ANNUAL RESULTS 2023

20 MARCH 2024

CK Infrastructure Holdings Limited

Results at a Glance

Profit Attributable to Shareholders

- HK$8.0 billion in 2023 (from HK$7.7 billion in 2022)
- +4% y-o-y
- Recurring net profit +12% y-o-y

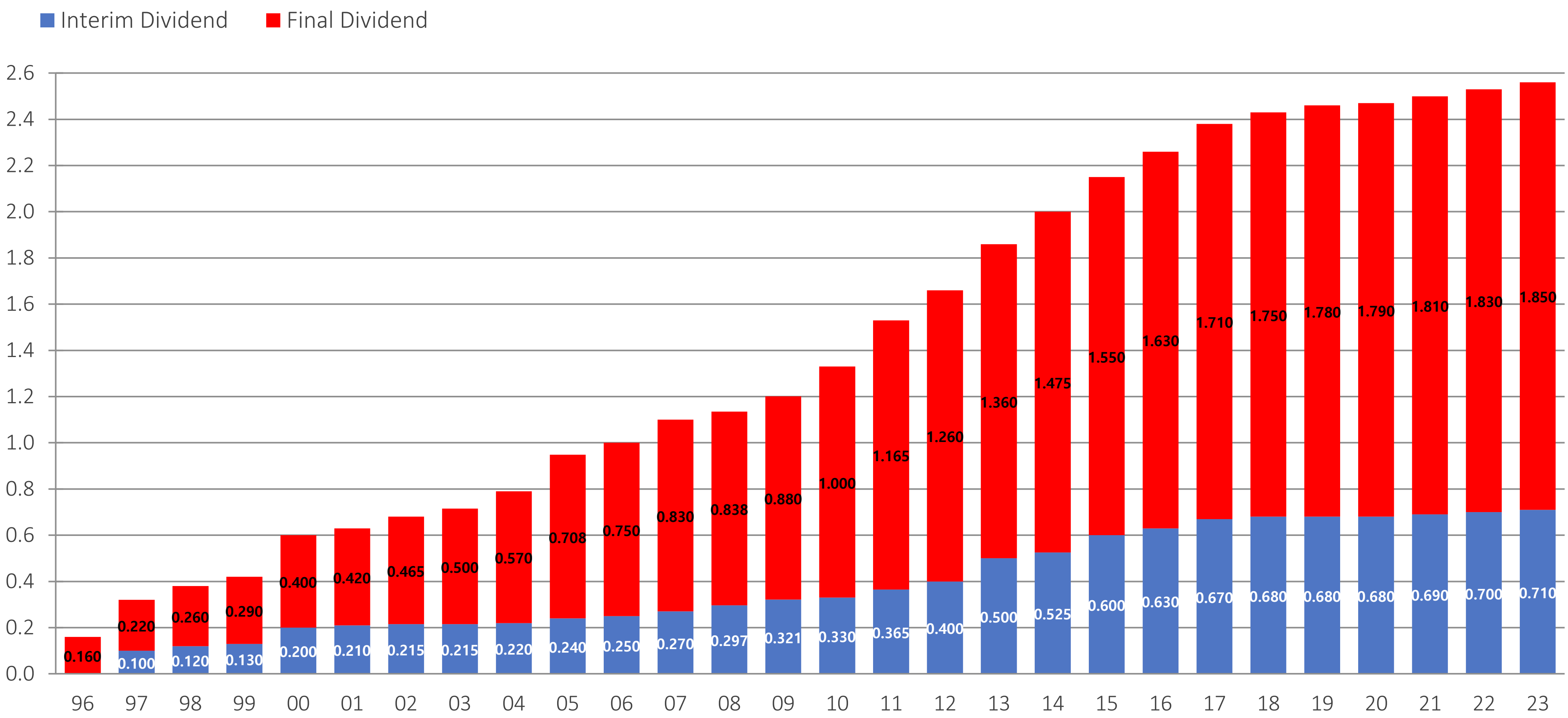
Funds from Operations (FFO)

- HK$8.6 billion in 2023 (new record high)
- Solid contribution across the portfolio

Dividends

- HK$2.56 per share
- +1.2% y-o-y
- 27th year of consecutive increase

Sustainable Dividend Growth (27th Consecutive Year)



Dividends per Share (HK$)

2023 Results Overview

(in HK$ million)	2023	2022	2023 vs 22
Investment in Power Assets	2,162	2,033	+6%
United Kingdom portfolio	3,050	3,069	-1%
Australia portfolio	1,855	1,976	-6%
Continental Europe portfolio	535	664	-19%
Canada portfolio	648	617	+5%
New Zealand portfolio	168	167	+1%
HK & Mainland China portfolio	117	196	-40%
Total Contribution from Businesses	**8,535**	**8,722**	**-2%**
Treasury Related Activities & Others	(70)	(536)	+87%
Distribution to Perpetual Securities	(438)	(438)	-%
Profit Attributable to Shareholders	**8,027**	**7,748**	**+4%**

