



 CK Infrastructure Holdings Limited

ANNUAL RESULTS

2022



15 March 2023



Results at a Glance

Profit Attributable to Shareholders

- HK\$7.7 billion in 2022 (from HK\$7.5 billion in 2021)
- +3% y-o-y

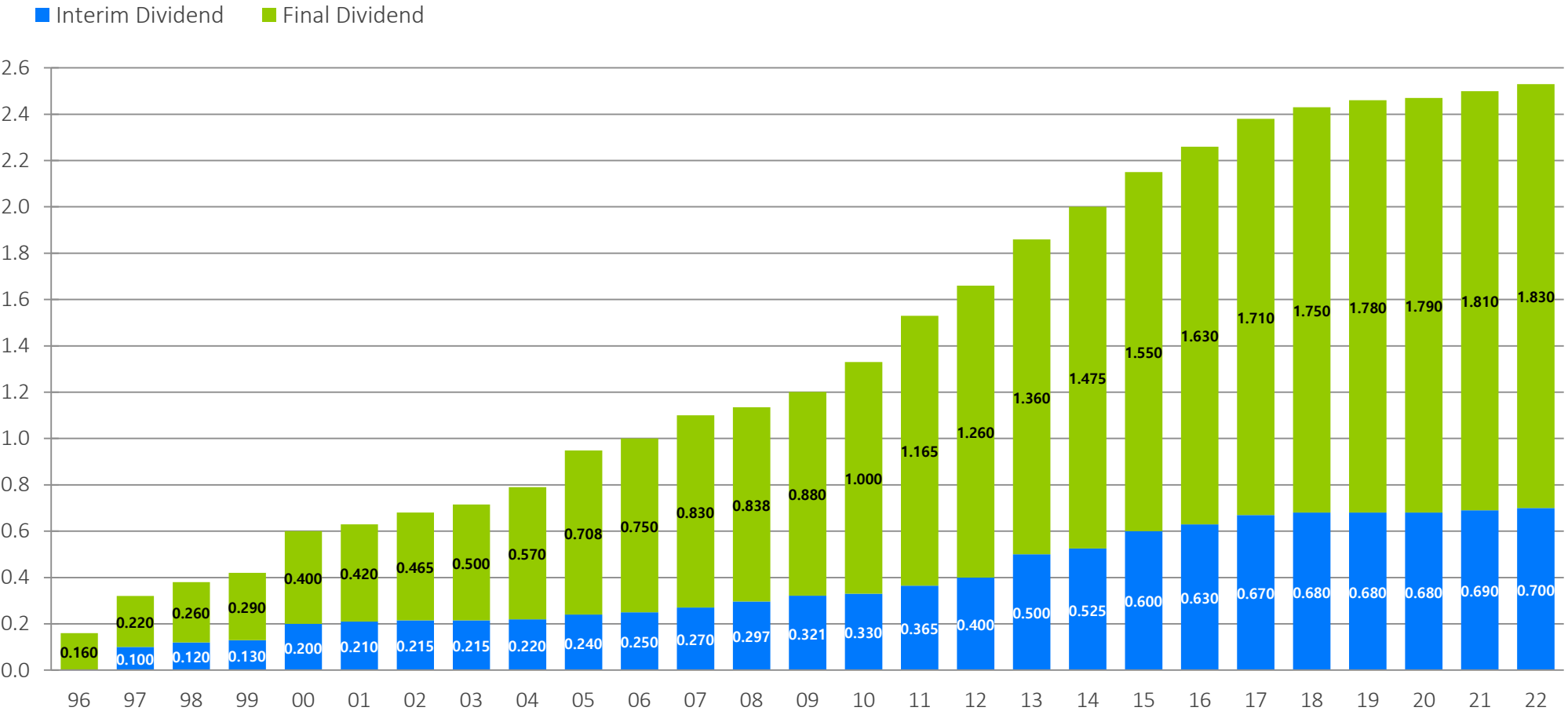
Total Contribution from Businesses

- HK\$8.7 billion in 2022 (from HK\$8.1 billion in 2021)
- +7% y-o-y
- +16% y-o-y in local currency terms

