

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

中電控股有限公司

CLP Holdings Limited

(incorporated in Hong Kong with limited liability)

(Stock Code: 00002)

Announcement of Annual Results from 1 January 2025 to 31 December 2025, Dividend Declaration and Closure of Books

Financial Highlights

- Group's operating earnings before fair value movement for 2025 was HK\$10,685 million, a slight decrease of 2.4% compared to 2024; the improvement in the financial performance of the regulated business in Hong Kong was offset by a combination of the unfavourable performance of EnergyAustralia's Customer business amid the sustained retail market competition, and reduced contributions from Yangjiang nuclear and renewable energy assets on the Chinese Mainland.
- Total earnings decreased to HK\$10,468 million, after taking into account one-off items affecting comparability.
- Consolidated revenue decreased 3.2% to HK\$88,018 million attributable to lower generation volumes from power stations in Australia.
- Total dividends for 2025 amounted to HK\$3.20 per share (2024: HK\$3.15 per share); this includes the fourth interim dividend of HK\$1.31 per share declared by the Board and the first three interim dividends paid; the increase in dividends is in line with our dividend policy and reflects our confidence in the Group's performance and our commitment in creating and delivering value to shareholders.

CHAIRMAN'S STATEMENT

In the context of an unpredictable and challenging world, CLP has remained steadfast in its purpose. In our core market of Hong Kong, we upheld our commitment to the provision of reliable, sustainable and affordable energy services for our community. At the same time, we advanced our energy transition, commissioning over 380 megawatts (MW) of renewable energy projects in the Asia-Pacific region and progressing further towards our long-term decarbonisation goals.

Against this backdrop, the Group delivered a resilient financial performance in 2025. Operating earnings before fair value movements decreased 2.4% to HK\$10,685 million, compared with HK\$10,949 million in 2024, while total earnings reached HK\$10,468 million, down 10.8% from HK\$11,742 million a year ago. The Board has declared a fourth interim dividend of HK\$1.31 per share, bringing total dividends for the year to HK\$3.20 per share, an increase of 1.6% from the previous year. These results reflect the disciplined execution of our updated strategy.

Focusing on our Core Market, Hong Kong

Hong Kong is a core contributor to the Group's financial strength, and we remain committed to driving Hong Kong's long-term development, as we have for the past 125 years. The resilience of CLP's infrastructure is of paramount importance, and with the increasing frequency of extreme weather events we have strengthened our networks and emergency response capabilities to ensure the continuing provision of safe and reliable power. In his 2025 Policy Address the Chief Executive set out plans to accelerate the development of the Northern Metropolis as a new engine of growth. CLP is aligning itself with this vision, ensuring that our power systems are ready to meet the energy needs of this new area. Through such efforts we continue to ensure that Hong Kong has the reliable energy backbone to underpin its future growth and competitiveness.

Deepening Ties with the Chinese Mainland

In October I chaired CLP Holdings Board Meeting in Shandong Province, one of CLP China's most established regions with the largest renewable energy operational footprint. The Meeting provided the Board with a first-hand view of the scale and momentum of some of our key renewable and energy storage projects, including the 100MW/200 megawatt hour (MWh) Guanxian battery energy storage system commissioned in 2025 and the 231MW Guanxian Wind Farm under development. These assets will play an important role in the Chinese Mainland's decarbonisation journey and position CLP for growth as demand for low-carbon energy continues to rise.

CLP has been investing on the Chinese Mainland for more than four decades. Today, we are one of the largest external investors in its energy sector, with a strong focus on low-carbon energy development. The projects we visited in Shandong exemplify this commitment and the disciplined execution required to deliver sustainable outcomes.

Strengthening Leadership

Last year marked an important transition on our Board as Sir Rod Eddington retired as an Independent Non-executive Director after many years of distinguished service. His insights, integrity and international perspective have been invaluable, and on behalf of the Board, I extend my sincere thanks for his exceptional contribution.

I am pleased to welcome Mr Carlo Wolters, who succeeded the retiring Mr Derek Parkin as Chief Operating Officer, and Mr Vian Davys, who has rejoined CLP as Managing Director – Growth Markets. Their experience and leadership will be instrumental as we expand our renewable presence across the region, develop low-carbon and digital capabilities, and build organisational resilience in key growth markets. I would also like to take this opportunity to thank Mr Parkin for his dedicated service in the last decade.

Delivering CLP's strategy over the coming years will require sustained focus and effective leadership. The Board is therefore pleased to have reached a mutual agreement with Mr T.K. Chiang to extend his tenure as Chief Executive Officer as he approaches normal retirement age, ensuring continuity as we position ourselves for long-term growth.

Our people remain central to our success. Investing in talent development, fostering an inclusive workforce and nurturing a culture of innovation will continue to be a priority as we equip our people to respond to changing market demands.

Regrettably, the past year saw several tragic fatal incidents. In Hong Kong there were two motor vehicle incidents, one involving a member of the public and another a contractor worker at a CLP worksite. A fatality also occurred at a minority investment entity of CLP China, and Apraava Energy reported a fatal incident at its Sidhpur Wind Farm. These deeply saddening incidents are a reminder that our commitment to safety must be relentless. We will enhance further our oversight, culture and systems to protect everyone who works with us and the communities we serve.

Committed to Hong Kong

The tragic Tai Po fire at the end of last year brought profound sorrow to Hong Kong, and our sympathies are with the families who lost loved ones and all those affected. The courage of first responders and the compassion shown by the community are powerful reminders of the solidarity that binds our society. The support from my CLP colleagues has also been deeply moving and reflects the strength of CLP's caring culture. My family has long called Hong Kong home and we remain committed to standing with the city and contributing to its long-term development.

