




# ANNUAL RESULTS 2021

16 March 2022

 CK Infrastructure Holdings Limited



# Results at a Glance

## Profit Attributable to Shareholders

- HK\$7.5 billion in 2021 (from HK\$7.3 billion in 2020)
- +3% y-o-y
- Adjusted net profit +22% y-o-y\*

## Funds from Operations

- HK\$8.4 billion in 2021 (from HK\$7.8 billion in 2020)
- +8% y-o-y

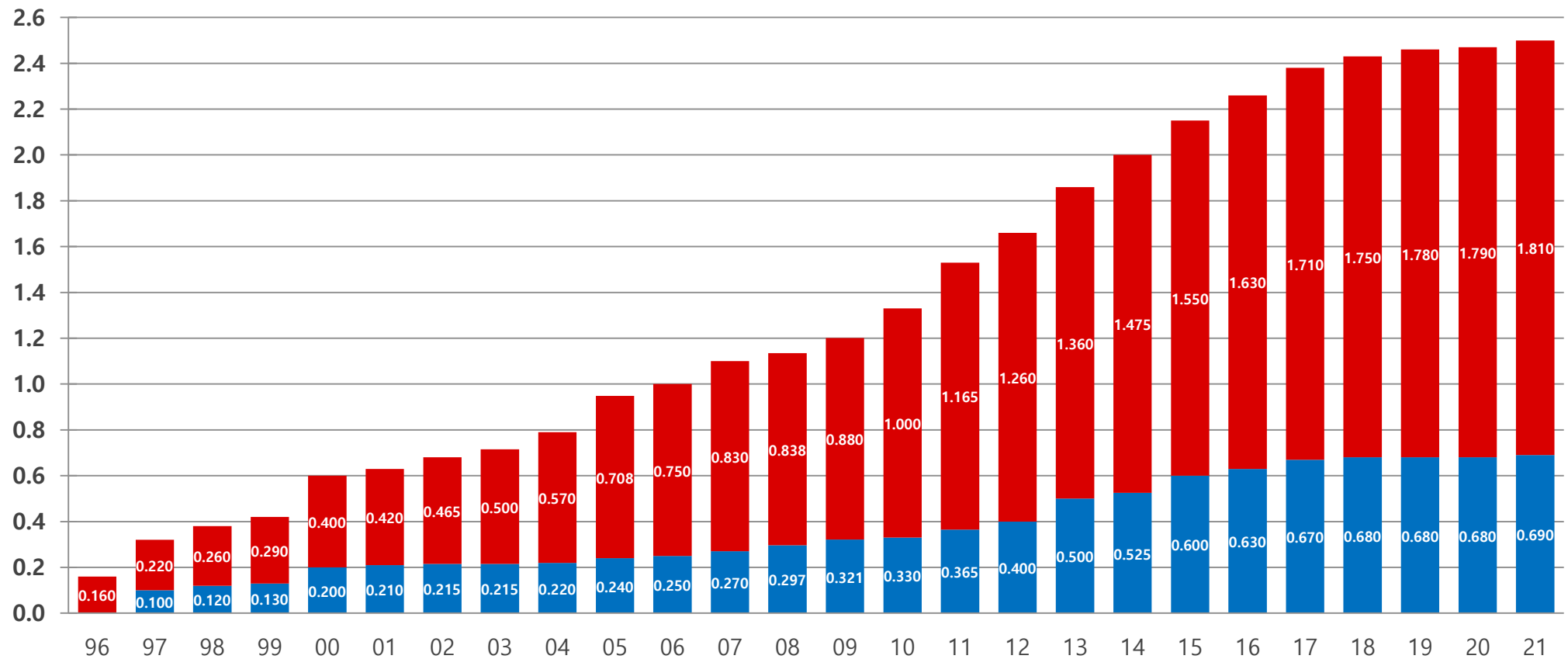
## Dividends

- HK\$2.50 per share
- 25<sup>th</sup> year of consecutive increase

\* Exclude UK deferred tax charges in both years and disposal gain of Portugal Renewable Energy in 2020