- Solid performances from both HK and international portfolio

- Negatively affected by the one-off gain arising from the sale of a 13% stake in Northumbrian Water in 2022. Double digit growth if exclude the one-off gain

- Weaker Australian dollar and impact from the regulatory resets in AGN and Multinet Gas
- Strong performance of EDL partially offsets the decline

- Negatively affected by a fire at the Rozenburg plant of Dutch Enviro Energy

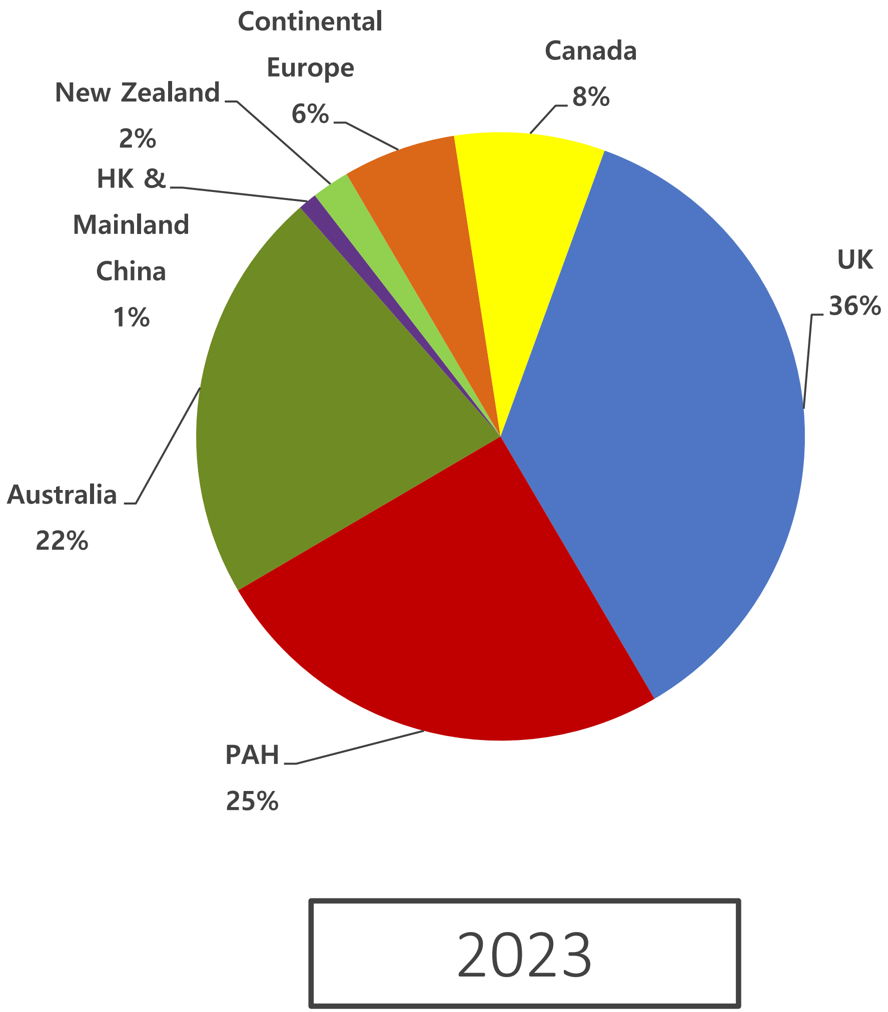
- Solid contribution across the portfolio
- Weaker Canadian Dollar partially offsets the increase