As we enter our 125th year, we reflect on the enduring bond between our company, our people and the communities we are privileged to serve. For a century and a quarter, CLP has been an integral part of Hong Kong's social fabric, and we look ahead with the same resolve to embrace innovation and new possibilities. The opening last year of our new headquarters building in Kai Tak, with an international award for its design and sustainability, heralded an exciting new chapter in CLP's journey. Guided by a clear strategy and our purpose to Power Brighter Tomorrows, we remain committed to delivering reliable, sustainable energy to our customers in Hong Kong and beyond.

Powering the Next Chapter

In this world of increasing uncertainty, I remain confident in CLP's ability to navigate a changing energy landscape. Our strong financial foundation, disciplined strategy and proven capability will guide us forward as we continue to adapt and grow responsibly. I am particularly encouraged by the opportunities in our core market, and with the dedication of our people and the trust of our stakeholders, CLP will continue to deliver resilient growth and sustainable energy solutions for generations to come.

The Honourable Sir Michael Kadoorie

CEO'S STRATEGIC REVIEW

In 2025, CLP navigated an increasingly complex energy landscape with a disciplined focus on sustainable growth, decarbonisation and operational excellence. Across our operations, the Group delivered resilient performance while investing in growth, reliability, safety and service quality for the communities and customers we serve.

The performance is guided by our strategy, which we refreshed in 2024 to position CLP for dependable growth over the coming decade. The strategy is anchored on five priorities: ensuring our core markets operate from a position of strength, pursuing opportunities beyond our core markets, capitalising on long-term opportunities presented by decarbonisation and technology developments, delivering on our Climate Vision 2050, and building organisational capabilities. Together, they provide a clear framework for investment and decision-making.

Delivering on our Strategic Priorities

Enhancing and extending core markets

In 2025, CLP continued to advance in our home markets of Hong Kong and the Chinese Mainland through a range of actions to strengthen reliability, enhance customer service and support the transition to a low-carbon energy system.

In Hong Kong, CLP Power Hong Kong Limited (CLP Power) maintained world-class supply reliability of 99.999%, underpinned by our sustained investment to strengthen the system.

When super typhoon Ragasa, one of 2025's most powerful tropical cyclones, struck in September, our generation and power systems in Hong Kong remained intact and generally operated normally. Operations at all sites in southern China, including those directly hit by Ragasa, were also safe and stable. The resilience to extreme weather events underscores the importance of continued investment to further enhance our asset management, network reliability and operational efficiency. During the year, we stepped up these efforts, highlighted by the completion of the Distribution Network Operation Optimisation project, consolidating multiple legacy systems into a single platform which provides enhanced visibility and control across the power distribution network through advanced smart grid management system. We also completed a multi-year programme to install smart meters for residential and small and medium-sized enterprise customers in Hong Kong. Smart meters are a cornerstone of enhanced customer service and smart grid development, enabling real-time insights that improve grid visibility and deepen customer engagement.

As part of the 2024-2028 Development Plan, CLP Power invested strategically to support Hong Kong's future growth and priorities. Although overall electricity sales were slightly lower, demand from data centres and the electric transport sector continued to grow and customers benefitted from lower average net tariffs, reflecting declining international fuel prices.

On the Chinese Mainland, a government policy that calls for a more market-based approach to pricing new renewable energy projects has been introduced. While the new policy is still evolving and adds complexity to investment decisions, CLP China remains committed to growing its renewable energy portfolio through a disciplined investment approach, focusing on targeted regions with strong power demand, favourable resources and lower curtailment risk. We will also explore opportunities to expand existing projects.

During the year, the business commissioned over 300MW of additional wind and solar capacity and progressed more than 900MW of projects under construction. These projects reinforce CLP China's strategy to expand its zero-carbon energy footprint, optimise asset performance and contribute to the country's dual-carbon goals.

Pursuing growth outside core markets

We continued to pursue growth beyond our core markets, strengthening our low-carbon capacity and partnerships across Australia and India along with Taiwan Region and Southeast Asia.

In Australia, EnergyAustralia focused on building flexibility and resilience in its operations as it positions itself for long-term success in a market undergoing rapid transformation. We progressed battery and pumped hydro energy storage projects to support secure, affordable and reliable supply of electricity which will be increasingly important to the system as renewables grow and coal generation retires. The generation business delivered strong performance supported by available generation capacity during periods of high market demand and elevated wholesale power prices. Retail operations, however, faced intense competition and lower margins. To enhance retail performance, EnergyAustralia is moving ahead with a customer transformation programme and began an initiative to modernise its back-end systems to enhance operational efficiency and customer experience.

In India, Apraava Energy strengthened its position as a key contributor to the country's clean energy transition. It fully commissioned its largest operating renewable energy asset – the 251MW Sidhpur Wind Farm – and moved ahead with a pipeline of solar, wind and transmission projects. Substantial progress was also made on advanced metering infrastructure (AMI) contracts. Through these investments, Apraava Energy continued its long-term commitment to enabling India's energy transition and enhancing the reliability of the country's energy systems.

In line with our strategy, we formed a Growth Markets team to explore new opportunities in Taiwan Region and Southeast Asia, reflecting our ambition to capture emerging low-carbon growth in the region.