# Sustainable Dividend Growth (25th Consecutive Year)

■ Interim Dividend ■ Final Dividend

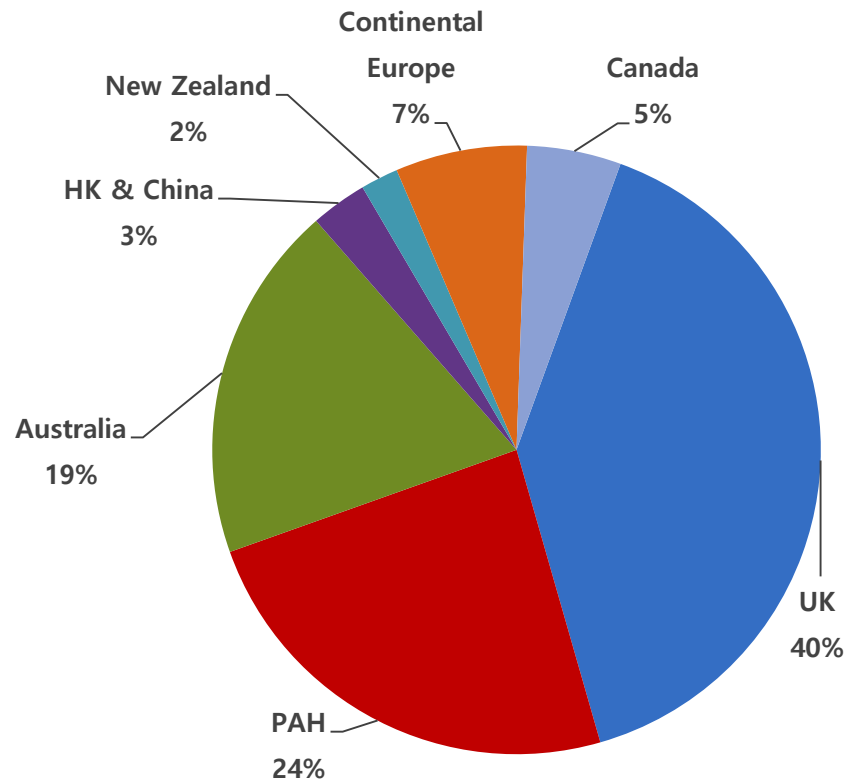


Dividends per Share (HK\$)

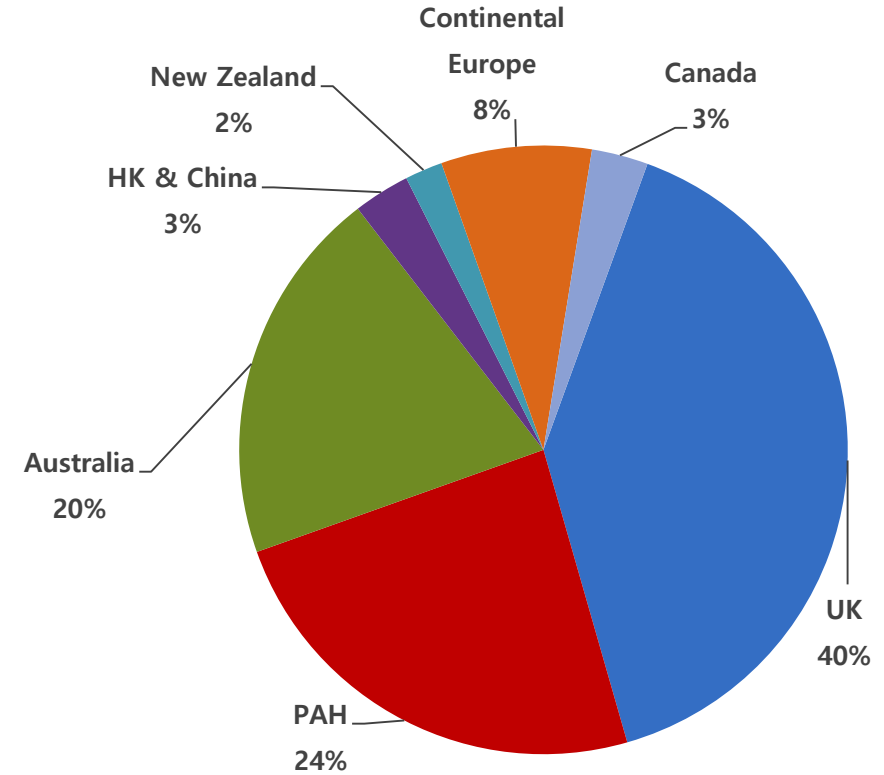
# Overview of Profit Contribution by Region

