

“We will continue to prioritise the development of reliable, sustainable and affordable energy solutions that have a meaningful impact on the communities we serve.”

**The Honourable Sir Michael Kadoorie**  
Chairman



*Dear Shareholders,*

I am pleased to report the CLP Group achieved a solid performance and significant growth in non-carbon business in 2024. Our success was underpinned by a focus on bringing world-class electricity services and sustainable energy solutions to our customers while advancing low-carbon energy development.

In 2024, the Group's operating earnings before fair value movements increased 8.1% year-on-year to HK\$10,949 million, reflecting a robust performance across our markets. Total earnings were HK\$11,742 million, compared with HK\$6,655 million a year earlier when a number of negative one-off items were reported.

The Board has declared a fourth interim dividend payment for 2024 of HK\$1.26 per share, compared with HK\$1.21 per share a year ago. Total dividends for 2024 increased 1.6% to HK\$3.15 per share.

During 2024, we continued to invest to support the use of less carbon-intensive fuels in Hong Kong, an important part of the city's decarbonisation journey. Our efforts included the commissioning of a second state-of-the-art gas-fired generation unit at Black Point Power Station and the retirement of three coal generation units at Castle Peak Power Station as CLP gradually phases out coal-fired generation.



- Chairman Sir Michael Kadoorie (middle), Secretary for Environment and Ecology Mr Tse Chin-wan (fourth from left), Deputy Director of the Liaison Office of the Central People's Government in the Hong Kong SAR Mr Qi Bin (fourth from right), Commissioner of the Ministry of Foreign Affairs of the People's Republic of China in the Hong Kong SAR Mr Cui Jianchun (third from left), China General Nuclear Power Corporation Deputy General Manager Mr Pang Songtao (first from left), China Southern Power Grid International (HK) Co. Ltd. Chairman Mr Chen Shengran (first from right) as well as directors and senior executives of CLP celebrate Hong Kong's decarbonisation journey over the past three decades.

In December, I had the privilege of hosting an event to commemorate the 30<sup>th</sup> anniversary of Daya Bay Nuclear Power Station which was commissioned in 1994. A co-investment by CLP and China General Nuclear Power Corporation (CGN), Daya Bay provides safe and reliable non-carbon energy to Hong Kong at a stable cost, and now meets a quarter of the city's electricity demand. The ceremony also marked the 10<sup>th</sup> anniversary of CLP's partnership with China Southern Power Grid Co. Ltd. (CSG) through the Castle Peak Power Company Limited (CAPCO), which has seen the successful development of two new gas units at Black Point and an offshore liquefied natural gas (LNG) terminal in Hong Kong waters. Our collaboration with CGN and CSG exemplifies the power of regional cooperation in decarbonising electricity supply. I have every confidence that by working with our partners, we will be able to meet Hong Kong's growing demand for low-carbon energy in the face of climate change challenges.

CLP is fully committed to delivering reliable energy that supports the Hong Kong Government's policy priorities, including new initiatives such as the Northern Metropolis Development. We look forward to working closely with government agencies and other key stakeholders to provide a dependable and sustainable electricity supply for this new economic and living hub bordering the Mainland.

In Mainland China we saw encouraging momentum in the expansion of our non-carbon asset portfolio to support the country's decarbonisation objectives. Our growth in this context was demonstrated by new renewable energy projects totalling 740 megawatt (MW) under construction in 2024. We also secured a mandate to construct our first standalone battery energy storage system (BESS) project in Shandong province, one of China's pioneering locations in the development of energy storage capabilities.

It is noteworthy that our progress is taking place against the backdrop of the country's acceleration of its renewable energy capacity. According to the International Energy Agency's forecast, China is expected to provide more than half of the global renewable energy capacity by 2030. This reflects the nation's deep resolve to scaling up clean energy resources, which is set to provide further opportunities for CLP to contribute to the country's decarbonisation drive. I am also pleased to see that nuclear energy has been recognised by the international community as a solution to support global decarbonisation targets, and that more rapid development is on the horizon. We look forward to the encouraging outcome of the commitment made by more than 30 countries at COP28 and COP29 in 2023 and 2024 to triple the nuclear energy capacity by 2050, much of which will be in Mainland China as the nation moves full steam ahead to achieve its dual carbon targets of peaking carbon emissions by 2030 and achieving carbon neutrality by 2060.

Our Australian business, EnergyAustralia, saw significant financial improvement in 2024, driven by enhanced operational performance at its power stations. We continued to move forward with our plan to close Yallourn Power Station in mid-2028, a crucial milestone in the country's energy transition journey.

