.7 million** customers, via over **16,300 km** of transmission and high voltage distribution lines. A multi-fuel generation portfolio of **8,243 MW** in Hong Kong territory provides power for our customers.

The first 5-year Development Plan under the current SoC was approved in July 2018 requiring expenditure of **HK\$52.9 billion** over 5.25 years, a 30% increase in annualised expenditure.



For more information on the Scheme of Control Agreement:

For more information on our presence in Hong Kong and other regions:



Generation Portfolio*

Hong Kong



Castle Peak Power Station (4,108/4,108 MW)
 - Castle Peak A – 1,400 MW, Castle Peak B – 2,708 MW
 - Coal-fired with gas option
 - Coal is mainly imported from Indonesia



Black Point Power Station (3,825/3,825 MW)
 - Natural gas-fired
 - Gas import from South China Sea and Central Asia
 - New D1 CCGT (550MW) in operation, D2 (600MW) under construction
 - Offshore LNG storage and offloading system under construction



Penny's Bay Power Station (300/300 MW)
 - Diesel-fired
 - Back-up facility



West New Territories Landfill (WENT) (10MW/10MW)
 - Landfill gas-to-energy



Powering over 80% of Hong Kong's population

Mainland China



Guangdong Daya Bay Nuclear Power Station (1,968/1,577 MW)
 - Located in Guangdong
 - Proportion of supply to Hong Kong is 80%



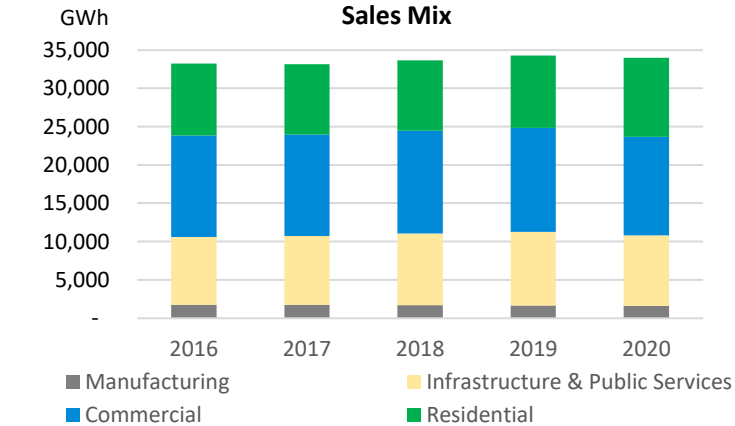
Guangzhou Pumped Storage Power Station (1,200/600 MW)
 - Located in Guangdong
 - CLP wholly owns Hong Kong Pumped Storage Development Company (PSDC), which has contractual rights to use 600MW generation capacity



Annual Electricity Sales and Capex

Electricity Sales

GWh	2020	2019	Change
Residential	10,298	9,451	9.0%
Commercial	12,878	13,584	(5.2%)
Infrastructure & Public Services	9,171	9,586	(4.3%)
Manufacturing	1,616	1,663	(2.8%)
Total Sales	33,963	34,284	(0.9%)

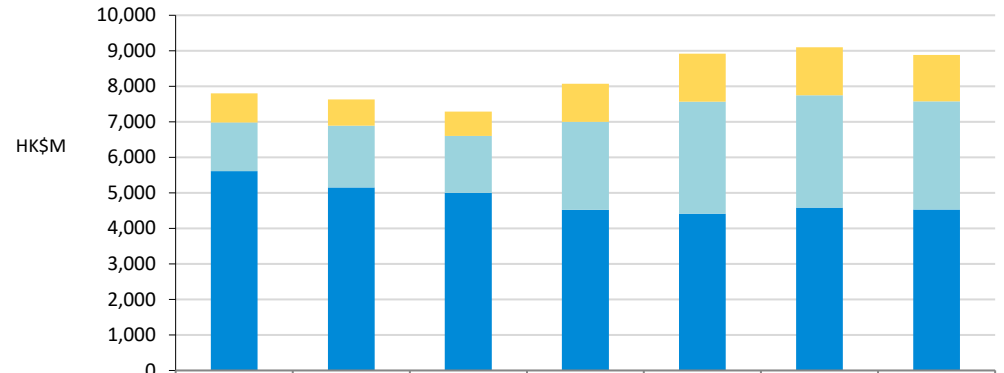


Note: Local sales compound annual growth rate = 0.5%

Capital Expenditure (Accrual basis)

HK\$M	2020	2019	Change
CLP Power HK	4,528	4,584	(1.2%)
CAPCO*	4,354	4,513	(3.5%)
Total Capex	8,882	9,097	(2.4%)

* Including CAPCO's 70% share in Hong Kong LNG Terminal Limited



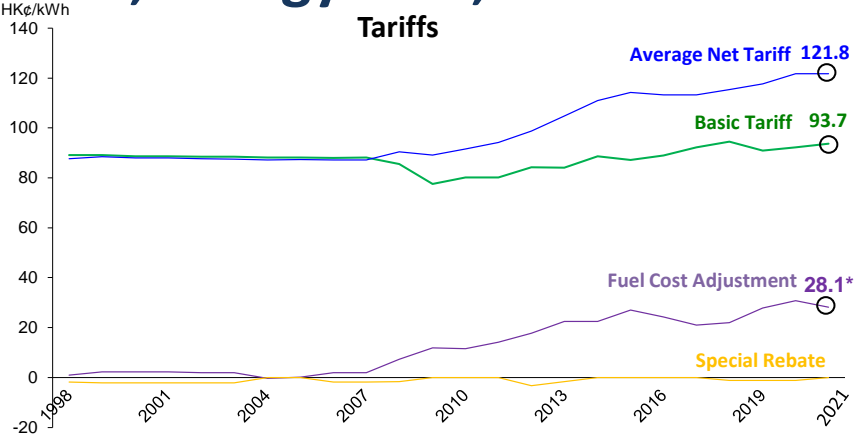
	2014	2015	2016	2017	2018	2019	2020
Total of CLP	6,983	6,887	6,603	7,004	7,569	7,743	7,576
■ CAPCO - JV partner	817	743	689	1,064	1,353	1,354	1,306
■ CAPCO - CLP's share	1,368	1,735	1,607	2,481	3,158	3,159	3,048
■ CLP Power	5,615	5,152	4,996	4,523	4,411	4,584	4,528

Total Capital Expenditure in line with Development Plan (DP)

Capex incurred in 2018 DP from Oct 2018 to Dec 2020: HK\$20.6 bn

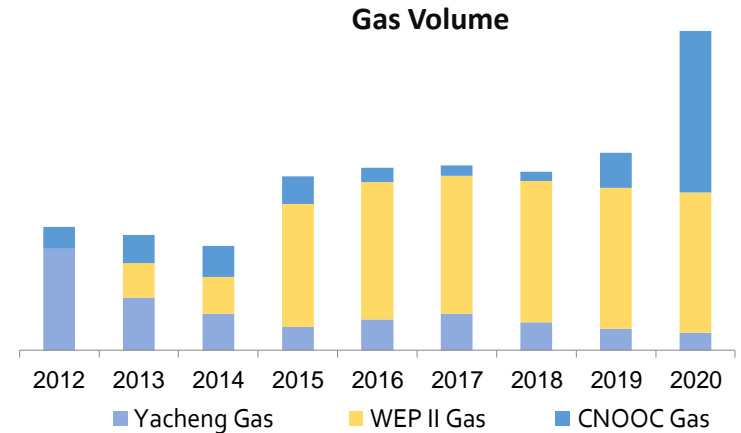
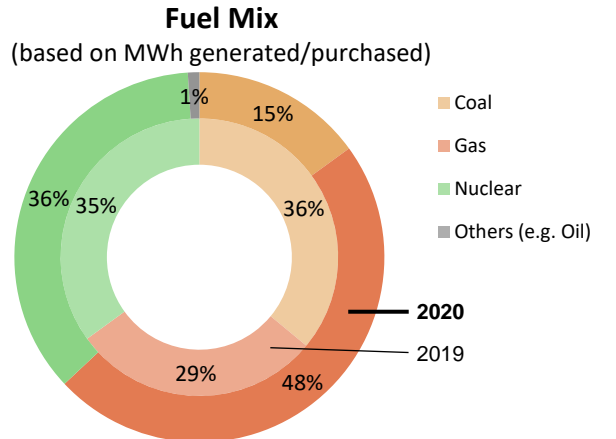
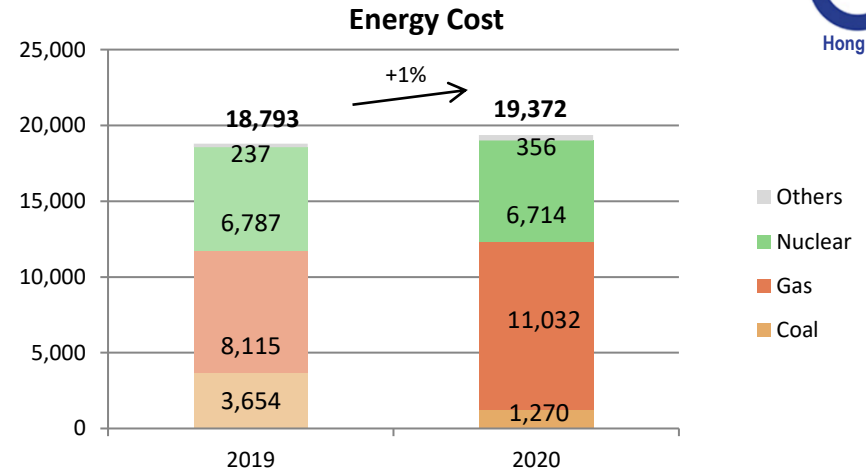
Capex approved under the 2018 DP from Oct 2018 to Dec 2023: HK\$52.9bn