Dividends

- HK\$2.53 per share
- 26th year of consecutive increase

Sustainable Dividend Growth (26th Consecutive Year)

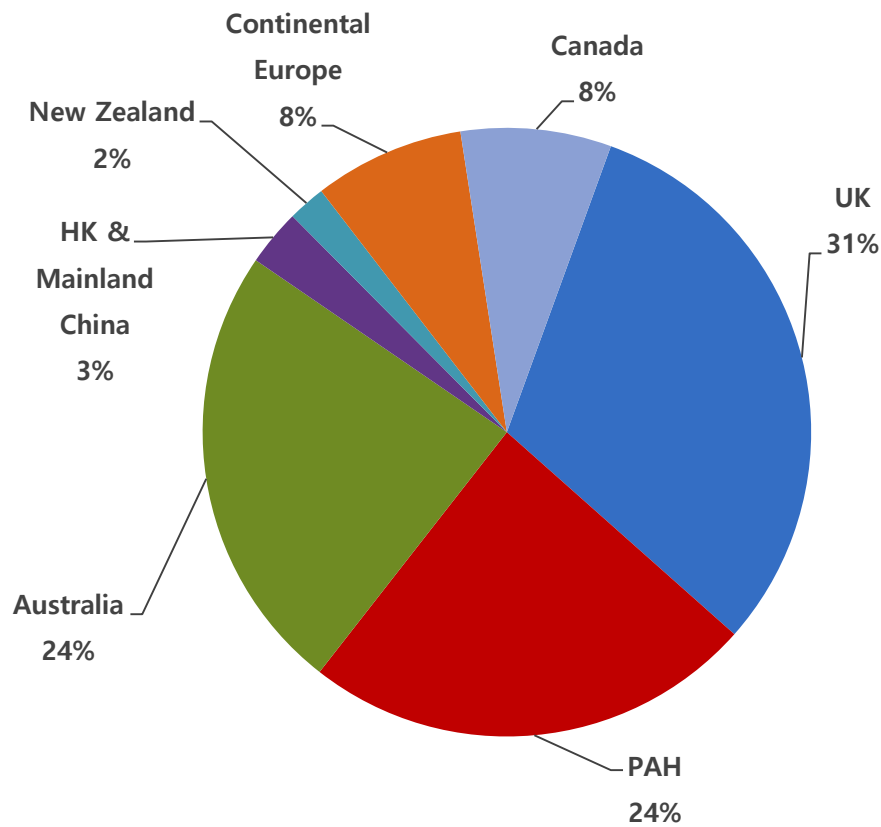


Dividends per Share (HK\$)