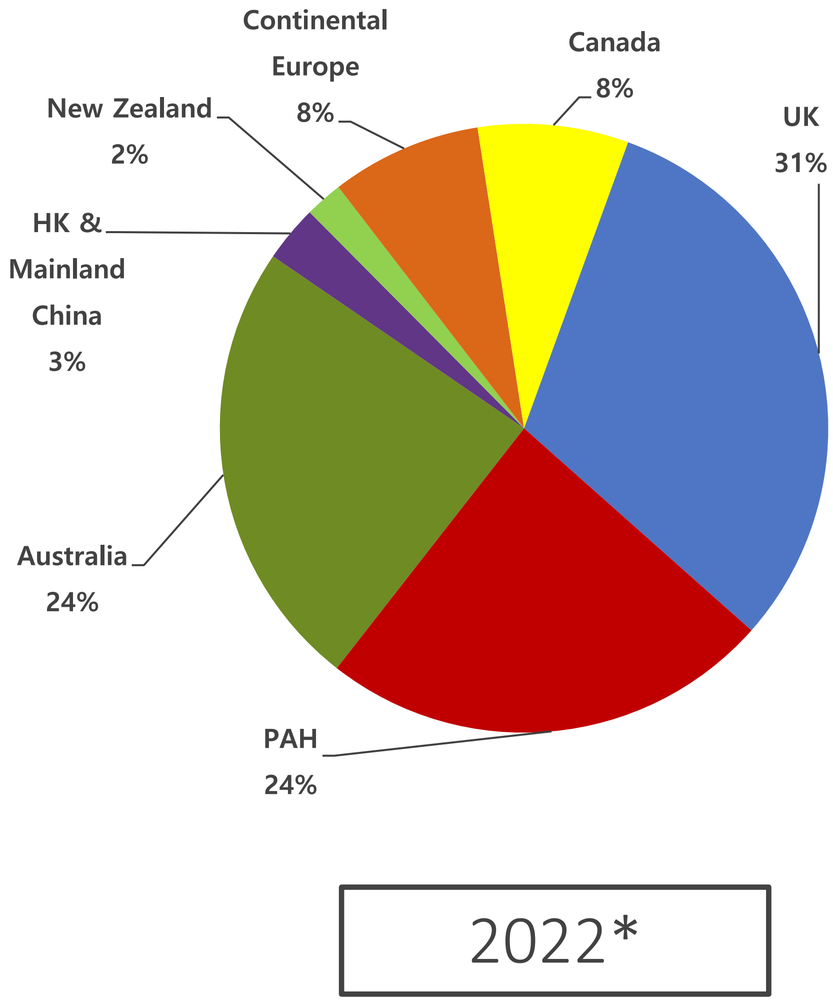
- Solid performances which partly offset by the weaker NZD