(in HK\$ million)	2021	2020	2021 vs 20	
Investment in Power Assets	2,208	2,205	-%	<ul style="list-style-type: none"> <li>• Non-cash deferred tax charges (HK\$1.6bn in 2021 compare to HK\$1.1bn in 2020)</li> </ul>
United Kingdom portfolio	2,371	2,603	-9%	<ul style="list-style-type: none"> <li>• Higher contribution from AGIG and EDL</li> <li>• Partly offset by impacts from regulatory resets for SAPN, VPN and UE</li> </ul>
Australia portfolio	1,903	1,864	+2%	
Continental Europe portfolio	694	1,550	-55%	<ul style="list-style-type: none"> <li>• Disposal of Portugal Renewable Energy in 2020</li> </ul>
Canada portfolio	475	268	+77%	<ul style="list-style-type: none"> <li>• Higher power price for Canadian Power</li> <li>• Solid contribution from Reliance Home Comfort and Canadian Midstream Asset</li> </ul>
New Zealand portfolio	170	136	+25%	<ul style="list-style-type: none"> <li>• Strong performance from EnviroNZ</li> </ul>
HK & Mainland China portfolio	316	290	+9%	<ul style="list-style-type: none"> <li>• Good performance of the Infrastructure Material Manufacturing business</li> </ul>
<b>Total Contribution from Businesses</b>	<b>8,137</b>	<b>8,916</b>	<b>-9%</b>	
Treasury Related Activities & Others	(188)	(800)	+77%	<ul style="list-style-type: none"> <li>• Mainly due to favourable exchange gain</li> </ul>
Distribution to Perpetual Securities	(434)	(796)	+45%	<ul style="list-style-type: none"> <li>• Redeemed US\$1.2 billion perpetual securities in March 2021; issued US\$600 million perpetual securities at lower rates in June and July 2021</li> </ul>
<b>Profit Attributable to Shareholders</b>	<b>7,515</b>	<b>7,320</b>	<b>+3%</b>	

# Profit Contribution by Region



2021\*



2020\*\*

\* 2021 figures exclude non-cash deferred tax charges and tax credit in respect of deferred tax liabilities on intangible assets in the UK

\*\* 2020 figures exclude non-cash deferred tax charges in the UK and disposal gain arise from Portugal Renewable Energy