Tariff, Energy Cost, Fuel Mix and Gas Volume



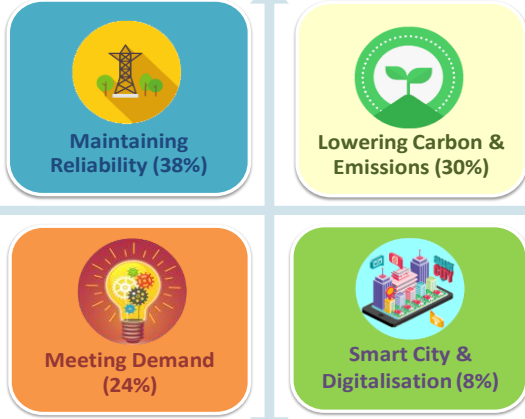
* As per rate announced in the annual tariff review. During the year, the Fuel Cost Adjustment is automatically adjusted on a monthly basis to reflect changes in actual price of fuel used.

HK\$M



Current Development Plan 2018-2023

Allocation of capital investment



Total Investment of HK\$52.9 billion (Oct 2018 – Dec 2023)

Key projects

- One additional CCGT D2 together with remaining cost of D1 (approved in 2016)
- Enhancement of existing gas generation facilities
- Offshore LNG Terminal
- Enhancement of Clean Energy Transmission System
- Installation of generation units at West New Territories Landfill
- Advanced Metering Infrastructure (AMI)
- Smart City and Digital Developments

Original Development Plan Forecasts

Year	2018	2019	2020	2021	2021	2022	2023
(HK\$/kWh)	Actual (Q4)	Actual	Actual	Actual	Development Plan Forecast announced in July 2018		
Basic Tariff	91.0		92.2 (+1.3%)	93.7 (+1.6%)	96.5 (+3.3%)	99.1 (+2.7%)	101.9 (+2.8%)
Fuel Clause Charge	27.8		30.8 (+10.8%)	28.1 (-8.8%)	36.2 (+11.7%)	37.4 (+3.3%)	37.4 (-)
Rent & Rates Special Rebate	(1.1)	- *	(1.2)	-*	-	-	-
Average Net Tariff	117.7	118.8	121.8 (+2.5%)	121.8 (Freeze)	132.7 (+5.5%)	136.5 (+2.9%)	139.3 (2.1%)
Year-end balance (\$m)	Actual	Actual	Actual	Revised est.	Development Plan Forecast announced in July 2018		
Tariff Stabilisation Fund	941	1,478	2,019	728	455	438	423
Fuel Clause Account	901	1,131	346	35	-614	7	24

Gas-fired Generation Capacity Expansion



Unit D1 now in operation

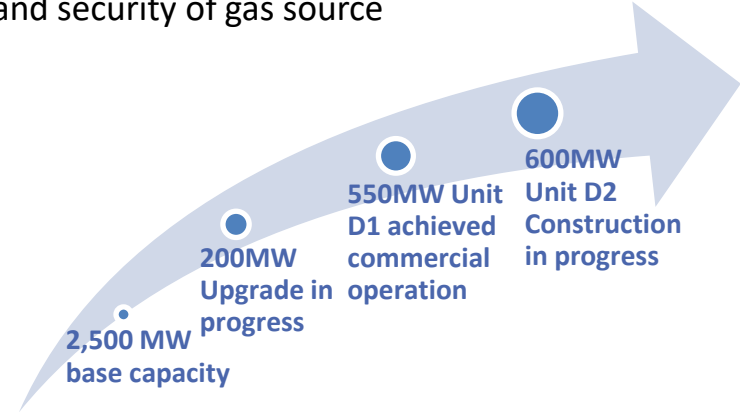


Unit D2 commenced construction



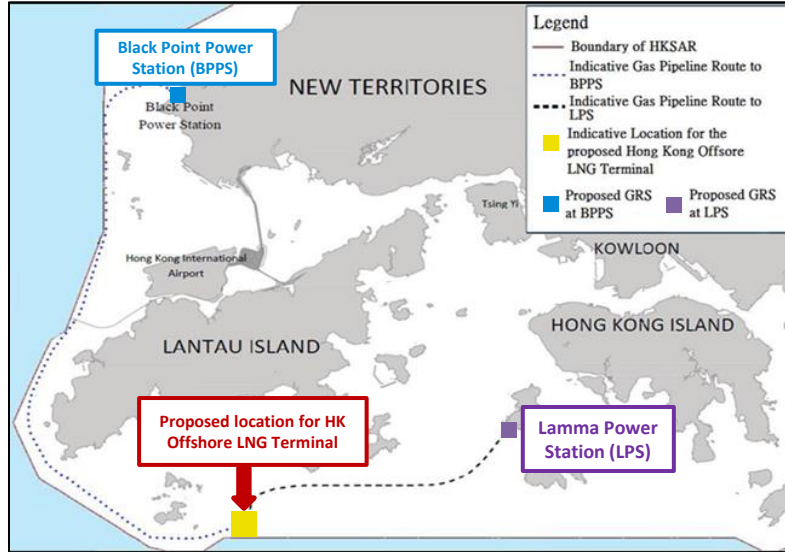
Upgrade of 8 existing units

- New generation units
 - 1st unit now in operation
 - 2nd unit early civil works are progressing well and engineering, procurement, and construction contracting is under way
- 200MW upgrade plan for existing units
 - 25MW for each of the eight existing units
 - 175MW completed to Jun 2021
- Offshore LNG Terminal to support diversification and security of gas source



- Additional gas capacity will help facilitate retirement Castle Peak A Power Station

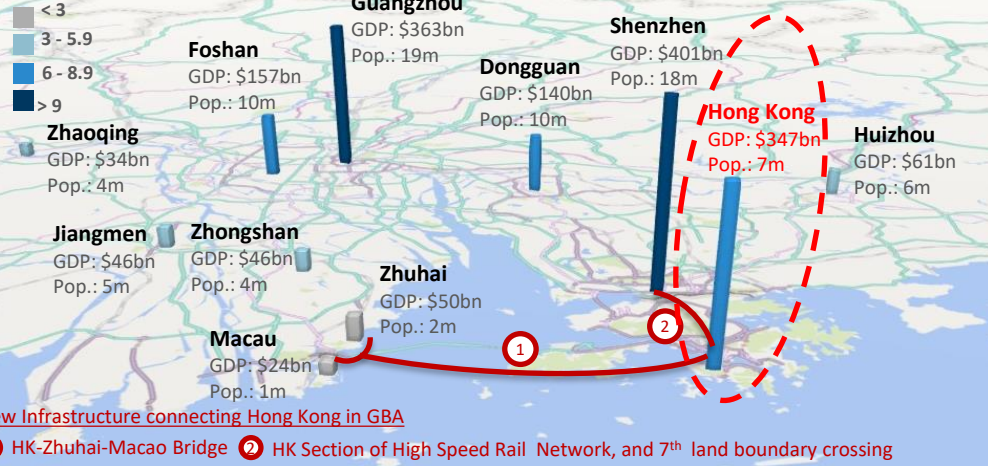
Hong Kong Offshore LNG Terminal Project



- The Offshore LNG Terminal is a critical infrastructure project that will improve Hong Kong’s energy security and diversity of gas supply, and provide access to the competitive international market. The Project was approved by the HKSAR Government on 4 July 2018 as part of its approval of the 2018 – 2023 Development Plan.
- The project consists of a floating storage and regasification unit (FSRU) vessel and an offshore jetty that is connected by subsea pipelines to the Black Point and Lamma Power Stations. The FSRU vessel is a dedicated facility with specialised equipment that will be moored at the jetty.
- Construction of the offshore LNG Terminal project started and installation of the first jacket structure at the jetty site was successfully completed. Laying of the subsea gas pipe is underway.
- The offshore LNG terminal is scheduled to commence commercial operation during 2022.