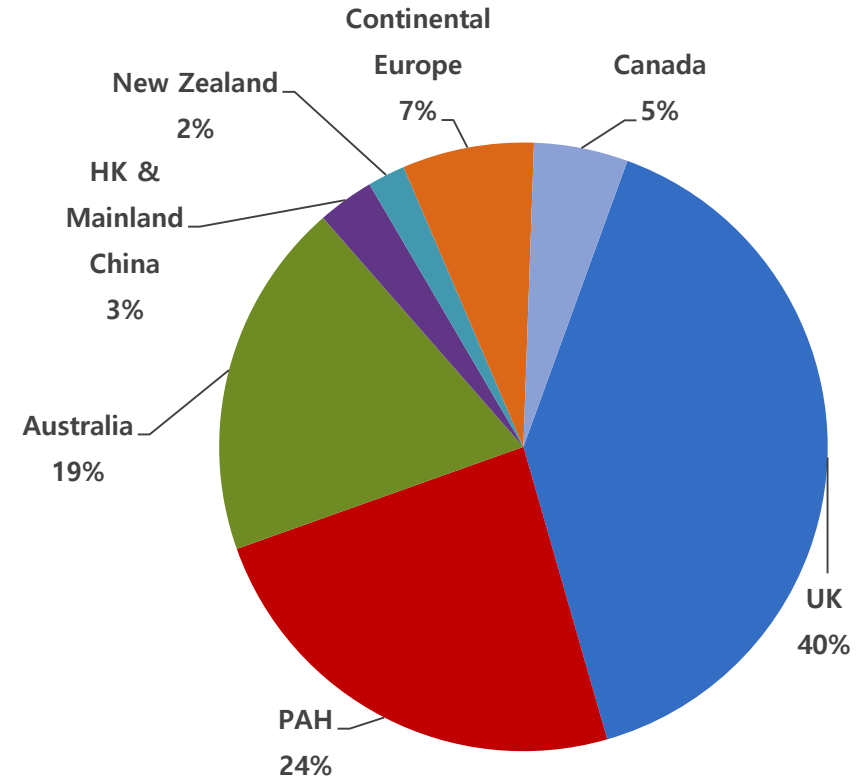
2022 Results Overview

(in HK\$ million)	2022	2021	2022 vs 21	
Investment in Power Assets	2,033	2,208	-8%	<ul style="list-style-type: none"> Higher finance costs and unfavorable foreign exchanges
United Kingdom portfolio	3,069	2,371	+29%	<ul style="list-style-type: none"> One-off gain arising from the sale of a 13% stake in Northumbrian Water Non-cash deferred tax charges booked in 2021 Partly offset by higher finance charges and weaker GBP
Australia portfolio	1,976	1,903	+4%	<ul style="list-style-type: none"> Higher contributions from power distribution networks in Victoria and EDL Partly offset by weaker Australian dollar
Continental Europe portfolio	664	694	-4%	
Canada portfolio	617	475	+30%	<ul style="list-style-type: none"> Dragged by weaker Euro (+6% y-o-y in Euro term)
New Zealand portfolio	167	170	-2%	<ul style="list-style-type: none"> Solid contribution from Reliance Home Comfort, Canadian Midstream Asset and Canadian Power Park N'Fly return to profit
HK & Mainland China portfolio	196	316	-38%	<ul style="list-style-type: none"> Dragged by weaker NZD (+9% y-o-y in NZD term)
Total Contribution from Businesses	8,722	8,137	+7%	
Treasury Related Activities & Others	(536)	(188)	-185%	<ul style="list-style-type: none"> Weak performance of the China cement businesses and low traffic volume for the toll road operations
Distribution to Perpetual Securities	(438)	(434)	-1%	<ul style="list-style-type: none"> Higher finance costs and adverse exchanges impact
Profit Attributable to Shareholders	7,748	7,515	+3%	