- Weak performance of the China material businesses

- Favorable exchanges impact and lower net interest expenses

Profit Contribution by Region



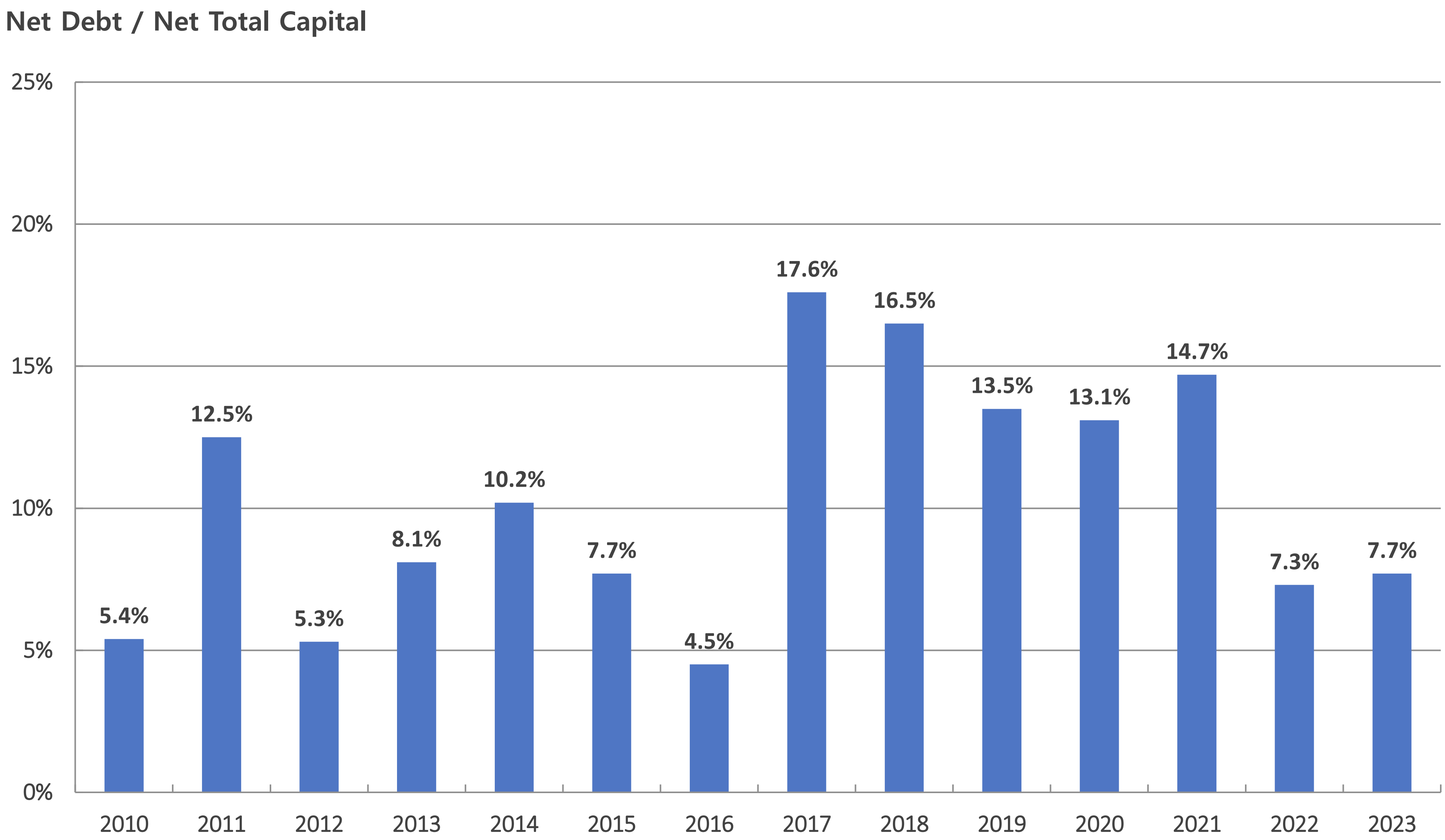


* 2022 figures exclude one-off gain arising from the sale of stakes in Northumbrian Water by CKI and PAH

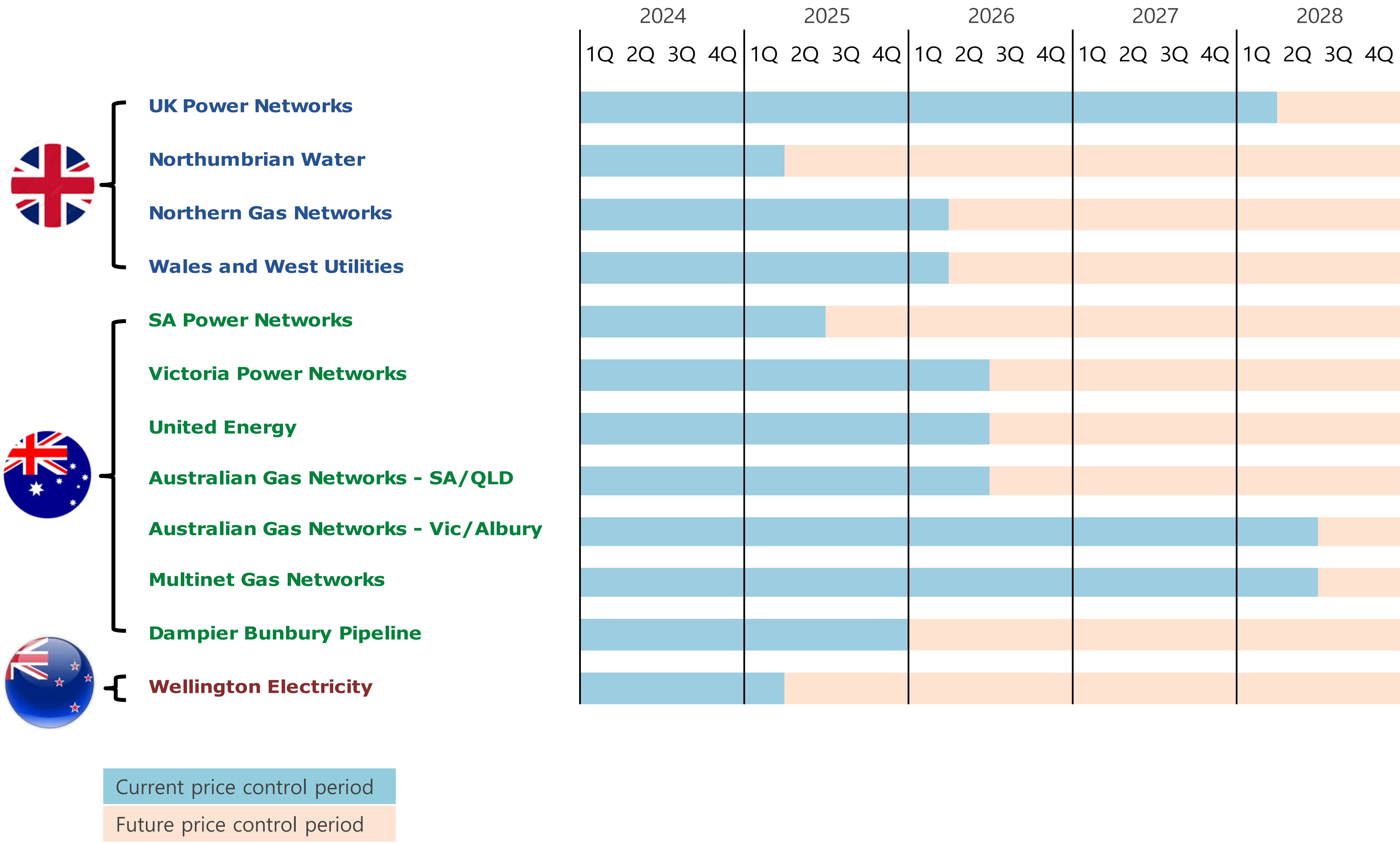
Solid Financial Position

	Dec 31, 2023	Dec 31, 2022
Cash on hand (HK$ million)	13,077	18,045
Debts (HK$ million)	24,197	28,211
Total equity (HK$ million)	133,271	129,382
Net debt to net total capital ratio	7.7%	7.3%
S&P credit rating	A/Stable	A/Stable