Greater Bay Area

Height: 2020 GDP (US\$ billion)
 Colour: 2020 Population (Pop.) (million)



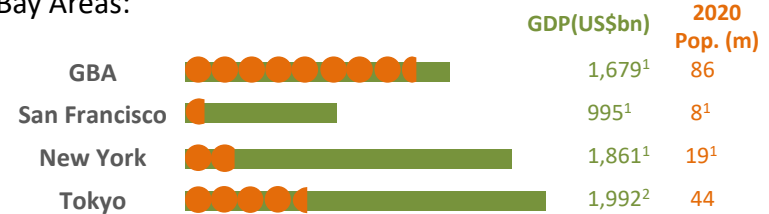
New Infrastructure connecting Hong Kong in GBA

- ① HK-Zhuhai-Macao Bridge
- ② HK Section of High Speed Rail Network, and 7th land boundary crossing

Source: Census and Statistics Department of Hong Kong, Statistics and Census Service of Macau, and the statistics bureaux of the relevant PRD cities, Hong Kong Trade Development Council (HKTDC), 23 June 2021

National significance

- Key element of China's blueprint for innovation, development & economic reforms leveraging capabilities and connecting GBA cities
- GDP US\$ 1.7 trillion, population 86 million. Comparison of Bay Areas:



1: 2019 figure 2: 2018 figure

Source: Government statistical departments in the relevant jurisdictions, HKTDC, 23 June 2021

Hong Kong's Position

- Most open and international GBA city, with dual advantages of "one country, two systems"
- International financial, transportation, trade centre & professional services
- Enhances regional economic development of the GBA, particularly in those industries where Hong Kong demonstrates strengths

Supporting Infrastructure Highlights

- Guangzhou-Shenzhen-Hong Kong Express Rail Link
- Liantang/Heung Yuen Wai Boundary Control Point
- Hong Kong-Shenzhen Innovation and Technology Park in the Lok Ma Chau Loop
- Hong Kong-Zhuhai-Macao Bridge
- Research infrastructure and facilities by Hong Kong Science and Technology Parks Corporation to enhance support for its tenants and incubates
- Clean Energy Transmission System Enhancement



Mainland China

Mainland China

▶ Generation Business, 15% of Group Assets

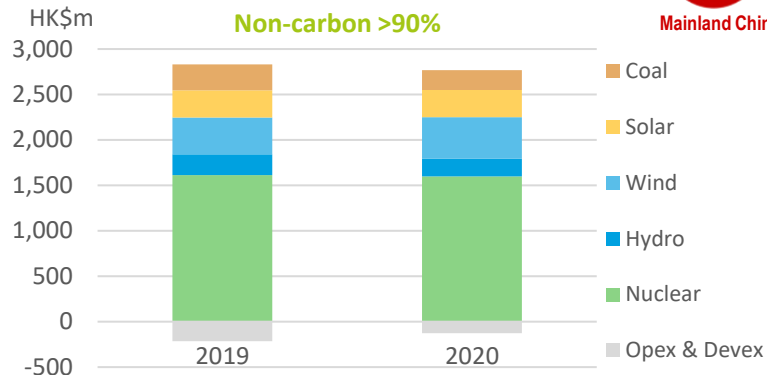
▶ 9,066 MW generation capacity#

As at 30 Jun 2021

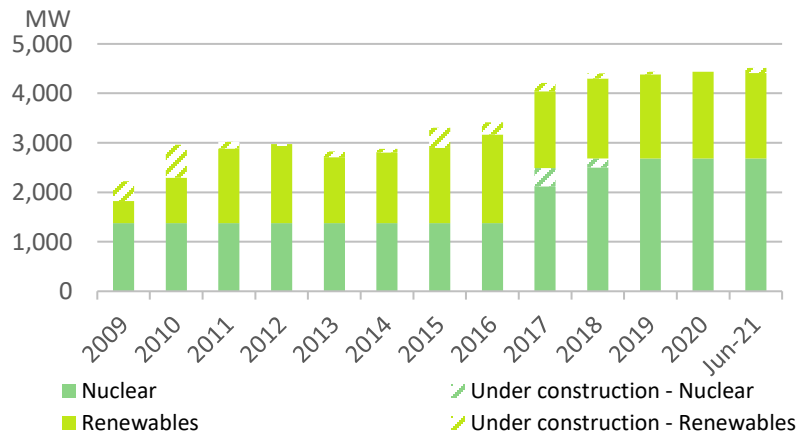


2020 ACOI

Non-carbon >90%



Non-carbon emitting portfolio# in Mainland China



- ✓ CLP is one of Mainland China's largest external independent power producers, diversified by geography & fuel type
- ✓ Over 90% of earnings from non-carbon generation
- ✓ Focus on decarbonization, digitalisation and energy infrastructure initiatives along the value chain, particularly in the Greater Bay Area



Mainland China

Generation Portfolio#

Wholly-owned

(2,552/1,952 MW)

Wind



- Wind Projects (644/644 MW)

Hydro



- Jiangbian (330/330 MW)
- Dali Yang_er (50/50 MW)
- Guangzhou Pumped Storage Power Station (1,200/600 MW)[^]

Solar



- Jinchang (85/85MW)
- Xicun I & II (84/84 MW)
- Sihong (93/93 MW)
- Huai'an (13/13 MW)
- Lingyuan (17/17 MW)
- Meizhou (36/36 MW)

Majority-owned

(2,709/1,916 MW)

Coal



- Fangchenggang I (1,260/882 MW)
- Fangchenggang II (1,320/924 MW)

Hydro



- Huaiji (129/110 MW)

Equally/ Minority-owned

(19,825/5,199 MW)

Coal



- Guohua (7,470/1,248 MW)
- SZPC (3,060/900 MW)

Nuclear



- Daya Bay (1,968/1,577 MW)
 - 25% equity; currently purchasing 80% of output
- Yangjiang (6,516/1,108 MW)
 - 17% equity

Wind



- Other wind projects (811/367 MW)

For more information on our presence in Mainland China and other regions:



[^] CLP wholly owns Hong Kong Pumped Storage Development Company (PSDC), which has contractual rights to use 600MW generation capacity

[#] Including long-term capacity and energy purchase arrangements



Mainland China

On-grid Tariffs

On-grid tariffs in the electricity market in Mainland China are set by the National Development and Reform Commission (NDRC).

- Daya Bay: Tariff determined by a formula based on operating costs. Profits calculated with reference to capacity factors
- Yangjiang: Benchmark tariff RMB0.4153/kWh effective Jul 2019; 20% output subject to competitive discount process; 3% competitive sales

Nuclear



- Four-tier tariffs vary by region depending on wind resource
- RMB 0.40 - 0.70/kWh for projects approved before 2019
- RMB 0.29 - 0.52/kWh guided tariff for projects 2019+
- New wind projects tariffs set by competitive bidding (grid-parity)
- Subsidy based on "lifetime utilisation hours caps" or 20 years

Wind



- Three-tier tariffs vary by region depending on solar resource
- RMB 0.55 - 1/kWh, incl. national subsidies, for projects approved and put into operation on or before 30 Jun 2019
- RMB 0.40 - 0.55/kWh guided tariff for projects after 1 Jul 2019
- New solar project tariffs set by competitive bidding (grid-parity)
- Subsidy based on "lifetime utilisation hours caps" or 20 years

Solar



- A wide range of tariffs may apply depending on the individual project, seasonality and time of the day

Hydro

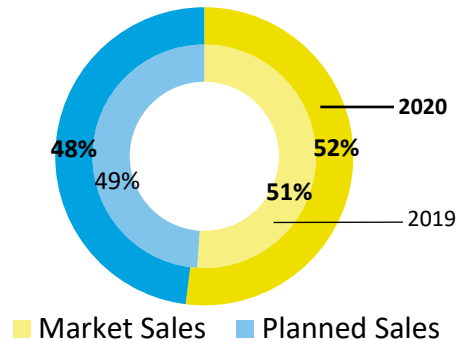


- Tariff setting mechanism has been changing from a top-down benchmark tariff to a more market-oriented pricing system during the power sector reform process
- Additional subsidising tariffs will be provided to individual plants on reduction of NOx, SOx and dust emission during operation

Coal



CLP Mainland China 2020
Approximate % Allocation of Market Sales



- Market sales in 2020 predominately related to Fangchenggang coal-fired power station in Guangxi

Update for 2021 Interim

Climate Policy and National Carbon Market

China has set ambitious climate change targets

2030



2060

- Reduce CO2 emissions per unit of GDP by **over 65%** compared to 2005 level
- Increase share of non-fossil fuel energy to **around 25%**
- Peak CO2 emissions
- Carbon Neutrality