Profit Contribution by Region



2022*



2021**

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

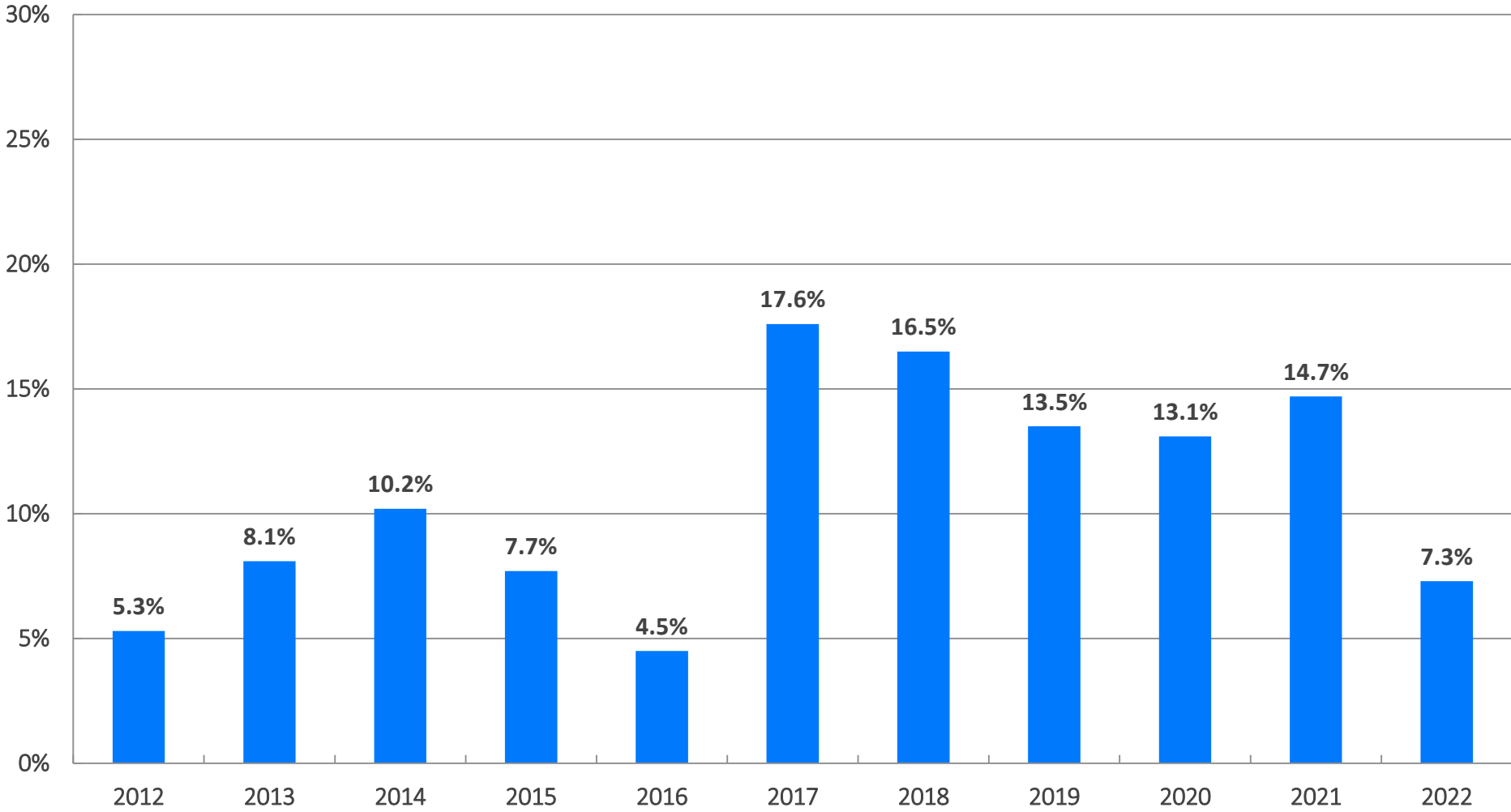
** 2021 figures exclude non-cash deferred tax charges and tax credit in respect of deferred tax liabilities on intangible assets in the UK