CKI Gearing Ratio



Regulatory Resets Timetable



Project Updates – UK Power Networks

- ## UK Power Networks was acquired in 2010
  - Enterprise Value (include non-regulated businesses) = £5.8 billion
  - Total equity = £2.5 billion

- ## Summary since acquisition:
  - Operational excellence - UKPN has been awarded by Utility Week Awards as the Utility of the Year in 2012, 2015, 2016 and most recently 2023
  - Cumulative capital investment into the network from 2011 to 2023 = £8.1 billion
  - Customer satisfaction – ranked first for Board Customer Satisfaction score by Ofgem
  - Reliability – 44% improvement in customer interruptions and 55% improvement in customer minutes lost

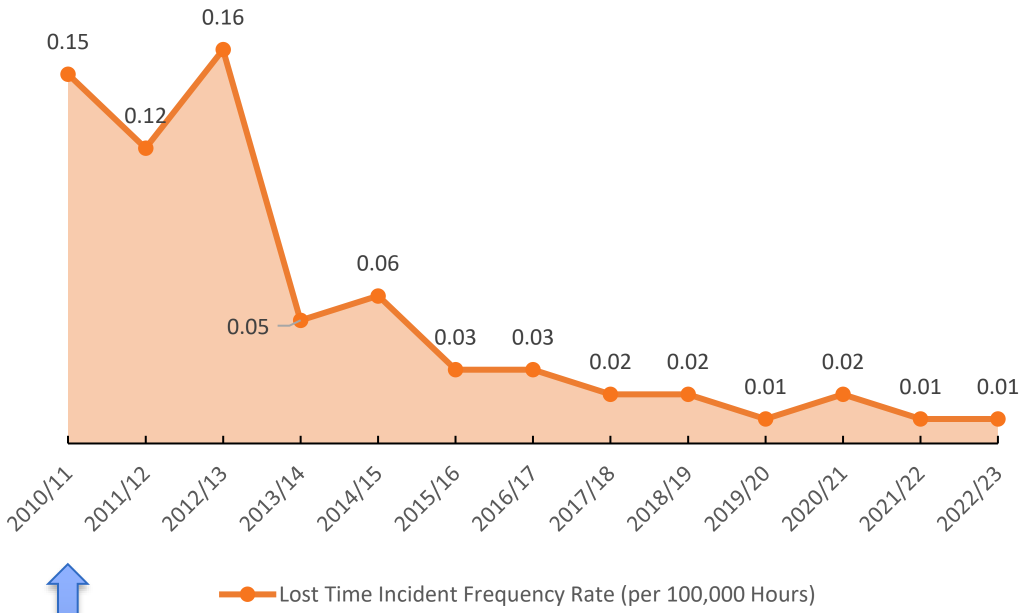
	Dec 2010	Dec 2023
Regulated asset base (RAB)	4.4 billion	8.5 billion
Net debt to RAB	71%	59%