China's National Emission Trading Scheme (ETS)

- ETS Market officially launched on 16 July 2021 with an initial price at ~RMB 50/ton and only covers coal and gas-fired generators
- Over 2,000 fossil fuel power plants with total emissions of over 4 billion tons of CO₂ are covered under the scheme
- Allowance granted by the Government is the credit to be used for meeting compliance obligations
- Pre-allocated allowances (based on 70% of the plant's power supply in 2018) already dispatched to the participants and can be traded, and final adjustments will be conducted by the end of September 2021
- A dedicated team manages our carbon portfolio to optimise trading and compliance for the coal-fired assets
- We are exploring carbon abatement technologies to reduce emission and seeking to expand our non-carbon generation



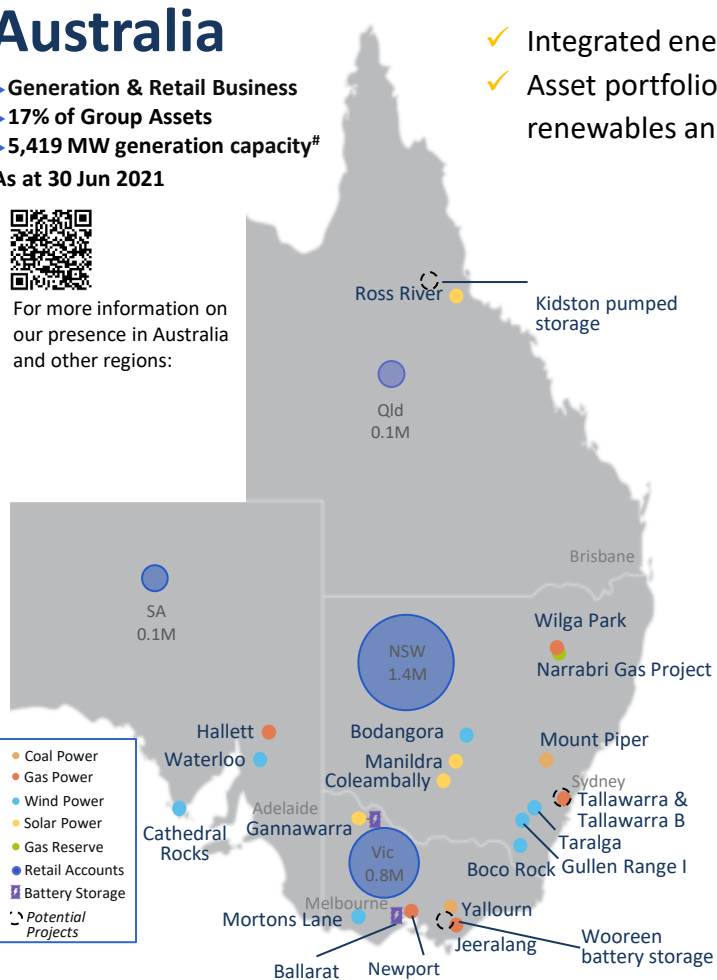
Australia

- ▶ Generation & Retail Business
- ▶ 17% of Group Assets
- ▶ 5,419 MW generation capacity#

As at 30 Jun 2021



For more information on our presence in Australia and other regions:



- ✓ Integrated energy business serving 2.4 million customer accounts across southeast Australia
- ✓ Asset portfolio includes coal, gas and wind generation with an extensive range of long-term renewables and storage contracts

Coal (2,910/2,910MW)



- Yallourn (1,480/1,480MW)
- Mount Piper (1,430/1,430MW)

Gas Resource



- Narrabri gas project (2C contingent resource of up to 1,200/240PJ)

Gas Generation (1,617/1,599MW)



- Hallett (235/235MW)
- Newport (500/500MW)
- Jeeralang (440/440MW)
- Tallawarra (420/420MW)
- Wilga Park (22/4MW)

Wind (693/560MW)



- Cathedral Rocks (64/32 MW)
- Mortons Lane (20/20MW) #
- Waterloo (111/56MW) #
- Bodangora (113/68MW) #
- Gullen Range I (166/166MW) #
- Boco Rock (113/113MW) #
- Taralga (107/107MW) #

Solar (362/294MW)



- Gannawarra (50/50 MW) #
- Ross River (116/93MW) #
- Manildra (46/46MW) #
- Coleambally (150/105MW) #

Battery Storage (55MW/80MWh)



- Gannawarra (25 MW/50 MWh)
- Ballarat (30 MW/30 MWh)

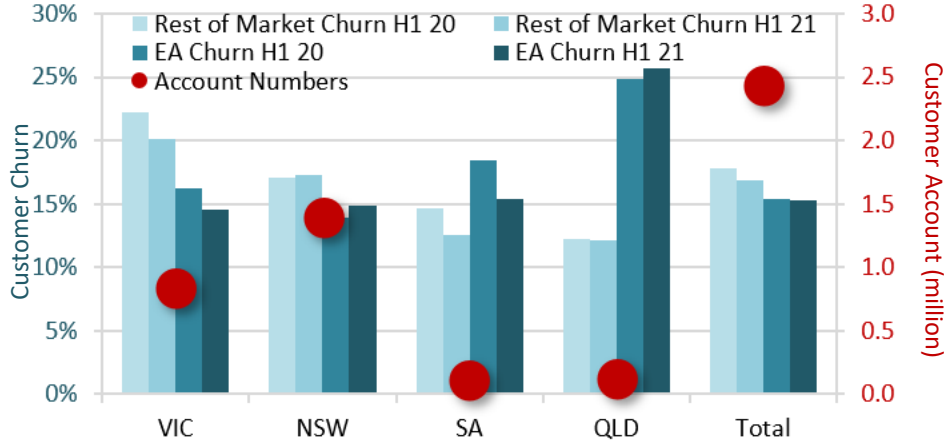
Potential Projects[^]

- Tallawarra B gas/hydrogen generator (316/316MW)
- Wooreen battery storage (350/1,400MWh)
- Kidston pumped hydro storage (250/250MW) #

As at
30 Jun 2021

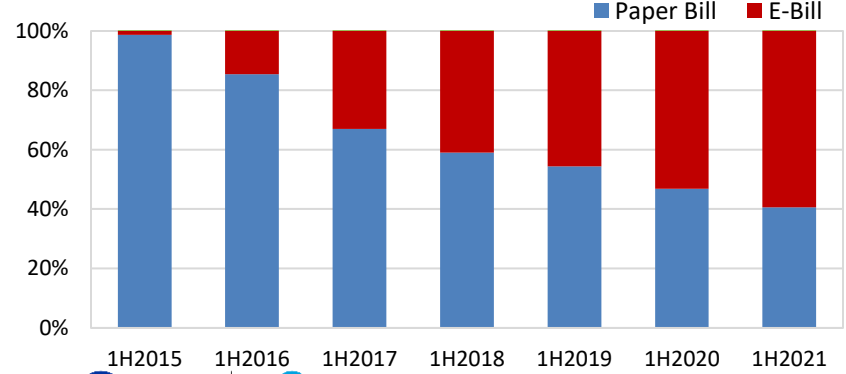
Retail Market Conditions

EnergyAustralia Churn vs Market Churn

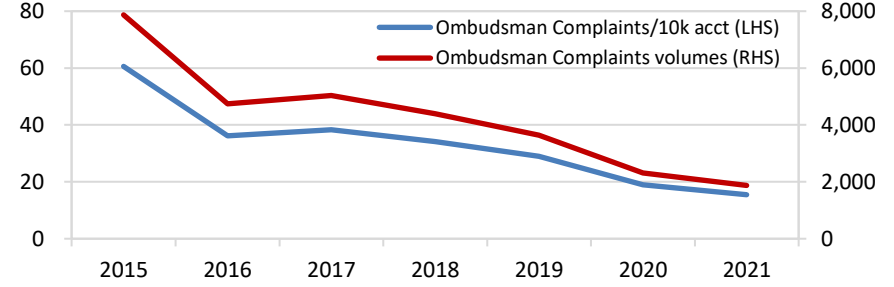


- EnergyAustralia continues to support customers recovering from financial hardship as a result of COVID-19 impacts.
- Churn rates remain similar to 1H2020, however there has been an increase in move home churn offset by a similar decrease in change of retailer churn.
- Automation and digitisation remain key drivers of efficiency improvements and cost reduction.
- Ombudsman complaints have continued to decline. EnergyAustralia will continue to focus on extending appropriate support to customers.
- Reduction in bad and doubtful debts as economic challenges arising from COVID-19 have not repeated in 1H2021.