Solid Financial Position

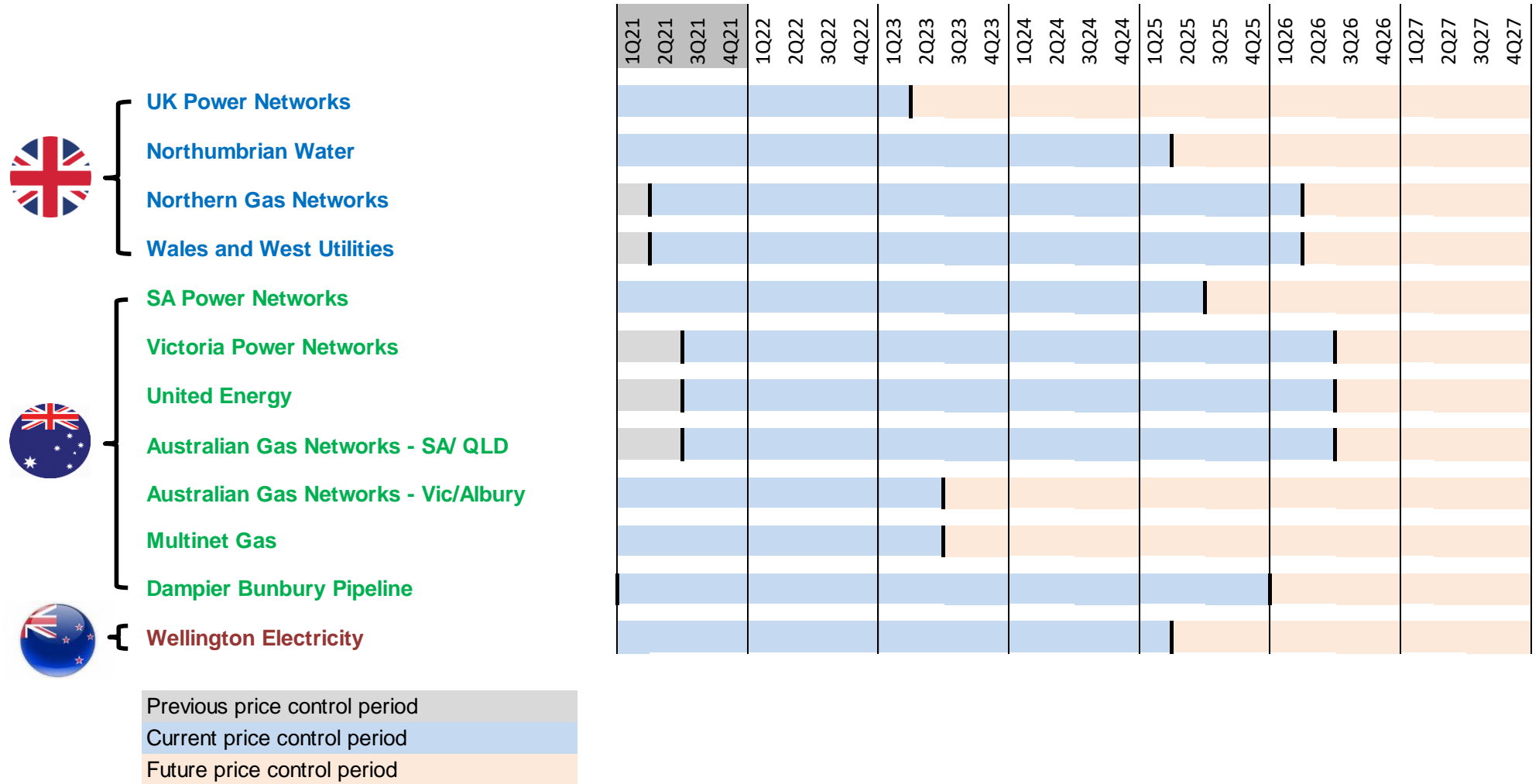
	Dec 31, 2022	Dec 31, 2021
Cash on hand (HK\$ million)	18,045	8,085
Debts (HK\$ million)	28,211	29,847
Total equity (HK\$ million)	129,382	125,847
Net debt to net total capital ratio	7.3%	14.7%
S&P credit rating	A/Stable	A/Stable