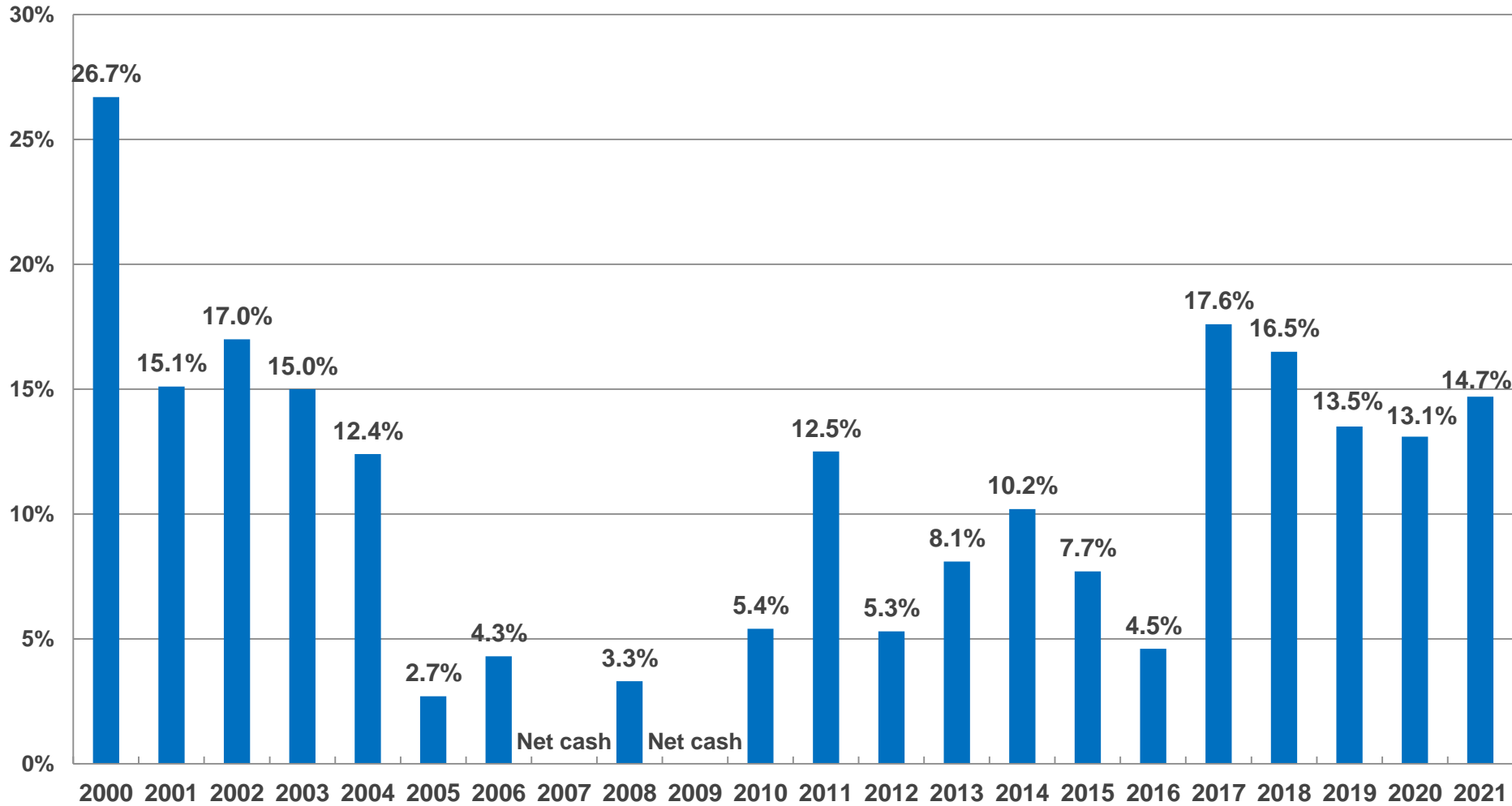
# Solid Financial Position

	Dec 31, 2021	Dec 31, 2020
Cash on hand (HK\$ million)	8,085	13,477
Debts (HK\$ million)	29,847	32,588
Total equity (HK\$ million)	125,847	126,262
Net debt to net total capital ratio	14.7%	13.1%
S&P credit rating	A/Stable	A/Stable

- The US\$1.2 billion 5.875% OVPH perpetual securities were redeemed in March 2021
- In June and July 2021, the Group issued US\$300 million 4.2% perpetual securities and US\$300 million 4.0% perpetual securities respectively

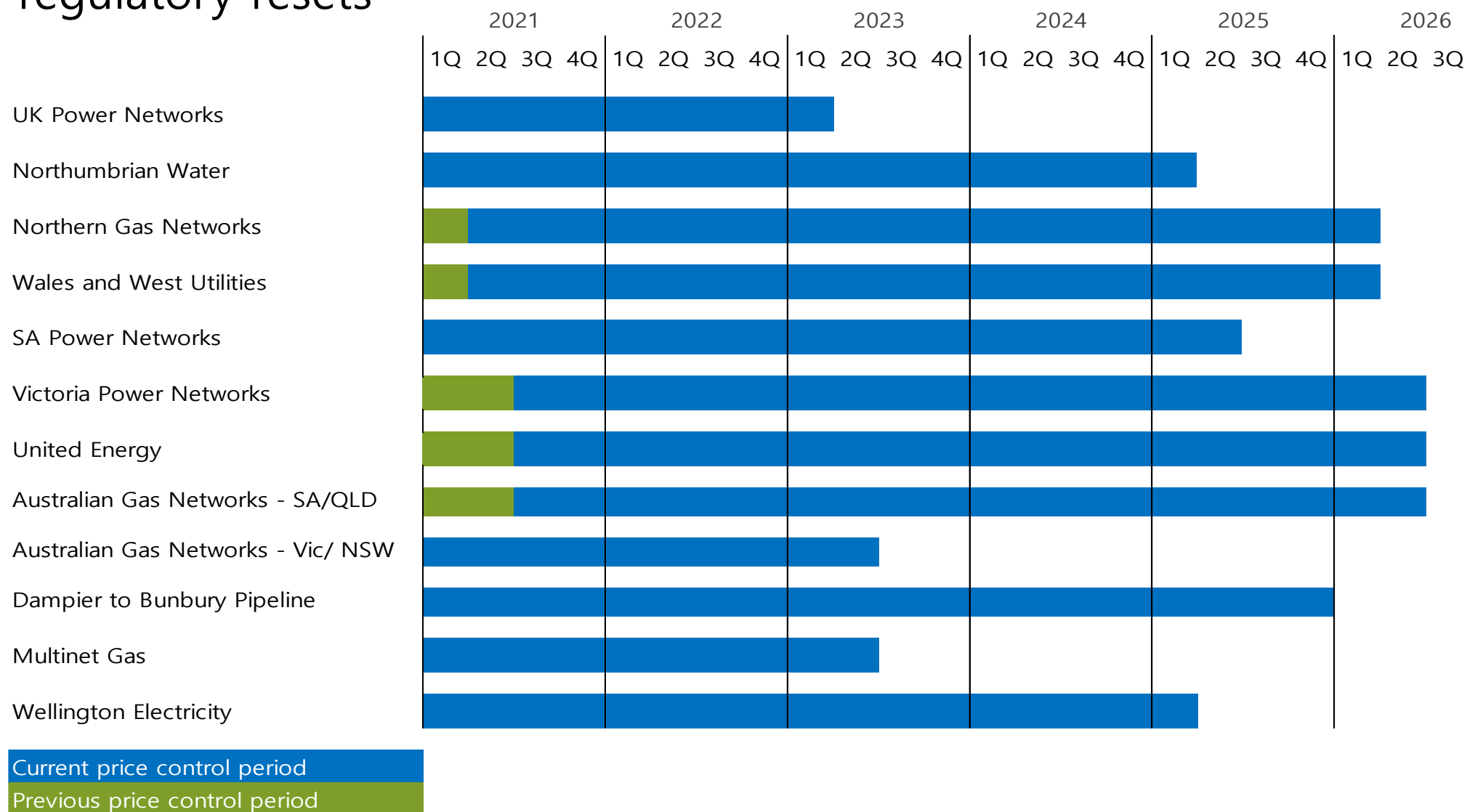
# Gearing Ratio (Since 2000)

