

中電控股有限公司

CLP Holdings Limited

(incorporated in Hong Kong with limited liability)

(Stock Code: 00002)

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Quarterly Statement 2024 (January – September)

To Shareholders:

The operations of CLP Holdings Limited (the Company) for the nine months ended 30 September 2024 are summarised in this Quarterly Statement.

Hong Kong

Electricity sales by CLP Power Hong Kong Limited (CLP Power) increased by 2.5% from the same period a year earlier to 27,966 gigawatt hours (GWh) in the first nine months of 2024. Demand was driven by above-normal temperatures, and higher electricity consumption was recorded in most sectors. The following table provides a breakdown of sales by sector with year-on-year changes:

	Sales <u>by Sector (GWh)</u>	Increase/ <u>(Decrease)</u>	% of <u>Total Sales</u>
Residential	8,017	2.3%	29%
Commercial	10,691	2.4%	38%
Infrastructure and Public Services	8,043	3.3%	29%
Manufacturing	1,215	(0.7%)	4%

Committed to delivering reliable, reasonably priced and environmentally sustainable energy to support Hong Kong's economic growth and decarbonisation, CLP Power invested further in energy networks and services that underpin the Government's policy priorities, including housing development and the expansion of data centres and digital infrastructure.

As climate change leads to a rising tide of extreme weather events, CLP Power continued with efforts in planning and preparations against the risks of severe storms in the run-up to the typhoon season. Inspections of power supply equipment and the implementation of prevention measures were increased while monitoring and contingency measures were strengthened to ensure swift and effective responses to any weather-related incidents.

The Average Net Tariff was reduced by 2% for CLP Power customers in the first nine months of the year as international fuel prices continued to soften. To provide additional energy cost relief for underprivileged groups including elderly people, low-income families and tenants of subdivided units, CLP Power continued to provide electricity subsidies of HK\$50 million in total this year to the underprivileged, supported by the CLP Community Energy Saving Fund.

Decarbonising Hong Kong's electricity supply remained a priority. The ongoing upgrade of the Clean Energy Transmission System between Hong Kong and Mainland China is on track to be completed by 2025, enabling the future import of more zero-carbon energy to the city. The Feed-in Tariff scheme meanwhile encouraged more CLP Power customers to install their own renewable energy systems. By the end of September, 399 megawatt (MW) of capacity was approved under the scheme, equivalent to the annual power consumption of 98,500 households.

A broad range of energy services was made available to help commercial customers improve their extreme weather resilience and decarbonise their operations. CLP Power signed a Memorandum of Understanding with major public housing property management service company Creative Property Services Consultants Limited in August to address the impact of climate change and encourage residents to adopt low-carbon living lifestyles. CLP Power also strengthened its partnerships with Link Asset Management Limited (Link) and DBS Bank (Hong Kong) Limited (DBS Hong Kong) through a joint initiative to promote sustainability in the business sector. Launched in August, the Low Carbon Rewards Programme encourages small and medium-sized enterprises (SMEs) in Link's properties to save energy through CLP Power's services such as energy audits and the Electrical Equipment Upgrade Scheme. Participating SMEs can obtain subsidies to buy Renewable Energy Certificates and enjoy banking privileges from DBS Hong Kong.

Electrifying transport is another key enabler of Hong Kong's decarbonisation. CLP Power accelerated its support for the development of reliable, convenient electric vehicle (EV) charging infrastructure and services to meet rising demand in the private and commercial transport sectors. Tailored power supply solutions such as outdoor substations and high voltage pillars from CLP Power allow EV charge point operators to set up charging networks more quickly. CLP Power also launched the eMobility Grid Management Platform – an advanced data analytics tool monitoring the effects of increased demand for EV charging on electricity networks so that the power grid can be optimised in response to growing energy consumption from motorists in Hong Kong, where more than a tenth of all vehicles are now electric.

The CLP Group's energy infrastructure and solutions subsidiary CLPe launched its first two EV-charging stations in Hong Kong in the third quarter, providing a selection of super-fast chargers ideal for commercial customers including eTaxi's and corporate vehicle fleets, as well as medium-speed charging points.

CLPe won more than 50 orders for battery energy storage systems (BESS) in Hong Kong between January and September as construction companies increasingly adopted lower-carbon energy solutions.

Mainland China

CLP China's growing portfolio of non-carbon assets performed solidly in the first nine months of the year as the business further expanded its renewable energy investments in support of the nation's decarbonisation goals.

Nuclear power plants in CLP's portfolio made steady contributions. Nine-month generation from Yangjiang Nuclear Power Station remained stable year-on-year. Daya Bay Nuclear Power Station meanwhile continued to provide a reliable supply of zero-carbon electricity to consumers in Hong Kong and Guangdong after extended maintenance outages in the first half of the year.