Exploring long-term growth options

CLP actively pursues long-term growth opportunities driven by decarbonisation and technological innovation. In 2025, we advanced efforts to explore the use of hydrogen as a low-carbon fuel for power generation. A pilot project assessing the feasibility of using hydrogen-blended natural gas at Black Point Power Station in Hong Kong is currently underway. The project will provide valuable insights into the scalability, efficiency and commercial viability of hydrogen. In addition, we further strengthened our access to the best emerging technologies including green hydrogen and innovative energy storage solutions through our investments into several China-focused venture capital funds.

Decarbonisation is reshaping energy demand, with users prioritising efficiency and low-emission infrastructure. This trend is accelerating demand for EV charging and lower-emissions maritime fuel bunkering. In 2025, we launched targeted initiatives to capture this growth while supporting Hong Kong SAR Government policies. CLP Power continued to work closely with EV charge point operators and the Government to accelerate the deployment of fast chargers, optimising our power supply to meet the rapidly-growing needs of EVs. CLPe also opened eight EV charging stations across Hong Kong in 2025, including one supporting cross-border travel under the Government's "Southbound Travel for Guangdong Vehicles" arrangement. Meanwhile, CLPe and its partner CNOOC Guangdong Water Transport Clean Energy Company Limited completed Hong Kong's first liquefied natural gas (LNG) bunkering with simultaneous cargo operations in June, marking a key step towards supporting the city's plan in establishing itself as a high quality green marine fuel bunkering centre.

Delivering Climate Vision 2050

CLP's Climate Vision 2050 sets out our long-term ambition to transition to a low-carbon portfolio while continuing to deliver reliable and affordable energy. In 2025, we further reduced the Group's greenhouse gas emissions intensity to 0.50 kilogramme carbon dioxide-equivalent per kilowatt hour as we lowered coal consumption by over 10% and further expanded our non-carbon portfolio. We also moved closer to our 2040 target of phasing out coal-fired power generation following Apraava Energy's announcement of the sale of Jhajjar Power Station. At the same time, we remain focused on growing the supply of non-carbon energy including renewables and nuclear energy to support our energy transition.

The Group has a pledge to review its Climate Vision 2050 targets at least every three years, taking into consideration the latest climate science, policy drivers, technological advancement, industry trends and community expectations. To ensure our investment decisions remain consistent with the overall intent of the plan, we will commence the next review in 2026, following the most recent update published in 2024.

Building organisational capabilities

Building organisational capabilities is essential to our long-term success, driven by the skills, agility and innovation of our people. This focus enables us to operate efficiently today while preparing for future growth.

In the first half of 2025, we completed the first phase of our Enterprise Resource Planning (ERP) transformation in Hong Kong, improving efficiency, transparency and decision-making across finance, human resources, supply chain and procurement. The next phase will deepen integration across the Group including asset management and customers, strengthen data consistency, and further enhance our ability to respond quickly to emerging business pathways and changing market conditions.

We also rolled out our 2025-2028 Digital Strategy to enhance agility, strengthen capabilities and drive sustainable growth. By integrating AI and data analytics into daily operations, colleagues are making more informed decisions, improving efficiency and delivering better service to customers. Responsible AI deployment is as vital as its capabilities. Our approach centres on robust governance, with policies grounded in ethics, accountability and purposeful use. We equip our people to apply AI effectively and responsibly, underpinned by our AI Policy that embeds comprehensive governance and risk management in a clear framework.

We invest in our people through structured talent development programmes as we firmly believe that with the right support and opportunities, every individual can fulfil their potential. It is with this belief that we relaunched the CLP Executive Programme to provide experienced colleagues with leadership mentoring, cross-unit rotations and exposure to strategic projects.

Taken together, these efforts demonstrate disciplined execution of the refreshed strategy, which guided our investments and decisions throughout 2025. This approach not only enabled CLP to deliver a resilient performance in a challenging environment, but also positioned us for dependable growth in the decade ahead.

Marking 125 Years of Service and Beyond

In November, I had the privilege of joining the torch relay for the 15th National Games. For the first time in history, the 15th National Games, the 12th National Games for Persons with Disabilities and the 9th National Special Olympic Games were jointly hosted by Guangdong and the two special administrative regions of Hong Kong and Macao. The success of these events is a compelling testament to the vitality of the “One Country, Two Systems” policy and regional cooperation. CLP was proud to contribute by providing highly reliable electricity supply and enabling the use of zero-carbon electricity across all key venues in Hong Kong.

As CLP marks its 125th anniversary, we honour a legacy of service to Hong Kong and the region while looking ahead with confidence. Our diversified portfolio, strong operational foundations and continued investment in low-carbon and digital initiatives position the Group to benefit from evolving market dynamics.

Above all, our people remain a defining source of strength. Their commitment – evident in maintaining dependable service during extreme weather and helping the community in times of need – reflects a culture built on trust, integrity and a customer-oriented mindset. I extend my heartfelt thanks to my colleagues for their professionalism and dedication, which are central to CLP’s success. This shared commitment positions us to create long-term value and reinforce the trust our stakeholders place in us.