Project Updates – UK Power Networks

Setting the standard in safety and customer satisfaction…

UK Power Networks

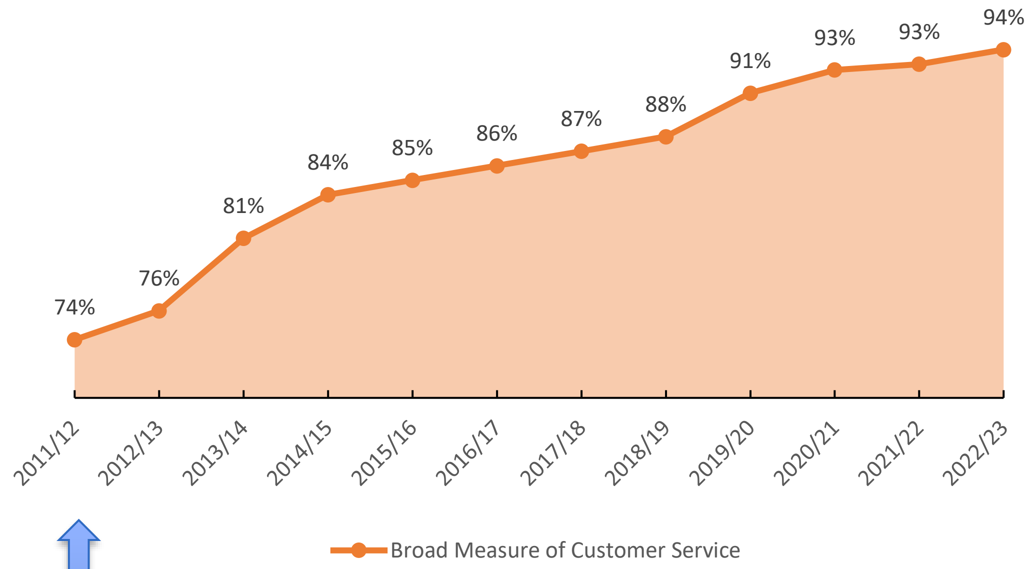
One of the safest



Acquired in 2010

93% Improvement since 2010/11

Leading in customer satisfaction

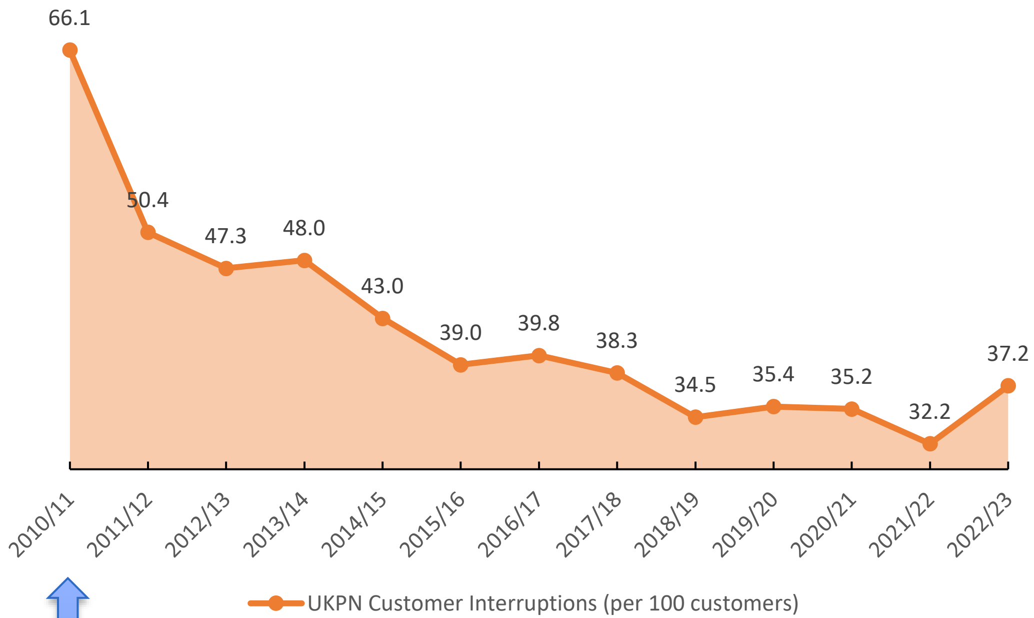


Acquired in 2010

27% Improvement since 2011/12

Significant customer benefits from material improvements in service reliability since acquisition

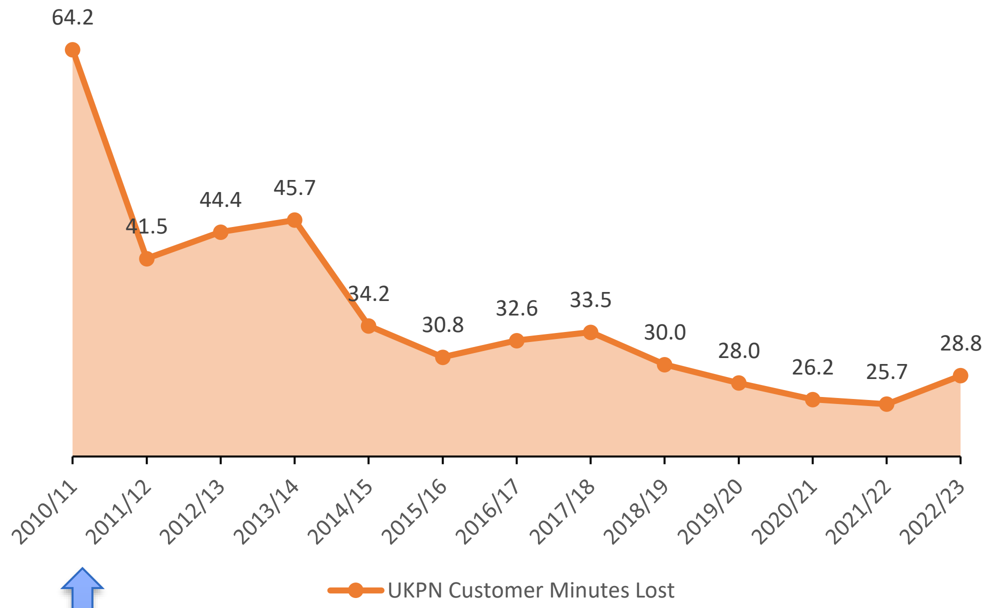
Reduction in power cut frequency



44% Improvement since 2010/11

Acquired in 2010

Reduction in power cut duration



55% Improvement since 2010/11

Acquired in 2010

Notes:
1. Network reliability measurements have been negatively affected by non-excluded adverse weather and one-off events in 2022/23
2. 2022/23 figures presented are provisional based on UKPN's regulatory submission at the date the accounts are signed
3. Customer Minutes Lost figures are a weighted average of the three licence areas and exclude exceptional events