CKI Gearing Ratio

Net Debt / Net Total Capital



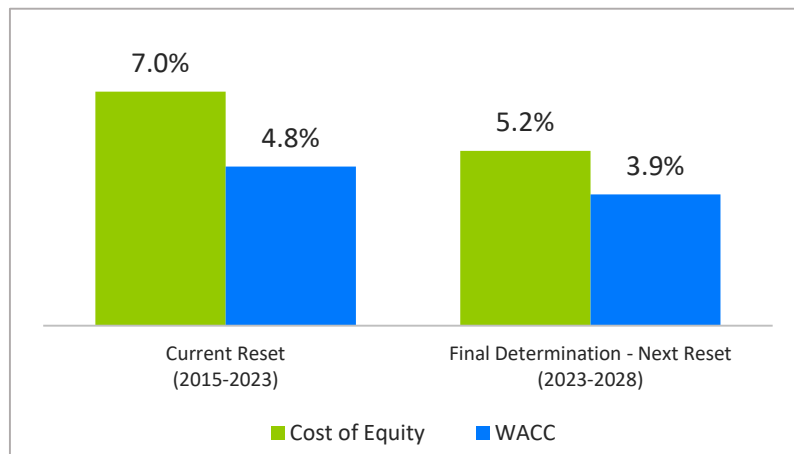
Regulatory Resets Timetable



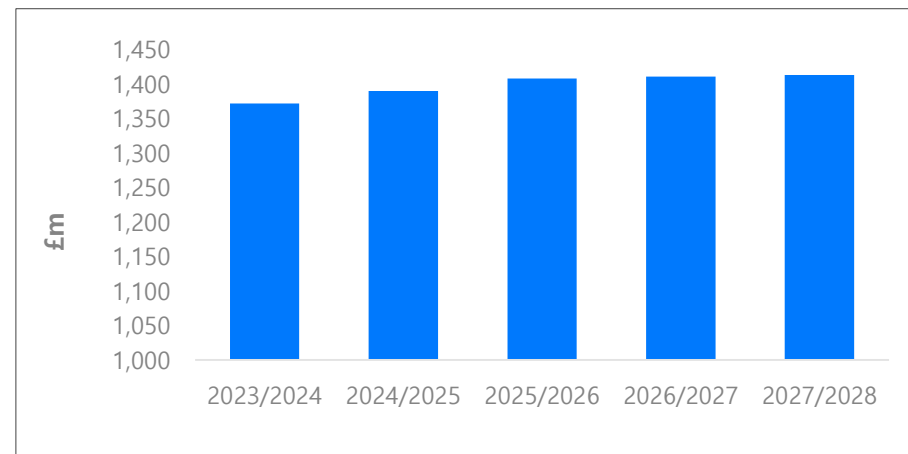
UKPN's Regulatory Reset (2023-2028)

- Final determination for 2023-2028 was released in December 2022
 - ▶ Various improvement compare to the draft determination
 - Higher Cost of Equity allowance and WACC vs draft
 - Higher total expenditure allowances vs draft
 - Higher incentive allowances vs draft
- Inflation mechanism intact
 - ▶ Inflation indicator changed from RPI to CPI-H
- New regulatory reset will start from 1 April 2023

UKPN WACC and CoE Comparison



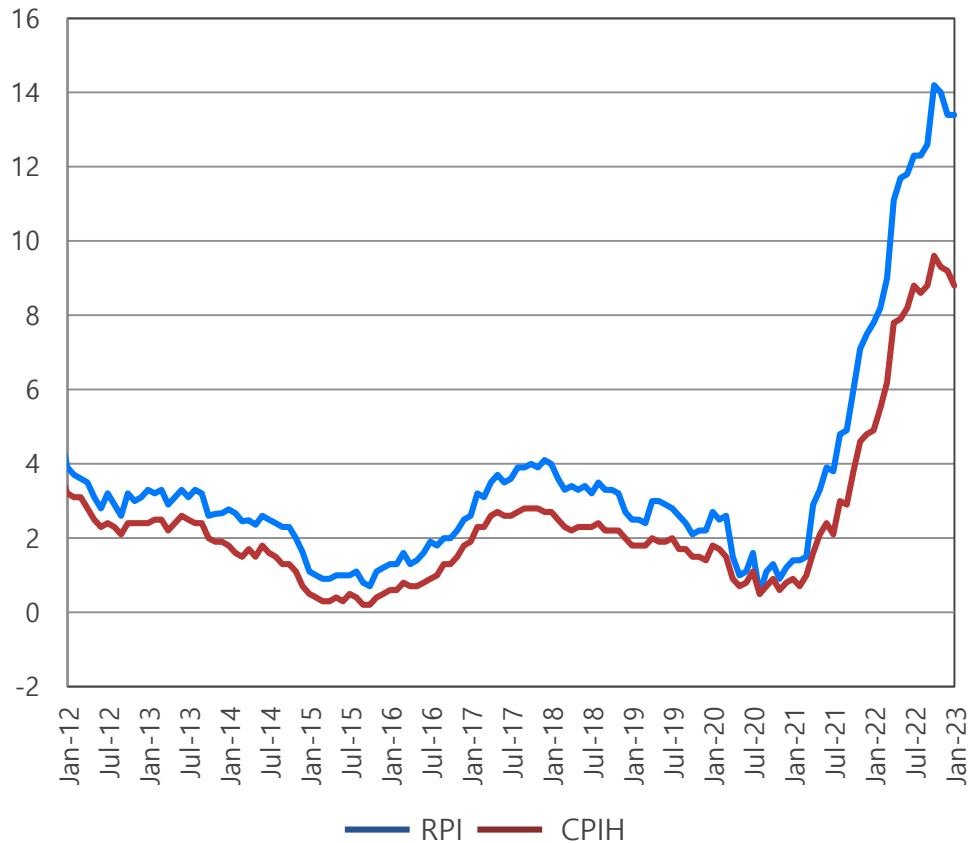
UKPN Allowed Based Revenue (in 2020/21 prices)