CLP China's renewable energy assets saw a rise in output compared with the same period a year earlier thanks to contributions from the new 74MW Yangzhou Gongdao Solar Power Station in Jiangsu province and improved water resources at Huaiji Hydro Power Stations in Guangdong. Wind energy generation remained stable.

The business took significant steps forward in the expansion of its renewable energy business with construction underway or soon to start on more than 1GW of new wind and solar energy projects across the Mainland. The 150MW Bobai Wind Farm in Guangxi Zhuang Autonomous Region remained on schedule to go into service in the first half of 2025 and construction began this year on three projects with a combined capacity of 300MW – Sandu II Wind Farm in Guizhou province and the Yixing and Huai'an Nanzha solar projects in Jiangsu province. Work is also due to begin within months on the 160MW Guigang wind farm in Guangxi, as well as new wind projects with combined capacity of 531MW in Shandong province. Each new renewable energy project is a grid-parity asset designed to operate without government subsidies, and CLP China is continuing to explore opportunities to develop more wind and solar projects in its established operating regions as well as further afield on the Mainland.

In August, CLPe and the Group's CLP-TELD New Energy Technology (Guangdong) Ltd. joint venture completed an Energy-as-a-Service (EaaS) project comprising rooftop solar and EV charging systems for MTR Corporation (Shenzhen) Limited (MTR (Shenzhen)). With total rooftop solar capacity of more than 3 megawatt peak and 28 EV charging points, the project enables MTR (Shenzhen) to reduce carbon emissions by 40,000 tonnes over the duration of the 17-year EaaS contract.

Australia

EnergyAustralia's business continued to strengthen this year as power station profitability improved while plans to add new flexible capacity and services gathered significant momentum.

Increased output from EnergyAustralia's generation portfolio and higher wholesale electricity prices led to improved margins in the Energy business in the first nine months of the year. Generation at Mount Piper Power Station in New South Wales increased year-on-year. Improved coal deliveries this year will enable the plant to maintain a high stockpile of fuel ahead of the coming Australian summer, although generation costs are higher following the ending of a government price cap on coal in June. Yallourn Power Station in Victoria completed major planned outages on three of the plant's four generation units since last year. The ongoing maintenance programme aims to ensure the power station's reliability and efficiency in the run-

up to its retirement in 2028, and the final maintenance outage is due to begin before the end of the year.

EnergyAustralia's gas-fired fleet maintained high levels of reliability and availability, performing effectively in the Australian winter as required.

EnergyAustralia won support from the Federal Government's Capacity Investment Scheme in September for two utility-scale battery storage projects. The successful bids were for the 350MW/1,400 megawatt hour (MWh) Wooreen battery project, which will be located near Jeeralang Power Station in Victoria, and a 50MW/200MWh battery project to be built next to Hallett Power Station in South Australia. Both projects will be on EnergyAustralia-owned land and will use established transmission networks to supply additional capacity to the market, giving a major boost to the business's efforts to invest in flexible, reliable electricity infrastructure to support Australia's energy transition.

The development of the Wooreen and Hallett projects followed the commissioning of the gas-fired 320MW Tallawarra B Power Station in New South Wales, which began commercial operations in June. EnergyAustralia is also seeking development approval from the New South Wales Government for a 500MW/2,000MWh battery project near Mount Piper Power Station.

In July, EnergyAustralia announced an innovative offtake agreement underpinned by Akaysha Energy's Orana Battery Energy Storage System in New South Wales. The agreement allows EnergyAustralia to strengthen its flexible capacity portfolio by using the storage attributes of the Orana battery as a virtual financial product, separate to the physical operation of the system which is due to go into service in 2026.

EnergyAustralia is committed to providing competitive, affordable energy services, and continued to offer support to customers experiencing financial hardship amid ongoing cost of living pressures through measures including flexible payment plans. The retail market remains highly competitive. Against this backdrop, customer churn rates have increased recently while retail profit margins have been affected by higher expenses related to customers' bad debt.

In September, EnergyAustralia received a penalty of A\$14 million from the Australian Competition and Consumer Commission and apologised to customers over inaccurate pricing information communication between June and September 2022. EnergyAustralia took immediate action once it became aware of the issue, and sought to contact every customer impacted and reviewed its pricing processes and customer communication, with significant improvements to governance made by the business.

EnergyAustralia and electricity distributor Ausgrid announced a trial in September for households with rooftop solar and battery systems to trade their energy using dynamic pricing. The project is expected to motivate more Australian households to enroll their distributed energy systems in virtual power plant networks, strengthening power supply reliability during the energy transition.

India

The Group's Apraava Energy joint venture focused on opportunities to expand its investments in low-carbon energy businesses while maintaining the solid performance of its operating assets to meet rising demand for power in India.