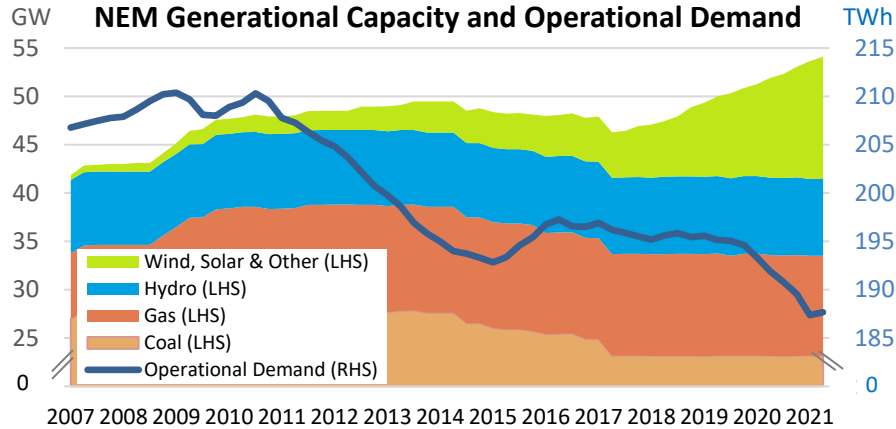
EnergyAustralia E-billing Update



Ombudsman Complaints



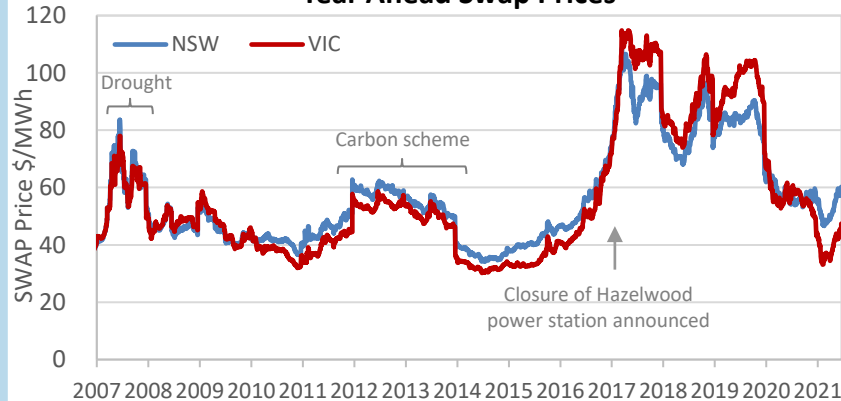
Wholesale Market Conditions



Source: Data from AEMO's Electricity Market Management System (EMMS)

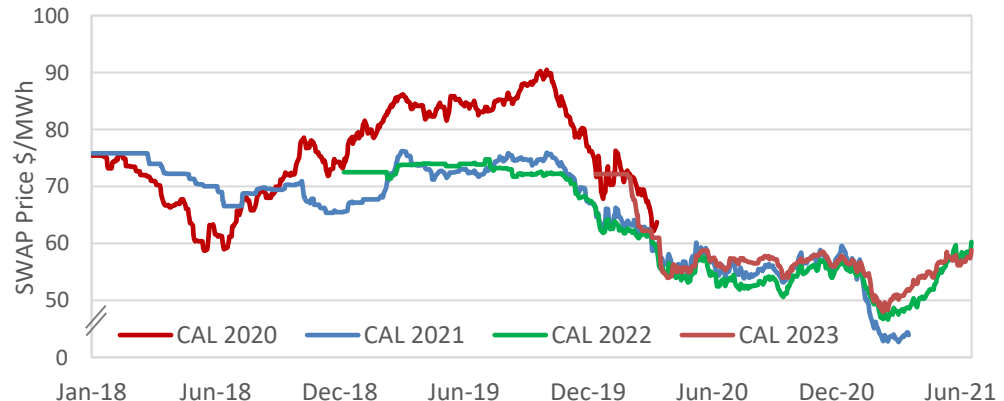
- Wholesale prices in 2021 have been the opposite of usual trends with low summer prices (resulting from cooler summer temperatures and increased renewables) and high winter prices (impacted by less coal generation due to outages across the National Electricity Market).
- Low forward prices are expected to continue with potential volatility from an ageing fleet.
- Our focus remains on the availability and reliability of the existing fleet while we complete major outages. We will also progress new flexible generation ahead of major coal retirements including construction of Tallawarra B and planning for the Wooreen Battery.

Year Ahead Swap Prices



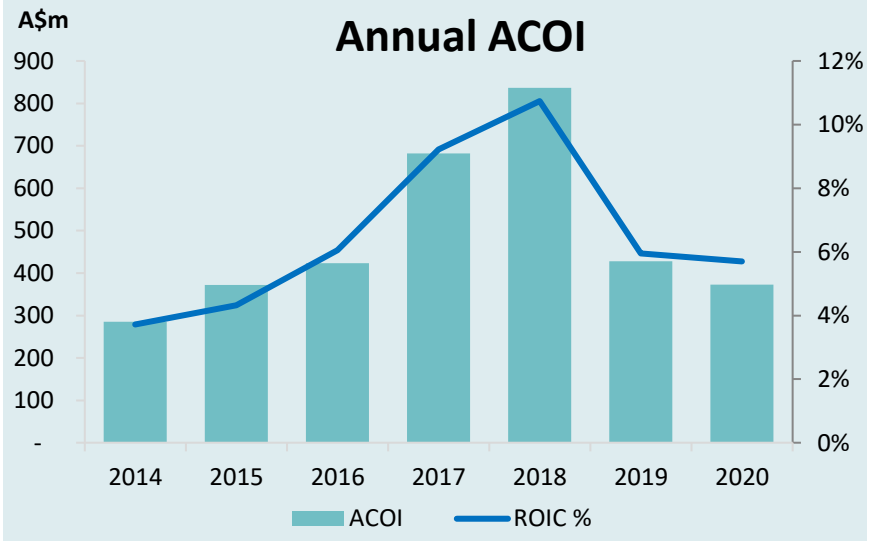
Source: Australian Securities Exchange

Calendar Year NSW Swap Prices over time



EnergyAustralia - Return on Invested Capital

- In 2014 EnergyAustralia embarked on a programme to “Restore value” and lift the return on invested capital (ROIC) to the weighted average cost of capital of the business.
- From 2014 onwards, implementation of new systems, reorganisation of call center operations, improvements in operational efficiencies, the launch of new products and services and a focus on asset performance and reliability resulted in significant improvements. This was further boosted by high wholesale electricity prices through 2017 and 2018.
- The re-regulation of retail electricity prices from 1 July 2019, combined with coal supply constraints at the Mt Piper Power Station led to a significant reduction in earnings in 2019.
- Asset performance returned to normal levels in 2020. However, a full year of retail price caps, major planned maintenance outages, and a decline in forward prices resulted in continuing pressure on earnings through the year.
- EnergyAustralia’s focus remains improving process efficiency and digitalisation to make things easy and effortless for customers; optimising generation availability and efficiency; and the deployment of flexible capacity opportunities to support the integration of renewable generation in the Australian market.



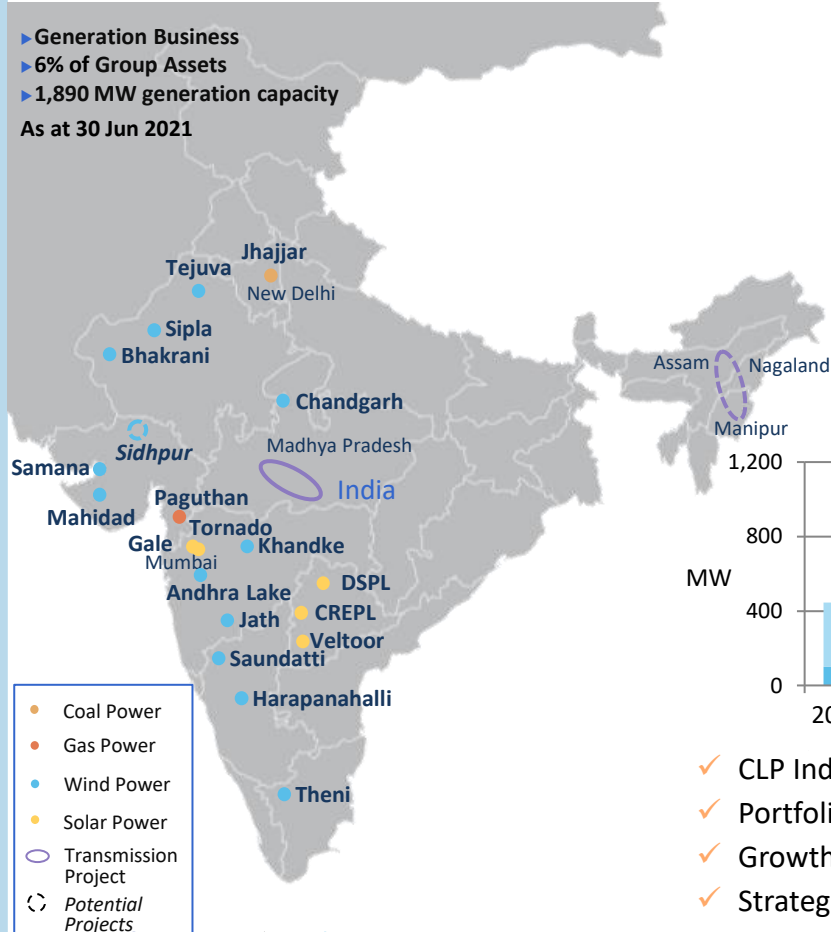
A\$m	Actuals						
	2014	2015	2016	2017	2018	2019	2020
ACOI (before tax)	285	372	423	682	837	428	373
ACOI (post-nominal tax)	199	261	296	476	586	300	261
Invested Capital (Avg.) ⁽¹⁾	6,037	5,686	5,065	5,178	5,453	5,030	4,582
ROIC ⁽²⁾	3.3%	4.6%	5.9%	9.2%	10.7%	6.0%	5.7%