T.K. Chiang

FINANCIAL PERFORMANCE

Group's operating earnings before fair value movement for 2025 was HK\$10,685 million, a slight decrease of 2.4% compared to 2024. The improvement in the financial performance of the regulated business in Hong Kong was offset by a combination of the unfavourable performance of EnergyAustralia's Customer business amid the sustained retail market competition, and reduced contributions from Yangjiang nuclear and renewable energy assets on the Chinese Mainland. Total earnings decreased to HK\$10,468 million, after taking into account one-off items affecting comparability. Total dividends for 2025 increased to HK\$3.20 per share.

| | 2025 HK\$M | 2024 HK\$M | Increase/ (Decrease) % |
|---|---------------|---------------|------------------------------|
| Hong Kong energy business ¹ | 9,312 | 8,694 | 7.1 |
| Hong Kong energy business related ² | 232 | 201 | |
| Chinese Mainland ¹ | 1,598 | 1,851 | (13.7) |
| Australia | 85 | 591 | (85.6) |
| India | 221 | 329 | (32.8) |
| Taiwan Region and Southeast Asia | 179 | 260 | (31.2) |
| Other earnings in Hong Kong | (76) | (58) | |
| Unallocated net finance income | 44 | 45 | |
| Unallocated Group expenses | (910) | (964) | |
| Operating earnings before fair value movements | 10,685 | 10,949 | (2.4) |
| Fair value movements | 224 | 699 | |
| Operating earnings | 10,909 | 11,648 | (6.3) |
| Items affecting comparability | (441) | 94 | |
| Total earnings | 10,468 | 11,742 | (10.8) |

Notes:

1 Including CLPe business in Hong Kong and on the Chinese Mainland respectively

2 Hong Kong energy business related includes PSDC and Hong Kong Branch Line supporting SoC business

The financial performance of individual business segment is analysed as below:

Hong Kong Higher earnings mainly reflected higher average SoC net fixed assets from capital investments and lower interest costs

Chinese Mainland Lower nuclear earnings reflecting a higher proportion of market sales at reduced average tariff at Yangjiang Power Station due to increased competition. Generation and earnings at Daya Bay Power Station increased as operations have been enhanced by a comprehensive maintenance programme completed in the prior years; reduced earnings from renewable energy assets mainly attributable to historically low wind resources and increased grid curtailment, partly compensated by contributions from the newly commissioned Yixing I and II Solar and Huai'an Nanzha Solar; one-off realisation of translation gains (HK\$68 million) upon early termination of a joint venture agreement in 2024

| | |
|---|--|
| Australia | Unfavourable performance in Customer business predominantly driven by competitive retail dynamics and cost of living pressures leading to lower customer margins, reduction in accounts and higher bad and doubtful debts; higher contribution from Energy business from strong performance of Mount Piper Power Station and gas fleet captured optimal pricing outcomes in less volatile price environment, offsetting lower output and higher coal costs; increased corporate expenditure on organisational transformation |
| India | Lower Apraava Energy's earnings resulted from a non-cash impairment charge recognised for a transmission project after the reassessment of debt sizing and discount rate reducing the valuation of the asset; partly compensated by higher contribution from renewable energy assets with improved wind resources, as well as higher income relating to delayed payment charges on disputed and long outstanding trade receivables of solar and wind portfolio; stable contribution from Jhajjar |
| Taiwan Region and Southeast Asia | Lower share of profit of Ho-Ping Power Station from lower fuel costs recoveries; operations of Lopburi Solar remained stable |
| Fair value movements | Lower fair value gain in 2025 due to softening forward prices favourably impacting the net sold position of contracts for EnergyAustralia. For 2024, it also benefitted from the roll-off of out-of-the-money contracts in a rising forward price environment |
| Items affecting comparability | Including impairment provision for certain minority-owned coal-fired assets on the Chinese Mainland of HK\$608 million and provision for cost associated with the planned closure of Yallourn Power Station in 2028 of HK\$345 million, partly offset by the realisation of an energy storage system project in Australia post introduction of joint venture partner of HK\$390 million and other items affecting comparability in Hong Kong |

BUSINESS PERFORMANCE AND OUTLOOK

Hong Kong

Operating earnings for the Hong Kong energy business and related activities before fair value movement were HK\$9,544 million, 7.3% higher than a year earlier, driven by returns on increased electricity investments and lower interest costs.

Delivering reliable, reasonably priced and sustainable energy

Electricity sales by CLP Power dropped 1.0% year-on-year to 35,760 gigawatt hours (GWh) mainly because of a higher base in 2024, when power consumption was boosted by higher average temperatures and an extra leap year day. Meanwhile, electricity sales for data centres grew 7.5% on the back of rising demand for AI and digital services, while consumption related to transport electrification also increased 32.4%.

| | Sales by Sector (GWh) | Change | % of Total Sales |
|------------------------------------|--------------------------|--------|---------------------|
| Residential | 9,966 | (2.3%) | 28% |
| Commercial | 13,824 | (0.4%) | 39% |
| Infrastructure and Public Services | 10,430 | (0.3%) | 29% |
| Manufacturing | 1,540 | (2.1%) | 4% |

CLP Power's supply operations again demonstrated world-class reliability in 2025, staying resilient through a series of extreme weather events in the summer. The highest Black Rainstorm alert was issued a record five times in three weeks, with 14 typhoons impacting Hong Kong during the year, also a record. To safeguard power supply, CLP Power undertook comprehensive preparations ahead of the typhoon season by implementing contingency mechanisms and precautionary measures such as the inspection of critical facilities and the deployment of flood protection measures. Although some overhead lines and power equipment were affected by fallen trees during some of the events, effective power system monitoring and round-the-clock repair work enabled timely power supply restoration. CLP Power was able to maintain a high level of electricity supply reliability to customers despite such challenging extreme weather circumstances.

Reflecting easing international fuel prices, the Average Net Tariff for CLP Power customers was reduced by 2.6% year-on-year effective from January 2026, easing household expenses and lowering business costs. Throughout the year, CLP Power maintained prudent cost control and diversified energy sources to ensure a reasonable cost of electricity. CLP Power also worked to optimise fuel costs, and made use of the offshore LNG terminal to access competitively priced natural gas from global markets.