Inflation Impact to Regulated Businesses

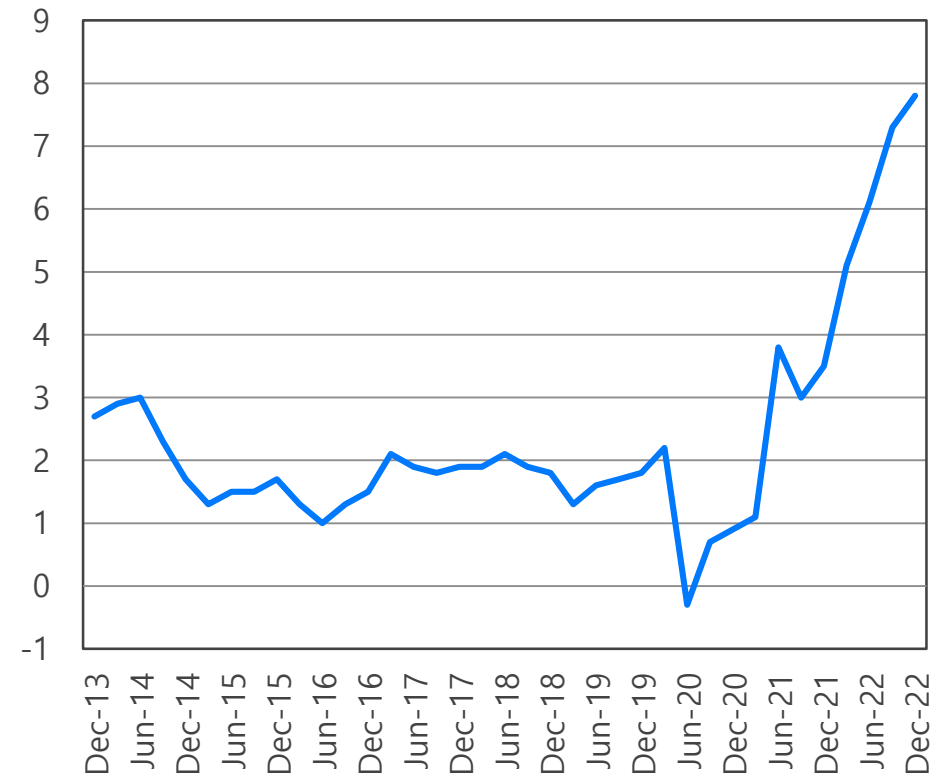
- Higher inflation would translate into higher revenue and higher regulated asset bases for our regulated businesses in the UK and Australia in long run

UK RPI and CPIH Year-on-Year change (monthly data)