(1): Average Invested Capital consists of net fixed assets, net working capital, equity investments and intangibles, excluding deferred tax assets & liabilities, financial assets, cash and cash equivalents, and short and long-term debt. Asset values are based on written down and post-impairment positions.

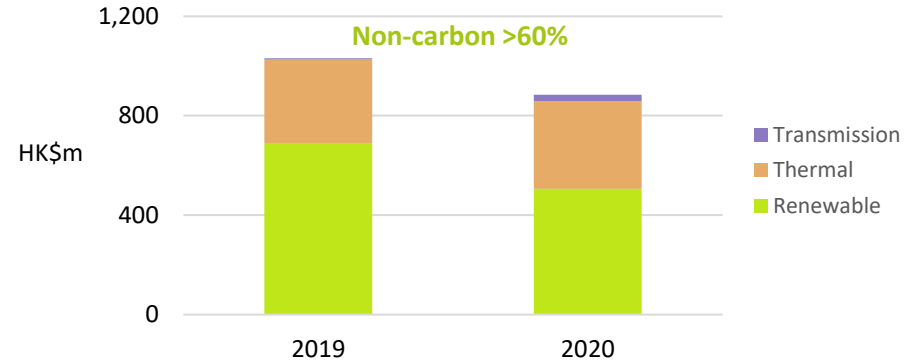
(2): Return on Invested Capital = ACOI (post-nominal tax) / Invested Capital (Average). Note that ACOI is adjusted for nominal tax payable at 30%.

India

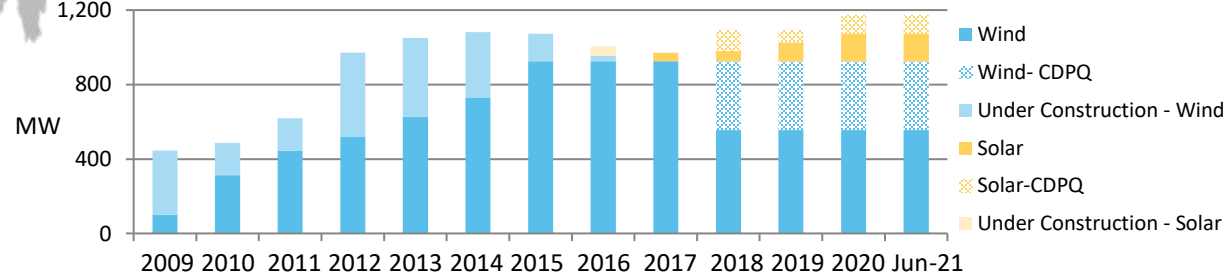
- ▶ Generation Business
 - ▶ 6% of Group Assets
 - ▶ 1,890 MW generation capacity
- As at 30 Jun 2021



2020 Annual ACOI



Renewable Portfolio in India



- ✓ CLP India has invested in renewables for over a decade
- ✓ Portfolio diversified by fuel and location
- ✓ Growth opportunities are increasingly competitive
- ✓ Strategic partnership with Caisse de dépôt et placement du Québec (CDPQ) is focused on new investment opportunities in zero emission technologies

Asset Portfolio

Jhajjar (1,320/792MW)



- 2x660MW supercritical coal-fired units
- Return based on availability

Paguthan (655/393MW)



- Combined-cycle gas-fired power plant
- PPA ended Dec 2018, generation on call

Solar Projects (250/150MW)



Return based on fixed tariff for 25 years

- Veltloor (100/60MW)
- Gale (50/30MW)
- Tornado (20/12MW)
- CREPL (30/18MW)
- DSPL (50/30MW)

Wind Projects (924/555MW)



Return based on fixed tariff per individual power purchase agreement

- | | | |
|----------------------------|--------------------------|-------------------------|
| • Khandke (50/30MW) | • Andhra Lake (106/64MW) | • Tejuva (101/60MW) |
| • Samana I & II (101/60MW) | • Sipla (50/30MW) | • Chandgarh (92/55MW) |
| • Saundatti (72/43MW) | • Bhakrani (102/61MW) | • Sidhpur * (252/151MW) |
| • Theni I & II (100/60MW) | • Mahidad (50/30MW) | |
| • Harapanahalli (40/24MW) | • Jath (60/36MW) | |

- Suzlon has mobilised its staff and the WTG foundation works to commence by July 2021 for Sidhpur wind project.
- As COVID-19 cases rose sharply in the second wave of the pandemic in India this year, CLP India strengthened its efforts to protect the health and safety of employees and maintain reliable operations in support of customers. Increased precautions including contact tracing and testing have been implemented in CLP India's operations. The CLP Group and CLP India provided support for relief efforts in local communities, including the procurement of oxygen and other critical medical supplies.

For more information on our presence in India and other regions:



Transmission Projects (240km)



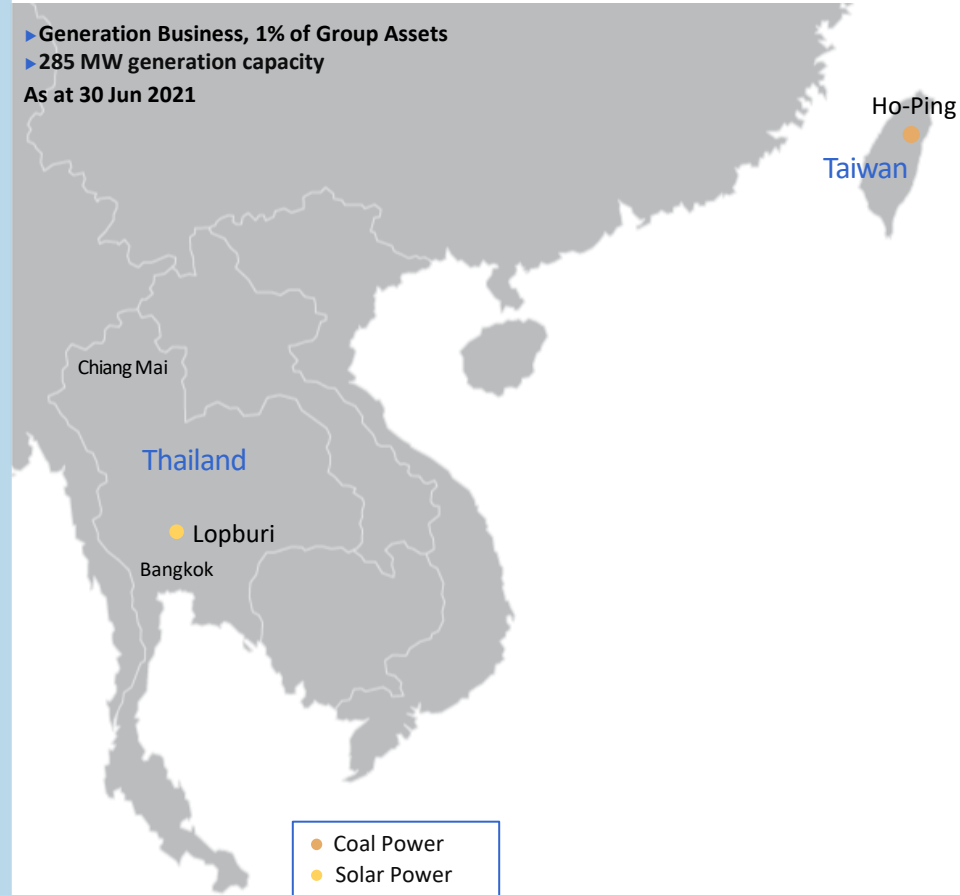
- STPL - operational (240km)
- Intra-state, Madhya Pradesh
- KMTL* - operational (251km)
- Inter-state, Manipur – Nagaland – Assam



