

26 February 2024

CLP Delivers Solid Performance in 2023 Building Strong Growth Momentum in Decarbonisation

CLP Holdings Limited today announced its 2023 Annual Results. The following are the opening remarks delivered by Chief Executive Officer T.K. Chiang at a media briefing.

It is my privilege and an honour to share with you CLP Group's performance for the first time as CEO.

I am pleased to say 2023 was a year of solid performance, against a backdrop of global economic uncertainty and challenging external circumstances.

Our ability to deliver in this environment is a testament to CLP's strong foundations and the robustness of our diversified energy businesses in Asia Pacific.

In 2023, our financial results were strong, driven by dependable core Hong Kong and Mainland China businesses, improved contributions from our overseas businesses including the progressive recovery at EnergyAustralia.

Operationally, our fleet delivered excellent performance and we made progress on significant projects.

In 2023, the Group's operating earnings before fair value movements increased by 33% year-on-year to over HK\$10 billion, underscoring Group's strong underlying performance.

We announced an impairment of goodwill of EnergyAustralia's Customer business to reflect the changes in the Australian retail market conditions. After taking this into account and other items affecting comparability, total earnings were HK\$6.7 billion, a strong rebound from HK\$924 million one year ago.

Based on these solid results and confidence in the Group's prospects, the Board has approved a fourth interim dividend of HK\$1.21 per share. This brings the total dividend for 2023 to HK\$3.10 per share, the same as 2022.

In line with our longstanding practice and policy on dividends, the Board struck a balance between the improvement of financial performance in 2023 and the Group's ongoing investment in the energy transition and decided to maintain the 2023 total dividends at the same level as last year. In 2024, we remain committed to build on the positive momentum established in 2023 to remunerate shareholders in line with the evolution of earnings while ensuring that a solid financial position continues to back our business growth.

In Hong Kong, our business continued to deliver steady earnings. 2023 saw the achievement of an important milestone – the approval of our 2024-2028 Development Plan with a projected capital expenditure of HK\$52.9 billion over the coming five years. Our investments will support Hong Kong’s growth and reinforce its position as a smart, modern and resilient city.

During the year, we made good progress to support Hong Kong’s low-carbon transition with the launch of a new offshore LNG terminal, continuous development of another gas-fired generating unit D2 at Black Point Power Station, and the enhancement of the Clean Energy Transmission System that delivers zero-carbon energy through regional cooperation.

We remain committed to cost controls and a diversified fuel mix strategy to ease the tariff pressure on customers, in addition to providing support to people in need and encourage energy saving.

CLP China continued to deliver solid performance despite slightly lower earnings from our nuclear assets and loss-making minority coal-based assets.

The expansion of our renewable energy portfolio accelerated in 2023. In addition to two newly commissioned wind and solar projects, we have four projects under development and secured construction quotas for six renewable energy projects. We also broke new ground in corporate partnerships after signing a 10-year corporate power purchase agreement and our largest Green Electricity Certificate contract.

EnergyAustralia recovered from heavy losses in 2022 to close to breakeven as the normalisation of wholesale electricity prices and improved performance of coal-fired power station helped turn around contribution from generation business. However, more challenging retail market conditions and a period of high interest rates and cost-of-living pressures led to the non-cash impairment to the goodwill of the Customer business that I mentioned earlier.

Our focus remains to strengthen the operational and financial performance of Yallourn and Mount Piper Power Stations, continuing with the improvements that we have started in 2023.

In India, the Apraava Energy joint venture delivered a strong performance with higher contributions across its diversified portfolio. It made successful bids for new renewable and transmission projects and entered the emerging smart meter market.

Across the Group, decarbonisation remained our priority. We saw strong momentum in our zero carbon investments, and we have again strengthened our greenhouse gas emissions intensity target to bring us closer to 1.5°C.

Looking ahead, I see our purpose to “Power Brighter Tomorrows” in the era of net zero transformation as the defining piece to CLP’s long-term growth.

We have a healthy pipeline of projects, and the long-term fundamentals of the markets that we operate remain compelling.

We will continue to invest in our people, capability and systems to build a future ready business.

And we will continue to seize the opportunities in energy infrastructure and rising demand for energy solutions while continuing to deliver safe, reliable and reasonably priced energy to our customers.

Despite our uncertain world, the prospects for CLP remain clear. We have a great business and an unwavering intent to take it into the next chapter of growth.

In closing, I should note that today is the last time Nicolas will join me on this stage to report our performance. I would like to thank him for his contributions over the past years. His leadership and dedication to CLP during this time of change have been greatly appreciated.

For more details, please refer to the following documents:

- [Announcement of Annual Results as from 1 January 2023 to 31 December 2023, Dividend Declaration and Closure of Books](#)
- [CLP Holdings 2023 Annual Results Highlights](#)

Photo 1



CLP Holdings Chief Executive Officer T. K. Chiang (left) and Chief Financial Officer Nicolas Tissot (right) at today's 2023 Annual Results media webcast.

Photo 2



CEO T. K. Chiang discusses CLP's results with journalists at today's 2023 Annual Results media webcast.

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