Australian Energy Distribution Businesses

Our Australian distribution businesses…

Distribution Network Service Providers	2022 Rank	2021 Rank
SA Power Networks	1	1
CitiPower	2	3
Essential Energy	3	7
Powercor	4	2
United Energy	5	4
Endeavour Energy	6	6
Ergon Energy	7	5
Energex	8	8
Jemena	9	9
Ausgrid	10	13
AusNet Services	11	10
TasNetworks	12	11
Evoenergy	13	12

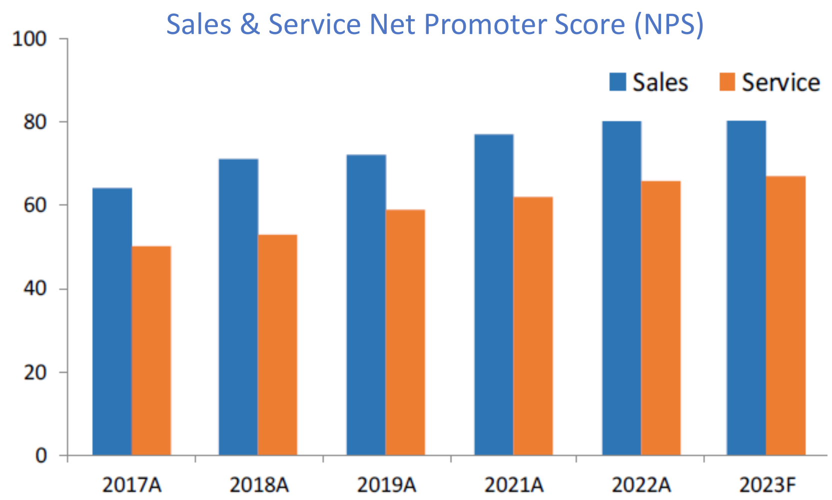
Source: Australian Energy Regulator Annual Benchmarking Report, Nov 2023

…dominated the energy regulator’s annual benchmarking report ranking

Project Updates – Reliance Home Comfort

- Reliance Home Comfort specialises in the sale and rental of water heaters, HVAC (heating, ventilation and air conditioning) equipment, water purification, plumbing, electrical and other related services primarily in Canada and the U.S.
  - At acquisition - Enterprise Value = C$4.6 billion
    - Total Equity = C$2.8 billion

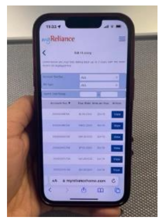
Improved Customer Ratings (2017-2023)



- Summary since acquisition:
  - Growing customer base - Customer base from 1.8 million households at acquisition to 2.1 million customers
  - Consistently high Net Promoter Score – other global companies with high NPS includes Costco (79), Pizza Hut (78), Starbucks (77) according to SurveySparrow
  - Growing product offering
    - From one-time sales to higher rental mix
    - Reliance's product portfolio consisted mainly of water heaters at acquisition, expanding into HVAC, water purification, plumbing, EV-chargers and more

At Acquisition

Now and beyond



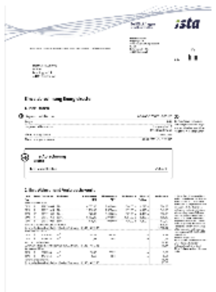
Project Updates – ista

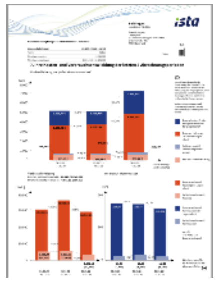
- ista, headquartered in Essen, Germany, is a leading international provider of sub-metering and related services, with a presence in over 20 countries
  - At acquisition - Enterprise Value = €6.0 billion

    - Total Equity = €4.4 billion

- Summary since acquisition:
  - Growing customer base - from over 12 million homes at acquisition to over 14 million homes by end 2023
  - Growing product offering
    - Focus on sub-metering business at acquisition, expanding into other energy management services to help customers to reduce carbon footprint and decarbonize
    - Evolving products from traditional meters at acquisition to digitalized devices and tools

At Acquisition	Now and beyond

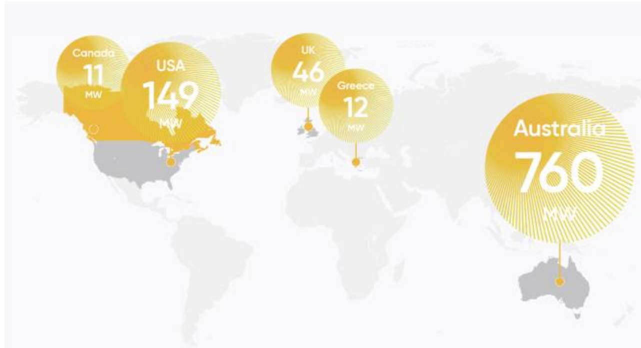




Project Updates – Energy Developments Pty Limited

- Energy Developments Pty Limited (EDL) is a leading global sustainable energy producer that specialises in producing clean electricity, renewable natural gas, and providing low-carbon energy solutions in remote regions