Southeast Asia and Taiwan

- ▶ Generation Business, 1% of Group Assets
- ▶ 285 MW generation capacity

As at 30 Jun 2021



- ✓ Contribution from existing projects in Thailand and Taiwan
- ✓ Exploring renewable and smart energy opportunities

Ho-Ping (1,320/264MW)



- Coal-fired
- 20% equity interest
- Return based on availability and output

Taiwan

Lopburi (63/21MW)



- Solar
- 33.3% equity interest
- Return based on utilisation

Thailand

For more information on our presence in Southeast Asia, Taiwan and other regions:





Appendix 3:
Group Financials

Black Point Power Station D1, Hong Kong

Annual Group Financial Performance

HK\$M	2020	2019	Change
<u>Operating Earnings</u>			
Hong Kong electricity and related activities	8,088	7,659	↑ 5.6%
Mainland China	2,233	2,277	↓ 1.9%
Australia	1,690	1,566	↑ 7.9%
India	175	263	↓ 33.5%
Southeast Asia and Taiwan	386	335	↑ 15.2%
Other earnings and unallocated items	(995)	(979)	↓ 1.6%
<u>Operating Earnings</u>	11,577	11,121	↑ 4.1%
Items affecting comparability ⁽¹⁾	(121)	(6,464)	
<u>Total Earnings</u>	11,456	4,657	↑ 146%

Annual Adjusted Current Operating Income (ACOI)

HK\$M	2020	2019	Change
Operating Earnings (Attributable to CLP)	11,577	11,121	↑ 4.1%
Exclude:			
Fair value adjustments	460	(176)	
Net finance costs ⁽¹⁾	(1,875)	(2,033)	
Income tax expense	(2,993)	(2,787)	
Non-controlling interests	(914)	(885)	
ACOI	16,899	17,002	↓ 0.6%

(1) Included the distribution to perpetual capital securities holders

Adjusted Current Operating Income or ACOI

- ACOI equals EBIT excluding items affecting comparability and fair value adjustments, and includes the Group's share in net earnings from joint ventures and associates

Fair value adjustments

- Predominantly favourable movement as a result of EnergyAustralia's net sold energy derivative contracts impacted by lower forward electricity prices

Net finance costs ⁽¹⁾

- Decrease in net finance cost mainly attributable to reduced amount of perpetual capital securities and lower average rates

Income tax expense

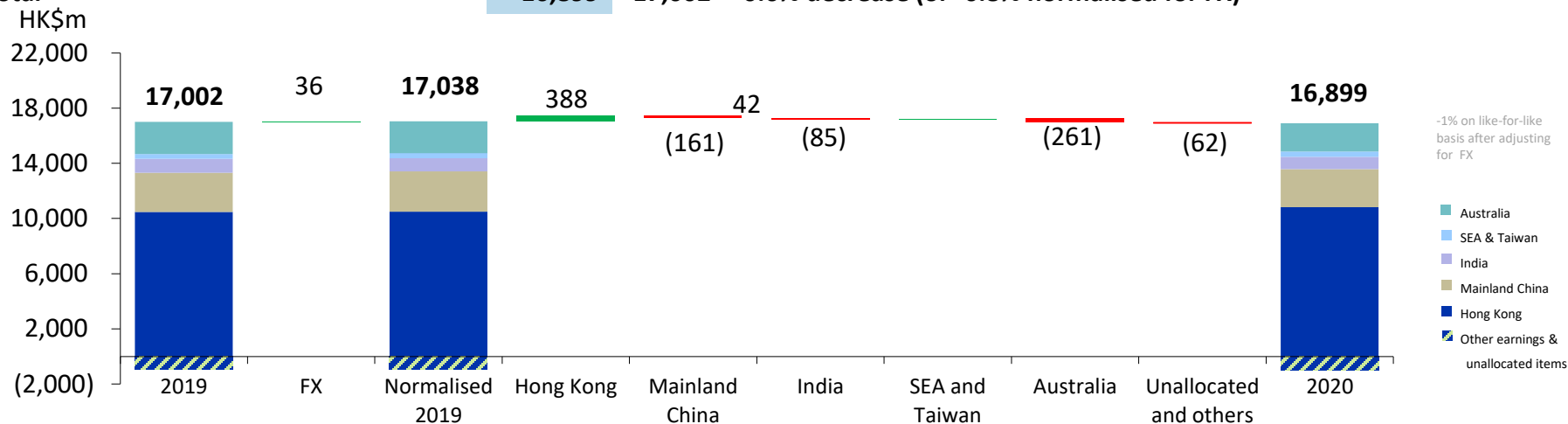
- In line with higher operating profits, in particular the fair value adjustments

Non-controlling interests

- CSG's 30% share of CAPCO
- CDPQ's 40% share of CLP India

Annual Adjusted Current Operating Income (ACOI)

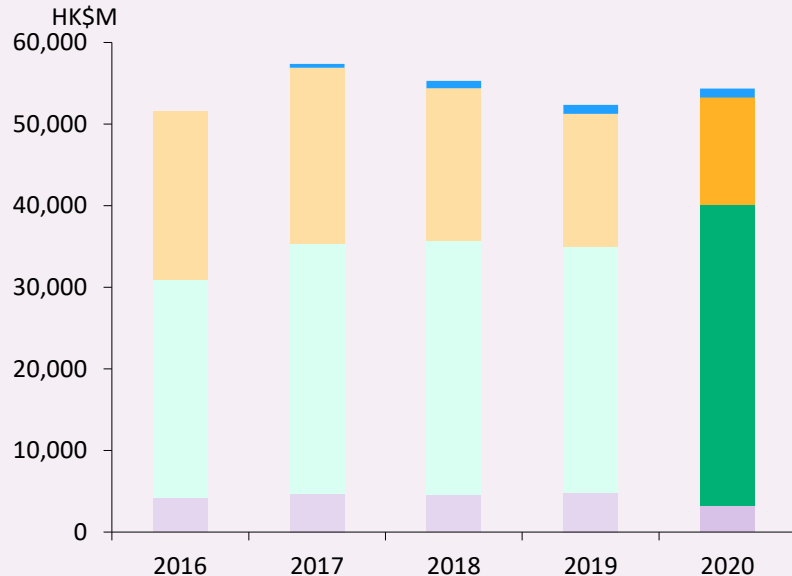
HK\$M	2020	2019	
Hong Kong electricity and related activities	11,834	11,407	Dependable performance, ~50% gas-fired generation delivered
Mainland China	2,768	2,830	Mitigated impact from COVID-19
India	884	1,031	Earnings lower due to low wind speed, partially offset by new transmission & solar
Southeast Asia and Taiwan	386	335	Higher earnings driven by increased contribution from Ho Ping
Australia	2,041	2,331	Earnings lower on regulatory changes and margin pressures
Other earnings and unallocated items	(1,014)	(932)	Higher innovation and corporate costs
Total	16,899	17,002	0.6% decrease (or -0.8% normalised for FX)



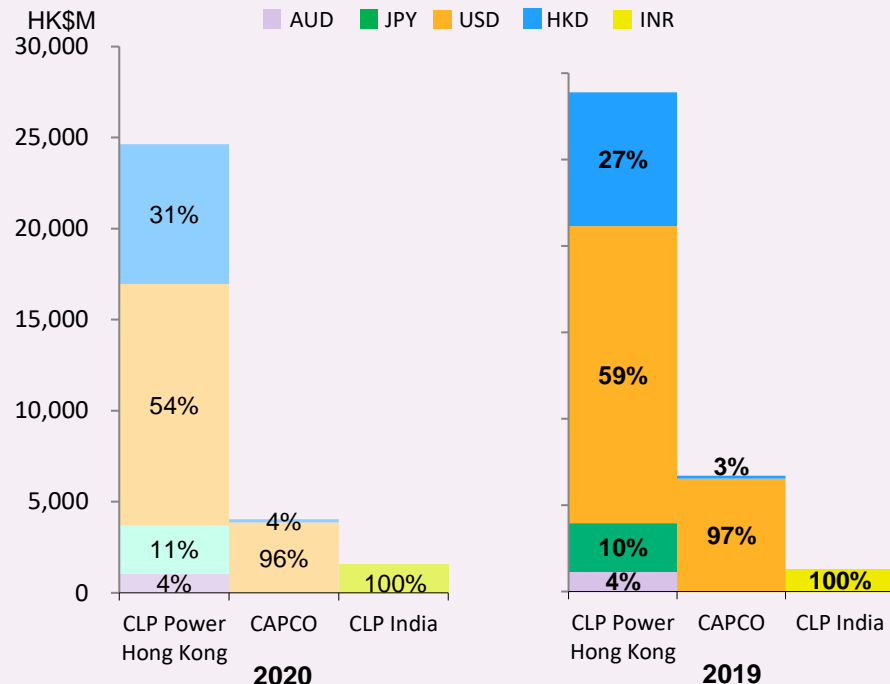
Financial Capital

Loan Balance - Type

- Money Market Line
- Medium Term Notes/ Private Placement/ Bonds
- Term Loans
- Export Credit Loan



Currency of Bond Funding



Note: All foreign currency bonds issued by CLP Power HK and CAPCO were swapped back to HK dollars to fully mitigate exchange rate risk.