Operations of the business's renewable energy portfolio remained largely stable, although wind energy generation was lower in the third quarter due to lower wind resources and the severe cyclone in Gujarat which impacted the Mahidad, Samana and Sidhpur wind farms. Normal operations resumed at the Samana and Sidhpur sites after repair work, with work at Mahidad expected to be completed in October. Solar energy assets performed steadily while Jhajjar Power Station in Haryana state operated robustly despite higher summer temperatures. Apraava Energy's transmission projects in north-eastern India and the state of Madhya Pradesh also continued to operate reliably with high availability.

Apraava Energy's new 251MW Sidhpur wind farm in Gujarat is 98% operational and will be fully commissioned in the fourth quarter while progress has been made on the development of a 300MW wind farm in the state of Karnataka won in an auction last year with land acquisition under way.

Construction will begin on two solar farms with combined capacity of 550MW in the state of Rajasthan by the end of this year after Apraava Energy secured power purchase agreements (PPA) for both projects. The PPA for the smaller of the two projects, with a capacity of 250MW, was signed in April while the PPA for the larger, 300MW project was signed in September. Apraava Energy will begin work on a third solar farm in Rajasthan in early 2025 after securing the 50MW project earlier this year. Signing of the PPA is expected shortly.

Apraava Energy progressed with construction of the Fatehgarh III and Fatehgarh IV interstate transmission projects in Rajasthan, which are due to go into operation in the third quarter of 2025. Apraava Energy also plans to start construction of an interstate transmission project in Madhya Pradesh later this year and has begun preliminary development of another transmission project in Rajasthan.

Apraava Energy signed a new advanced metering infrastructure (AMI) project in Rajasthan last month involving more than 1.1 million smart meters with installations expected to begin soon. So far more than 500,000 smart meters have been installed for consumers in the states of Assam, Gujarat, Himachal Pradesh and West Bengal under the four earlier AMI contracts secured by Apraava Energy. Altogether the five projects will see the installation of more than 5.9 million smart meters in total. Apraava Energy aims to maintain its rapid pace of growth in the development of renewable energy, transmission and AMI projects as India's energy market continues to decarbonise.

Taiwan Region and Thailand

Ho-Ping Power Station in the Taiwan region returned to operation in May and delivered a stable and reliable supply of electricity following repairs in the aftermath of a major earthquake that struck the east coast of Taiwan in April. The Lopburi Solar Farm in Thailand performed steadily and efficiently.

Third Interim Dividend

Today, the Board of Directors of the Company declared the third interim dividend for 2024 of HK\$0.63 per share, same as the 2023 third interim dividend, payable on 13 December 2024 to Shareholders registered as at 4 December 2024. The dividend of HK\$0.63 per share is payable on the existing 2,526,450,570 shares in issue.

The Register of Shareholders will be closed on 4 December 2024. To rank for the third interim dividend, all transfers should be lodged with the Company's Registrars, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Tuesday, 3 December 2024.

The Hon Sir Michael Kadoorie
Chairman of the Board of Directors

Hong Kong, 21 October 2024

The Directors of the Company as at the date of this Quarterly Statement are:

Non-executive Directors:	The Hon Sir Michael Kadoorie, Mr Andrew Brandler, Mr Philip Kadoorie, Mrs Yuen So Siu Mai Betty and Mr Diego González Morales
Independent Non-executive Directors:	Sir Rod Eddington, Mr Nicholas C. Allen, Ms May Siew Boi Tan, Ms Christina Gaw, Mr Chunyuan Gu, Mr Chan Bernard Charnwut and Ms Wang Xiaojun Heather
Executive Director:	Mr Chiang Tung Keung

This Statement will be despatched on 31 October 2024 only to Shareholders as per the Company's Corporate Communications Arrangement and is also available at the Investor Relations section on the Company's website at www.clpgroup.com.

Choice of language and means of receipt of corporate communications¹

You can, at any time, free of charge, ask for this Quarterly Statement in printed form (English and/or Chinese); and change² your choice of language and/or means of receipt of the Company's future corporate communications.

You can make the above request(s) by completing and returning the Request Form (available on the Company's website under "Shareholder Services" in the "Investor Relations" section) to the Company's Registrars by post or by email to clp.ecom@computershare.com.hk.

Please refer to the Corporate Communications Arrangement on CLP website for more information.

- Notes:
- 1. Corporate communications refer to Interim/Annual Reports, Quarterly Statements, notice(s) of meeting, proxy form(s) or other shareholder publications of the Company (including any "corporate communication" as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited).*
 - 2. Your change request applies to the next batch of corporate communications if we have at least seven days written notice of your request, otherwise, it will apply to the subsequent batch of corporate communications.*