- EDL was acquired in 2017 as part of the DUET transaction, and operates a global portfolio in Australia, North America and Europe
  - At acquisition - DUET's Enterprise Value = A$13 billion

    - Total Equity = A$7.4 billion



- Summary since acquisition:
  - Business expansion
    - Geographical expansion into the U.S. – EDL is one of the largest landfill gas operators in the country
    - Total generating capacity has increased by 27% to 1.2GWe plus green project growth of 39%.

Fire at AVR

- On 21 September, a major fire broke out at AVR's Rozenburg unit (c.78% of AVR's and c.18% of the Netherland's total waste incineration capacity). There were no injuries, but severe damage to its main electrical facilities

- Full operation of water treatment and biomass facilities (not directly affected) has been resumed before year end, and Energy-from-Waste to start ramping up operations from 4Q2024

- The costs of rebuilding the plant and resulting income losses are expected to be substantially covered by insurance

- The Duiven plant continued to run normally throughout the year, with solid performance in 2023

CKI's Role in the Energy Transition

- CKI is owner and operator of gas networks in the UK and Australia

Northern Gas Networks · WALES&WEST UTILITIES · Australian Gas Networks · Multinet Gas Networks · Dampier Bunbury Pipeline

- Our gas networks are important components of the current and future energy landscape
  - Proven reliability and safety record
  - Various indicators suggest gas will be needed for longer
    - Observed delays in the rollout of select zero carbon generation projects (wind, nuclear)
    - Any delays in transmission reinforcement could impact the pace of further electrification
  - Affordability concerns around Net Zero delivery
    - There is some risk that the 2050 target date may ultimately be pushed further out
  - Other factors
    - Hydrogen offers a 'clean' solution. Production costs should continue to improve over time
    - Heat pumps are unlikely to be suitable for all homes
    - Many industries may continue to rely on gas (or hydrogen) over electricity

- CKI's diversified portfolio is well-positioned for most future energy transition scenarios
  - UKPN, VPN, SAPN, UE and Wellington Electricity are well placed for any increase in pace of electrification
  - Our gas networks are actively involved in various hydrogen trial projects and opportunities

CKI's Net-zero Pathway

- Net zero targets by businesses solidify the Group's net zero ambition
- Group targets 50% cut on scope 1 and 2 emission by 2035 (2020 baseline)

2020

Northumbrian Water
Achieving net-zero by 2027

UKPN
Achieving net-zero for its controllable business carbon footprint (BCF) by 2028

ista
Achieve net-zero by 2030

Ratchaburi Power
Gas-fired PPA expire by 2033

HK Electric
Phase-out coal-fired generation by 2035

SA Power Networks
Achieving net-zero by 2035

Wellington Electricity
Support the New Zealand Government's Zero Carbon Act to reach net-zero by 2050

WWU, NGN, AGN, DBP & Multinet Gas
Achieve net-zero by 2050

HK Electric
Support the HKSAR government to achieve carbon neutrality goal before 2050

EDL
Achieve net-zero by 2050

AVR
Achieve net-zero by 2050

Enviro NZ
Support the New Zealand Government's Zero Carbon Act to reach net-zero by 2050

Alliance Construction Materials
Achieve net-zero by 2050

2050

ESG Ratings Update

- CDP rates CKI with a score of “B” on climate change and “A-” on supplier engagement for the 2023 survey (first time submission by the company)
- Sustainalytics ESG Risk Rating improved to 30.3 (from 38.0)
- S&P Global CSA Score improved to 48 (from 42)
  - scores higher than 72% of the global industry peers
- HKQAA upgraded CKI’s sustainability performance to A (from A-)
  - CKI is selected as one of the constituents of the Hang Seng ESG 50 Index
- MSCI ESG rating at BB

B on Climate Change
A- on Supplier Engagement

30.3

48

A

BB

M&A Outlook

Large M&A pipeline as investors seek to monetize for various reasons

- Pension and sovereign funds looking to rebalance portfolio given asset allocation considerations and changes in financial profile for certain asset classes
- Infrastructure GPs under pressure to return capital to investors
- Strategic investors continue to engage in asset recycling to fund organic capex given energy transition

More rational competitive landscape

- Equity hurdle rates have adjusted upwards given the interest rate environment
- Investors are more conservative on leverage given cost and availability
- Moderated views on growth given macro environment and supply chain issues

CKI is well positioned to take advantage of a “buyer’s market”

- We see opportunities to acquire quality assets at reasonable valuations
- We will, however, maintain our investment discipline and not have a “must-win” attitude

Disclaimer

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