The Group engaged in new financing activities during the year in support of the operation and business growth. In addition, we continue to solicit re-financing at competitive terms.

CLP CAFF & Credit Ratings

CLP Climate Action Finance Framework (CAFF)

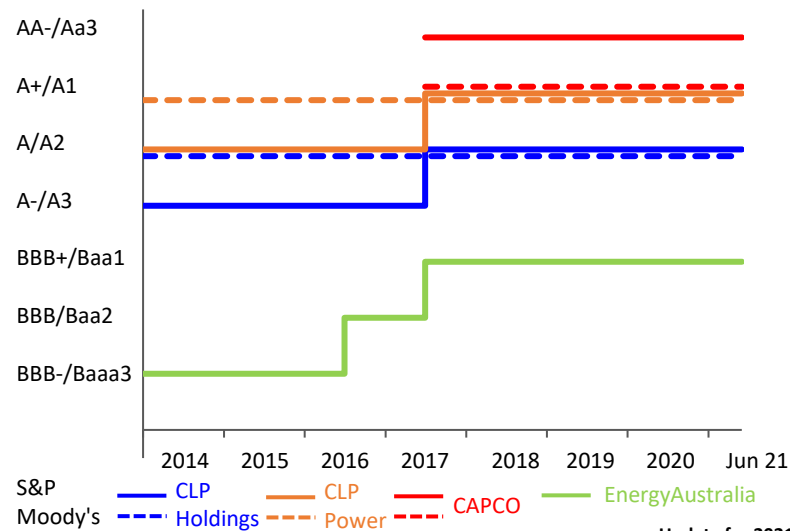
- Launched by CLP Group in 2017 to support the transition to a low carbon economy by attracting socially responsible, sustainable financings, to support qualified investments that reduce the carbon content of energy generated and increase the efficiency of energy usage
- Updated in 2020 to reflect the increased climate-related commitments made by CLP Group in its updated Climate Vision 2050 published in December 2019 and the broader range of financial transactions that CLP Group is considering to raise funding for its climate actions
- Climate Action Finance Transactions entered into by CAPCO under CLP CAFF:
 - US\$500m Energy Transition Bond (3.25% due 2027) in July 2017 for the first unit of CCGT project
 - HK\$170m New Energy Bond (2.8% due 2044) in July 2019 for WENT landfill energy-from-waste project
 - US\$350m Energy Transition Bond (2.2% due 2030) in June 2020 for offshore HKOLNGT project
 - HK\$3.3bn medium-term Energy Transition revolving facility in June 2020 for HKOLNGT project
 - HK\$2.0bn long-term Sinosure-covered Energy Transition term loan facility in September 2020 for the HKOLNGT project
 - US\$300m Energy Transition Bond (2.1% due 2031) in February 2021 for the second unit of CCGT project
 - HK\$5.3bn short- to medium-term Energy Transition revolving facilities in March 2021 for the second unit of CCGT project



For more information
on **CAFF**

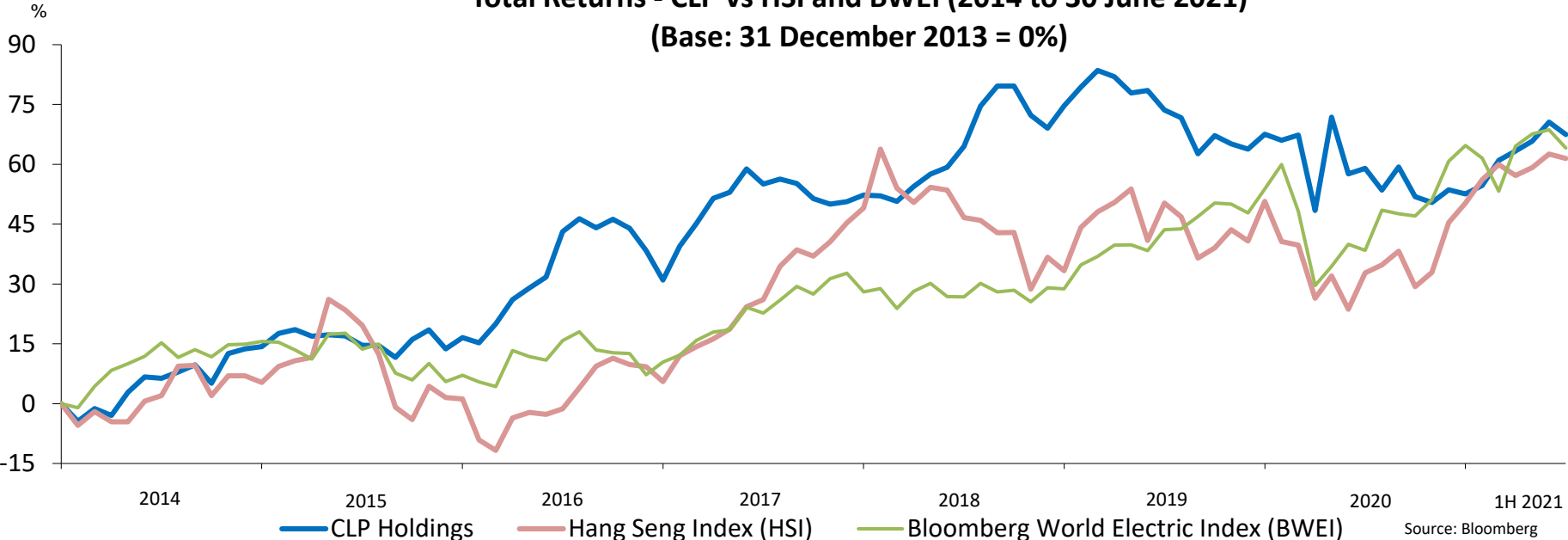
For more information
on **Credit Ratings**

Ratings



Relative Performance

Total Returns - CLP vs HSI and BWEI (2014 to 30 June 2021)
(Base: 31 December 2013 = 0%)



Total Returns = capital gain plus dividends, and assuming dividends are reinvested at the prevailing price

CLP Holdings Limited listed on the Stock Exchange of Hong Kong (00002)

- Constituent of the HSI, BWEI & Dow Jones Sustainability Asia Pacific Index
- One of the eligible stocks included in Southbound Trading through Shanghai – Hong Kong Stock Connect and Shenzhen – Hong Kong Stock Connect
- Traded over the counter in the form of American Depositary Receipts in the U.S. (ADR code CLPHY)
- 7.5-year total shareholder return of 67%, or compound average growth rate of 7.1% per annum

Additional Resources

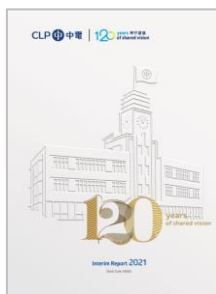
Annual Report 2020



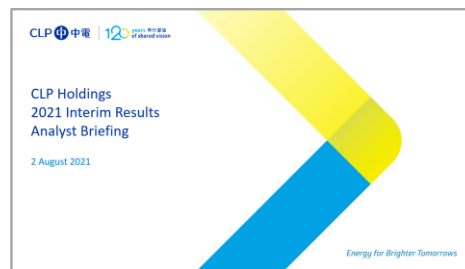
Sustainability Report 2020



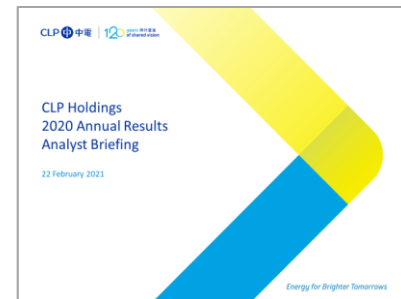
Interim Report⁽¹⁾ 2021



Interim Results Presentation August 2021



Annual Results Presentation February 2021



Scan or click on the QR codes to go to appropriate pages

Website: www.clpgroup.com

Investor Relations contact: ir@clp.com.hk



Investor
Relations

(1) To be published in August 2021

CLP 中電

120 years 同行望遠
of shared vision

CLP Holdings

Thank you

Energy for Brighter Tomorrows