Net Debt / Net Total Capital



# Regulatory Resets Timetable

- Most of the regulated businesses have completed their recent regulatory resets





# Bolt-On Acquisitions 2021

- Dutch Enviro Energy is named as the winning bidder for AEB, a waste-to-energy business in the Netherlands. Completion is subject to regulatory approval.
- EDL Landfill Renewable Natural Gas Project, US\$192 million
  - » EDL will build two new gas processing plants to convert Landfill gas (LFG) into Renewable Natural Gas (RNG). Supported by long dated offtake contracts
- CPH Okanagan Wind, C\$131 million
  - » CPH acquired a 100% interest in two wind farms located in the Okanagan Region of BC. The two wind farms have a combined capacity of 30 MW and have been in operation since 2017, under a 40-year PPA agreement with BC Hydro
- Reliance Crown Crest II, C\$109 million
  - » Reliance acquired a rental asset portfolio and associated contracts situated in the Toronto area from Crown Crest. The portfolio consists of approximately 25,000 water heaters, furnaces, air conditioners, water and air purification assets

# CKI's Decarbonisation Opportunities

## Electric vehicles Infrastructure



- Power distribution networks to connect EV infrastructure and promote smart charging
- Replacing companies' fleets with hybrid or electric vehicles
- Exploring new build diesel/battery hybrid train opportunity

## Renewable Energy



- Renewable energy investment (e.g. wind, solar and renewable natural gas)
- Increase the % of renewable energy mix in the power consumption

## Hydrogen



- Projects to trial blending clean hydrogen into the existing gas networks
- Pilot projects (e.g. Hydrogen Parks in Australia) to provide clean and renewable hydrogen to domestic customers in small communities
- Exploring hydrogen hybrid train opportunity

## Carbon Capture and storage



- Capture CO2 released during the incineration process and transported to greenhouses

## Energy/ CO2 management



- Provide energy management solution to customers

# CKI's Energy Generation Strategy

- Phasing out coal-fired generation investment
  - » Aim to gradually phasing out our coal-fired power generation capacity to zero by 2035
- Continue to explore opportunities in clean technologies and renewable energy when appropriate. Examples include:
  - » Investment in HYCAP, a hydrogen fund focus in clean and green hydrogen development in the UK
  - » Renewable Natural Gas (RNG) projects in the US
  - » Wind farm investment in Okanagan, Canada
  - » Carbon Capture Investments in the Netherlands

# Disclaimer

Potential investors and shareholders of the Companies (the “Potential Investors and Shareholders”) are reminded that the Presentation comprises extracts of recent operational data and financial information of the Group which have not been reviewed or audited by the Companies’ auditors.

Potential Investors and Shareholders should exercise caution when investing in or dealing in the securities of the Companies.