In 2025, CLP Power reinforced its support to underprivileged customers and the wider Hong Kong community amid a volatile global environment. Backed by HK\$240 million from the CLP Community Energy Saving Fund (CESF), a comprehensive package of measures including electricity subsidies, retail and catering coupons, and energy-saving initiatives was introduced, expected number of beneficiaries reaching over 900,000 people. Funding from the CESF for 2026 has been increased to HK\$270 million to further strengthen these efforts.

Supporting Hong Kong's decarbonisation

Under the 2024–2028 Development Plan, CLP Power continues to invest strategically in electricity supply systems to support Hong Kong's growth and government policy priorities. The investments will address increasing energy needs from infrastructure developments including new housing, rail networks and the growth of the Northern Metropolis. Another key focus is meeting rising demand from data centres. In 2025, three new 132kV substations to power data centres were completed, bringing the total delivered since 2024 to six. This compared with three data centre substations completed in the previous Development Plan from 2018 to 2023. These facilities strengthen Hong Kong's role as an international innovation and technology hub.

To accelerate the energy transition, CLP Power is completing its upgrade of the Clean Energy Transmission System (CETS) linking Hong Kong and the Chinese Mainland. This cross-border system will provide more options and flexibility for the import of more non-carbon energy, playing a vital role in Hong Kong's future decarbonisation.

Development of the 100MWh battery energy storage system (BESS) at Castle Peak Power Station began in 2025, with procurement processes underway. Once completed, the utility-scale facility will help meet capacity requirements and integrate more non-carbon energy with the grid.

The Feed-in Tariff Scheme continued to encourage more customers to install their own renewable energy systems. By the end of December, applications for about 450MW of capacity have been approved, equal to the annual energy consumption of more than 100,000 households.

CLP Power also completed the construction of 132kV submarine cables to enable electricity transmission for the Government's first Integrated Waste Management Facilities located on Shek Kwu Chau Island, paving the way for waste-to-energy generation in 2026. Surplus electricity generated from the waste treatment process will be exported to the grid, contributing to local renewable generation.

Accelerating digital transformation

In late 2025, CLP Power successfully completed a seven-year programme to install smart meters for customers as scheduled. The programme provides customers with greater insights to manage their energy consumption, and also enables CLP Power to enhance efficiencies and deliver better services.

CLP Power continued to increase the use of digital platforms including the revamped CLP app and its website to provide services to customers. The app was further enhanced during the year to enable customers to manage their electricity accounts and make payments online more easily and securely.

In addition, CLP Power completed a programme to modernise the management and control systems of its power distribution network in 2025. Known as the Distribution Network Operations Optimisation project, it deploys advanced digital technologies to enhance real-time grid monitoring and control by integrating multiple systems for modelling, planning and management of distribution networks.

AI continues to play a key role in system monitoring. The Grid-V system supported more reliable supply operations by enabling real-time and round-the-clock monitoring of potential hazards such as fire and flying objects near substations and transmission overhead lines. CLP Power is also developing AI applications to enhance monitoring of power system equipment conditions by predicting potential faults more accurately. In addition, AI helps analyse smart meter data to identify potential supply outages for customers, enabling more timely incident response especially during adverse weather. Another example of advanced technology is the Beyond Visual Line of Sight drone operations to improve the efficiency of power facility inspections. The initiative was selected in March 2025 as a pilot project under the Hong Kong Government's Low-altitude Economy Regulatory Sandbox.

Enabling demand-side decarbonisation

Smart meters empower residential customers to manage energy consumption and join the Summer Savers Rebate (SSR) programme, which rewards energy usage reductions during peak demand periods. Around 1.4 million households were invited to participate in an SSR event in July on one of the hottest days of 2025. Nearly 80% of participating households successfully lowered their power consumption during the two-hour event and achieved about 500,000kWh of energy savings, equivalent to 190 tonnes of carbon reduction. The SSR programme has been internationally recognised for its sustainability benefits. Meanwhile, CLP Power's Community Watch & Care Service Pilot Programme helps social service organisations monitor the conditions of elderly people living at home by analysing their energy consumption data from smart meters and notifying caregivers when unusual patterns are detected.

Commercial and industrial customers continued to sign up for decarbonisation services and solutions including Renewable Energy Certificates (RECs), energy audits, training and subsidies for installing energy-efficient appliances. Sales of RECs, which enable customers to use locally generated renewable energy to reduce their carbon footprint, increased 6.8% to around 363GWh in 2025. Another 96GWh of energy savings were enabled by energy audits and CLP Power's Eco Building Fund in 2025. Smart Energy Online (SEO) is another key tool for business customers to monitor and analyse their energy usage. The user base for SEO increased 12% year-on-year to more than 2,800 at the end of 2025.

To foster broader collaboration, CLP Power signed a Memorandum of Understanding (MoU) with the Vocational Training Council (VTC) in July to promote energy efficiency through energy-saving projects and the training of energy management professionals. VTC will leverage the SEO platform at some sites to monitor and manage energy use more effectively.

An MoU was signed with Hang Seng Bank in August. The collaboration enables corporate clients under Hang Seng Bank's Sustainability Power Up Fund to further explore CLP Power's services including energy audits and the SEO platform. Hang Seng Bank complements this by providing sustainable financing solutions to support the clients' transition to low-carbon operations.