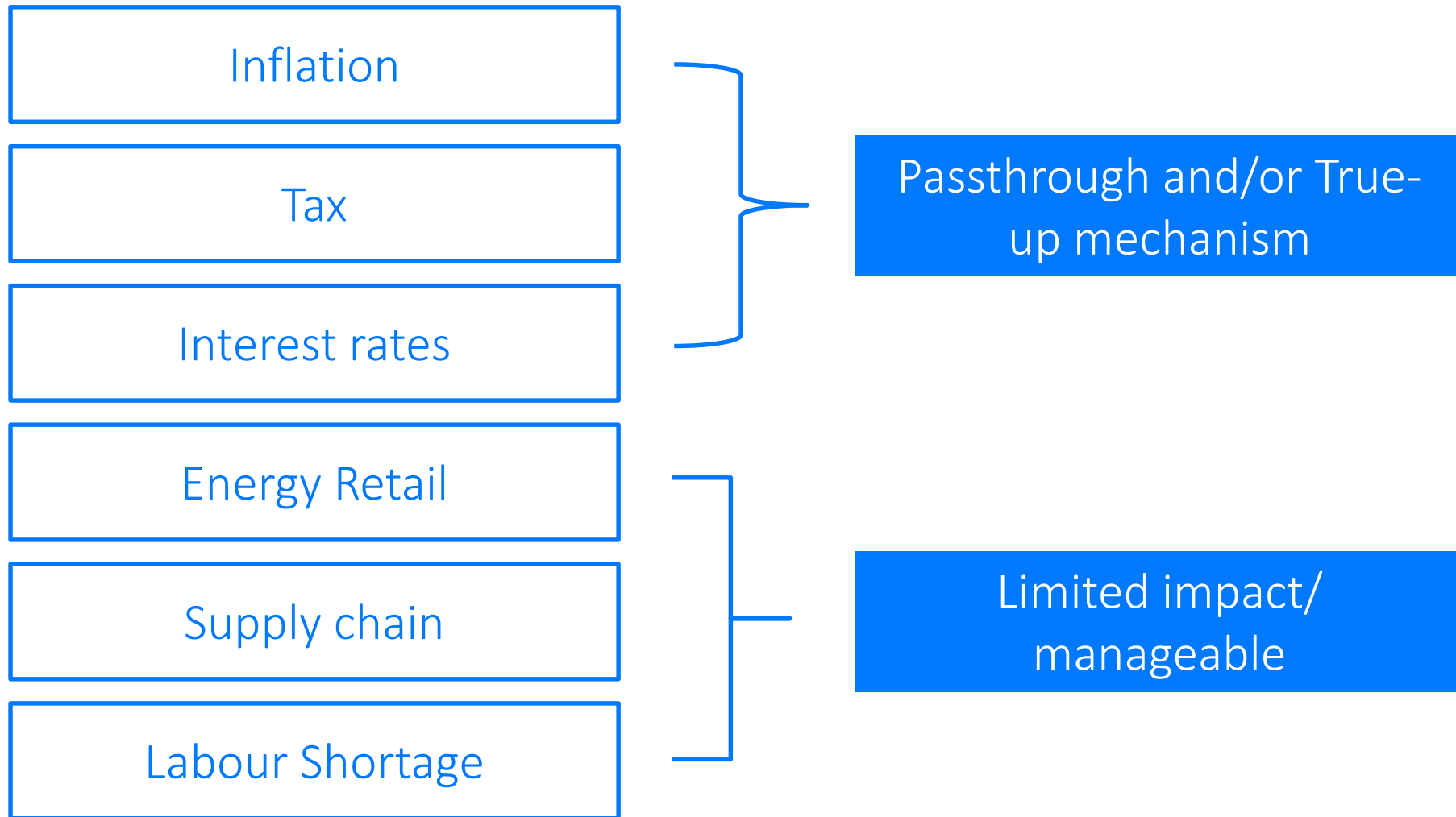
Source: Office for National Statistics UK

Australia CPI Year-on-Year change (quarterly data)



Source: Australian Bureau of Statistics

Resilience to Macro Impacts



- Regulated utilities are generally protected from significant macro impacts, although there may be timing delays
- Contracted businesses are in many cases also resilient to these impacts

Major Development in Group's Sustainability

■ CKI's Low Carbon Transition Plan

- ▶ Target to reduce carbon emission (scope 1 and 2) by 50% by 2035 (versus 2020 baseline)
- ▶ The Group commits to pursuit Net Zero by 2050

■ Support the United Nations Sustainable Development Goals (UNSDGs)

- ▶ Identified 7 UNSDGs that are closely aligned to the group's corporate strategies and business priorities



■ The Group is preparing the adoption of Task Force on Climate-Related Financial Disclosure (TCFD) Recommendation

- ▶ Facilitate stakeholders to understand the climate related risks and opportunities for the Group
- ▶ A TCFD section will be included in the Group's Sustainability Report 2022

Disclaimer

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