Reflecting its strong pipeline of flexible capacity projects, during the year EnergyAustralia secured Federal Government support for two large-scale, four-hour battery storage initiatives with a combined storage capacity of 400MW, finalised power purchase agreements for 230MW of renewable energy, and commissioned Australia's first peaking power station with direct emissions offset – the gas-fired Tallawarra B plant in New South Wales. These strategic initiatives will strengthen EnergyAustralia's ability to manage volatility in the Australian energy market and support its goal of expanding its portfolio to include up to 3 gigawatt (GW) of renewable energy by 2030.

Our joint venture in India, Apraava Energy, concentrated on expanding its portfolio of non-carbon energy investments while ensuring the strong operational performance of its existing assets to address India's growing power demand. The business now has more than 2GW-equivalent of non-carbon energy projects under construction. As India's energy market continues to decarbonise, Apraava Energy also won rights to develop nearly 250 kilometres of transmission lines and to install 3.8 million smart meters during the year. In late 2024, Apraava Energy renewed its registration issued under the General Financial Rules 2017, a key licence that enables the business to continue to participate in project bids issued by any government agency.

CLP takes pride in its longstanding history of achievement, built on a foundation of discipline, vigilance and adaptability. We are mindful of the imperative to optimise value for our stakeholders and exceed their expectation not just today but in the years to come. To this end, we conducted a strategy review during the year to ensure that CLP is best positioned to maximise growth while navigating challenges in the future.

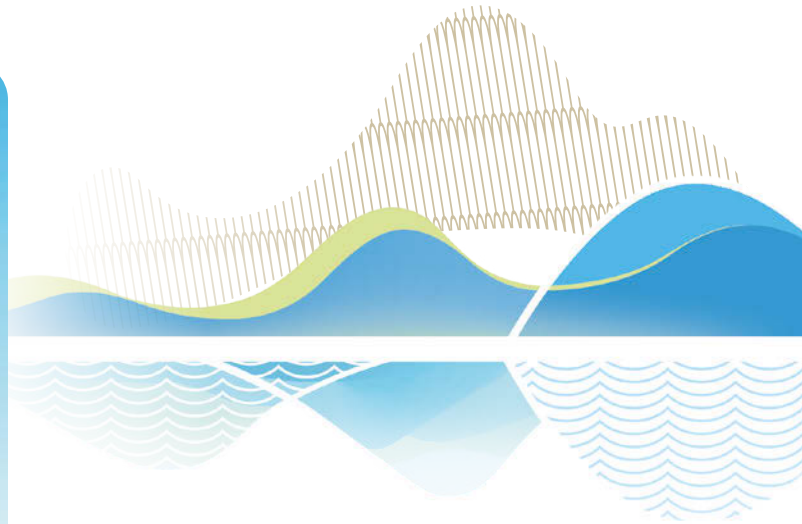
The strategy aims to position the Group's portfolio for greater growth with a more dependable and focused earnings profile over the coming decade. We also target to institutionalise a more robust process of implementation and review to ensure that our strategy keeps on evolving to cope with the changing operating environment.

The strategy, approved by the Board in November, is now being executed by the team, turning this shared vision into reality. I am confident this will propel CLP into a new phase of growth and excellence, building on our longstanding heritage.



■ CLP's new headquarters in Kai Tak.

CLP is fortunate to have the right leadership in place to guide the organisation forward. In April Mr Alex Keisser became Chief Financial Officer, replacing Mr Nicolas Tissot whom we thank sincerely for his contributions. We also welcome newly appointed Independent Non-executive Director Mrs Ann Kung and Non-executive Director Mr Diego González Morales to the Board. I would also like to take this opportunity to thank Mrs Zia Mody and Mr John Leigh, who retired from the CLP Board in 2024. Mrs Mody had served on the CLP Holdings Board since 2015 while Mr Leigh had been a Non-executive Director since 1997 and prior to that, served as CLP's Senior Legal Advisor and Company Secretary for 10 years. Both have provided invaluable contributions to CLP over many years.



2024 marked the beginning of a new chapter for CLP in Hong Kong as we relocated to our new headquarters in Kai Tak – a move that I personally take great pride in. CLP has long and deep roots serving Hong Kong, and our headquarters has integrated design elements inspired by the city's rich heritage. The design incorporates innovative technology and energy-efficient features, making CLP's headquarters one of the greenest buildings in Hong Kong. Strategically located to support the Government's Energising Kowloon East initiative, our new headquarters symbolises CLP's strong commitment and confidence in the future of the city.

Looking ahead, the world – including the global energy sector – faces profound challenges in an increasingly unpredictable era. Amid this turbulence, we remain committed to focusing on what is right for our communities in the long term. The global transition to a net-zero future offers unparalleled potential for innovation and growth. CLP is resolute in our dedication to seizing these opportunities, ensuring that our investments produce long-term value for stakeholders. As we do so, we will continue to prioritise the development of reliable, sustainable and affordable energy solutions that have a meaningful impact on the communities we serve across the Asia-Pacific region.

**The Honourable Sir Michael Kadoorie**  
Hong Kong, 24 February 2025