CLPe also deepened partnerships to extend low-carbon solutions. The Cooling-as-a-Service (CaaS) contracts signed with Henderson Land will decarbonise the property developer's office building and shopping malls. Through implementing advanced technologies including AI-powered solutions and chillers that can operate at variable speed, the projects will enhance the energy efficiency of Manulife Financial Centre in East Kowloon, Metro City Plaza in Tseung Kwan O and MOSTown in Ma On Shan by about 30–60%. A similar contract was signed in May with LAWSGROUP to upgrade the cooling system at its headquarters, Laws Commercial Plaza, located in West Kowloon.

Another MoU was signed with Kai Shing Management Services Limited (Kai Shing) to improve the energy efficiency of its managed buildings. Innovative solutions including AI-powered energy management technologies and control systems will be piloted at the International Commerce Centre, Hong Kong's tallest skyscraper, for possible deployment at other Kai Shing-managed buildings. In addition, CLPe will conduct comprehensive electrical evaluations at buildings aged over 20 years in Kai Shing's portfolio to enhance their climate resilience.

Decarbonising road and marine transport

Electrification is transforming transport in Hong Kong and CLP Power continued to step up service innovation and strengthen partnerships in the EV charging value chain. To encourage off-peak charging and optimise grid utilisation, CLP Power introduced the EV Residential Time of Use Tariff in May 2025 with discounted energy charge during off-peak hours. More than 5,000 applications were received by year-end and customer response has continued to strengthen in recent months.

CLP Power continued to leverage its power expertise to facilitate the implementation of the Government's EV-charging at Home Subsidy Scheme (EHSS) to meet increasing demand. Comprehensive technical support and services from CLP Power including power supply capacity assessments, advice on electricity meter installations and technical seminars for EHSS consultants and contractors have enabled more private residential estates in Hong Kong to install EV charging facilities.

Following the launch of the Government's Fast Charger Incentive Scheme which aims to install 3,000 fast chargers across the city by 2028, CLP Power has identified around 8,000 potential locations to facilitate interested charge-point operators to accelerate their installation of fast chargers. Also as part of the scheme, CLP Power is working closely with bus operator The Kowloon Motor Bus Co. (1933) Ltd. to upgrade power supply to facilitate the installation of over 170 additional EV charging guns at bus depots.

CLP Power also provided technical advice and power supply solutions to enable EV charge point operators to set up new fast charging hubs, and support the retrofit of petrol filling stations into EV fast charging facilities. CLP Power introduced an upgraded advisory service to support commercial fleet operators in their transition to EVs. In addition, CLP Power is working with EV battery swapping companies to establish battery swapping stations for eTaxis.

CLP Power continued to expand its eMobility Grid Management Platform (eGMP), a data analytics system that monitors EV charger activities to optimise power system planning. By the end of 2025, eGMP's coverage increased to over 5,000 EV chargers across more than 400 sites in Hong Kong.

To meet rising demand from commercial EVs, CLPe tripled the size of its EV charging network during the year to over 300 charging bays citywide at the end of December. CLPe is collaborating with Hysan Development Company Limited and Chinachem Group for the development of more than 600 charging points at a centrally located site in Causeway Bay, one of Hong Kong's busiest districts. The project is scheduled to be completed in the second half of 2026.

In June, CLPe collaborated with CNOOC Guangdong Water Transport Clean Energy Company Limited to complete Hong Kong's first LNG bunkering with simultaneous cargo operation in June. Around 10,000 cubic metres of LNG, equal to the volume of four Olympic-sized swimming pools, was delivered within 24 hours to an ultra-large international container vessel operated by shipping group Hapag Lloyd while it carried out cargo operations. LNG is a lower-carbon alternative to conventional fuels such as fuel oil and marine gas oil.

Outlook

CLP Power remains focused on maintaining reliable, world-class electricity supply to support Hong Kong's growth and low-carbon transition. It is well-prepared to meet rising energy demand from data centres and other fast-growing industries as well as major infrastructure projects including the Northern Metropolis, which are key to the future of Hong Kong.

The upgrade to the CETS is due to complete in early 2026, providing CLP Power with flexibility and optionality to import additional non-carbon energy. CLP Power will also continue to progress other decarbonisation projects including the BESS at Castle Peak Power Station and a pilot project to blend hydrogen into natural gas for power generation at Black Point Power Station.

As part of the Hong Kong Government's ongoing efforts to improve air quality, CLP Power's emission allowances for 2030 and thereafter under the Tenth Technical Memorandum of Air Pollution Control Ordinance will be reduced by 3% for sulphur dioxide, 22% for nitrogen oxides and 9% for respirable suspended particulates from the 2026-2029 emission allowances. CLP Power is committed to meeting the more stringent requirements.

CLP Power will continue to invest in technology innovation including AI to deliver better energy services and achieve further cost efficiencies. In addition, CLP Power will complete an updated climate change study on extreme weather risks, further strengthening power supply resilience.

CLPe will explore further opportunities to support businesses and organisations with advanced energy management technologies to reduce their carbon footprint, focused on LNG bunkering, EV charging, CaaS and BESS projects.

CLPe's growing CaaS expertise makes the business well-positioned to support innovation and technology development in the Northern Metropolis, where there is growing demand for energy-efficient district cooling technologies. The flexibility and performance of BESS make this low-carbon technology an increasingly viable replacement for traditional diesel generators in buildings, opening a further growth avenue for CLPe, which has supplied BESS to more than 100 construction sites across Hong Kong.

The Protection of Critical Infrastructures Computer Systems Law became effective in Hong Kong on 1 January 2026. As a critical infrastructure operator, the Group has completed thorough preparations and established comprehensive risk management measures and governance frameworks to ensure compliance.

Chinese Mainland

Operating earnings from the Chinese Mainland decreased 13.7% to HK\$1,598 million as fluctuations in overall power market conditions and increased competition affected the financial performance of CLP China's generation assets.

Maintaining stable power generation

Financial contributions from CLP's nuclear energy investments in Guangdong province were reduced by lower earnings from Yangjiang Nuclear Power Station, reflecting a higher proportion of market sales at reduced average tariff due to increased competition. Yangjiang continued to deliver safe and reliable generation, and maintained resilient operations when the plant was directly impacted by Super Typhoon Ragasa in September. Generation and earnings at Daya Bay Nuclear Power Station increased as operations have been enhanced by a comprehensive maintenance programme completed in the prior years.

Earnings from renewable energy fell slightly, partially due to historically low wind resources, particularly in northeast China. Financial performance was further affected by increased grid curtailment, which reduced wind and solar energy generation earlier in the year before the curtailment situation improved since June. Despite the challenges, with contributions from new wind and solar projects and moderately higher hydro generation, CLP China recorded a slight increase in full-year renewable energy output compared to 2024.

CLP China opened a regional centralised control centre in Shandong province to enhance the operational management of its growing renewable energy asset fleet in the province. The new centre and a similar facility in Jiangsu province deploy advanced digital technologies for real-time operational control and monitoring of CLP China's wind and solar plants in the two provinces, and potentially adjacent provinces in the long-term, to optimise asset performance, operating costs and regional coordination.

Earnings from CLP China's minority coal-fired power investments were affected by heightened market competition which led to lower electricity dispatch. As a result, an impairment provision of HK\$608 million was recognised in 2025.

Commissioning new energy capacity

In 2025, CLP China commissioned four renewable energy projects with combined generation capacity of 386MW: Bobai wind plant in Guangxi Zhuang Autonomous Region (150MW), and three solar farms in Jiangsu province – Huai'an Nanzha (96MW), Yixing I (90MW) and Yixing II (50MW). Operations of the Guanxian BESS station in Shandong (100MW/200MWh) also started. The Guanxian BESS, together with another 24MW of BESS assets integrated with the three new solar farms in Jiangsu, is designed to store surplus electricity during low-demand periods and discharge it quickly during peak demand times. This supports CLP China in participating more effectively in market sales while preparing to explore additional revenue models for BESS going forward.

Another five wind and solar projects with capacity totalling more than 900MW are in construction. They include the soon-to-be commissioned Sandu II Wind Farm in Guizhou (100MW), Hepu Solar Farm in Guangxi (300MW), Xundian III Wind Farm in Yunnan province (50MW) and two wind projects in Shandong – Guanxian (231MW) and Juancheng I (300MW). Guanxian and Juancheng I are some of the largest wind projects in CLP China's portfolio. To maximise energy output and operational efficiency, their wind turbine towers measure around 170 metres in height and are being constructed in a hybrid design that combines concrete sections for the base and body with steel segments for the top part.

In 2025, CLP China obtained a total of RMB2.6 billion (HK\$2.9 billion) of onshore non-recourse project loan facilities for its renewable energy businesses at competitive interest rates.

CLP China is focused on the development of renewable energy projects without government subsidies. Outstanding national subsidy payments owed to CLP China's renewable energy subsidiaries for legacy projects were reduced to HK\$2,517 million at the end of December, compared with HK\$2,716 million a year earlier, after record payments were received in 2025.

Strengthening climate resilience

In mid-June, heavy rainfall resulted in a record level of flooding at Huaiji in Guangdong. While most of Huaiji Hydro Power Stations' 12 plants resumed service immediately after the flooding period, one plant was forced to suspend operations until November due to damage to an external water intake channel. The financial impact of the incident was limited due to insurance coverage.

CLP China conducts regular reviews on the extreme weather resilience of its assets. According to the latest review completed in October, most wind and solar plants were considered low risk. However, some hydro assets including Huaiji were evaluated as subject to higher flooding and landslide risks, and CLP China is strengthening mitigation measures for those plants.

Outlook

Proposals for the 15th Five-Year Plan from 2026 to 2030 underscore China's commitment to a low-carbon development model by setting out further steps to decarbonise the economy in the coming years. The Chinese Government is committed to a 7% to 10% reduction in greenhouse gas emissions by 2035 from the anticipated peak before 2030, as part of the nation's updated Nationally Determined Contributions to the Paris Agreement to limit global climate change. CLP China will continue to focus on enhancing the operations of its non-carbon assets and delivering new renewable energy projects to meet rising demand for low-carbon energy, with a number of projects scheduled for commissioning in the first half of 2026.

Under a new policy from the Central Government, renewable energy projects commissioned after 1 June 2025 are required to fully participate in market transactions. This marks a further shift to market-based energy transactions. To mitigate the risks of price volatility under the new policy, CLP China will focus on securing more offtake contracts and increasing direct sales to corporate users. It is also prioritising projects and regions which offer better returns. In addition, CLP China will continue to pursue opportunities to expand its existing strong presence in provinces such as Shandong, Yunnan and Guizhou to drive further economies of scale and maximise operational synergies.

To capture new growth opportunities and improve investment returns, CLP China will continue to explore cost-effective funding options including the potential issuance of Panda bonds in the domestic market. The Group is also considering establishing a clean energy fund to facilitate capital recycling and further investment in renewable energy assets.

Australia

EnergyAustralia's operating earnings before fair value movements dropped 85.6% to HK\$85 million from a year earlier due to reduced contributions from the Customer business in a competitive retail energy market, as well as increased enterprise transformation costs and depreciation. Improved earnings from wholesale electricity operations partially mitigated the decline.

Stronger power station operations

The financial performance of the Energy business strengthened as EnergyAustralia managed its generation portfolio so that capacity was available during times of high wholesale market demand. This mitigated the impact of lower generation volumes due to power station outages, in addition to the cessation of temporary government payments to relieve fuel costs.

Operations of Mount Piper Power Station in New South Wales benefitted from a major planned outage completed in May which has enabled both generation units to operate more flexibly and reliably. EnergyAustralia will upgrade the plant's generation capacity by 30MW in 2026 as part of a major planned outage on unit 2.

At Yallourn Power Station in Victoria, a multi-year maintenance programme covering all four generation units was completed to strengthen the plant's operations until its scheduled retirement in 2028. However, the ageing facility still suffered two major unplanned outages during the year. Operations of all units have resumed normal. The financial impact of Yallourn's outages was largely mitigated by EnergyAustralia's flexible deployment of its gas-fired generation assets, which maintained high reliability and availability during times of peak electricity market demand. In 2025, an additional HK\$345 million closure cost provision was recognised associated with the planned closure of Yallourn Power Station in 2028.

In March 2025, the Victorian County Court imposed a penalty on EnergyAustralia Yallourn Pty Ltd (EAY) of A\$170,000 for a safety related offence in relation to a 2021 fire that occurred during repair works at Yallourn Power Station. No one was injured in the incident. The Court found that EAY should have used thermal imaging equipment to minimise the risk of fire, which was a process that EAY had already adopted after the incident. EnergyAustralia is committed to strengthening workplace safety, and reported its lowest injury rate on record in 2025.

Ongoing efforts to strengthen retail performance

Intense competition and cost of living pressures in the residential sector continued to affect the financial performance of the Customer business. The number of customer accounts dropped 83,000 to 2.3 million while customer churn increased in line with market trends.

In the face of declining retail performance, EnergyAustralia progressed cost efficiency initiatives within the Customer business while evolving its marketing approach to enhance customer engagement and retention. EnergyAustralia is in advanced planning on a multi-year transformation programme to modernise its technology infrastructure and streamline its operating model. This investment is expected to deliver significant operational efficiencies, and enable more flexible, tailored energy solutions for customers, positioning EnergyAustralia for sustainable growth in a dynamic energy market.

Customer-focused initiatives in storage and electrification were expanded during the year. EnergyAustralia's virtual power plant (VPP) programme has grown by over 30% in capacity in 2025 with an increased number of home battery and water heating systems being connected. Participating customers are rewarded for sending their surplus energy to the VPP, which re-distributes it to the grid at times of high demand. EnergyAustralia also continued to expand its Community Battery Ease programme by partnering with power distributors that are installing battery storage systems in local communities. The programme enables customers to benefit from lower-cost energy without having to install batteries in their own premises.

EVs now comprise around 12% of new vehicle registrations in Australia. To meet rising charging demand, EnergyAustralia launched its EV Night Boost programme for residential customers in New South Wales to incentivise off-peak charging.

In May, EnergyAustralia settled a suit filed by advocacy group Parents for Climate Action related to the marketing of EnergyAustralia's Go Neutral carbon offset products. EnergyAustralia no longer offers Go Neutral products and is focused on reducing emissions through direct actions.

In October, EnergyAustralia provided A\$1.2 million of compensation to customers in Victoria who did not receive information from the company on payment assistance entitlements between December 2019 and August 2024 and entered into an Enforceable Undertaking with the Essential Services Commission to ensure remediations are completed and embedded.

In November, EnergyAustralia was fined approximately A\$1 million by the Commission for failing to communicate the best available prices to customers between March 2022 and August 2024. EnergyAustralia has implemented changes to address the root causes involved.

Expanding flexible capacity

EnergyAustralia continued to progress the development of flexible energy capacity projects, working with partners to support the energy transition.

In February, construction began for the 350MW/1,400MWh Wooreen Energy Storage System in Victoria, which will be able to power 230,000 homes for four hours during periods of peak demand. EnergyAustralia arranged a A\$667 million (HK\$3.3 billion) five-year syndicated loan facility in March to finance the development of the utility-scale BESS and formed a 50:50 joint venture with Banpu Energy Australia in June to co-develop it. A HK\$390 million gain was recorded in 2025 from the realisation of Wooreen, post introduction of the joint venture partner.

Also in June, EnergyAustralia and EDF power solutions Australia formed a joint venture with 25% and 75% equity interests respectively for the Lake Lyell Pumped Hydro Energy Storage project in New South Wales. The project will be capable of producing 385MW of renewable energy for up to eight hours during periods of peak demand. An Environmental Impact Assessment was submitted to the State Government in February 2026.

In addition, EnergyAustralia won support from the Federal Government's Capacity Investment Scheme for the development of the Mount Piper Stage 1 BESS in New South Wales in September. When completed, the 250MW/1,000MWh BESS will have the capability to power up to 320,000 homes and small businesses for up to four hours.

Evolving policy environment

Australia has set a new target to reduce emissions by 62-70% by 2035, compared with 2005 levels. The strengthened policy aligns with EnergyAustralia's decarbonisation pathway under its Climate Transition Action Plan, which commits the business to net-zero Scope 1 and Scope 2 emissions by 2050, with an ambition to extend the undertaking to Scope 3 emissions.

In November, the Federal Government announced plans requiring energy retailers to offer free electricity services daily to eligible customers in certain states during a three-hour window around midday. EnergyAustralia is continuing to engage regulators on the implementation of the policy with a focus on ensuring all costs are recovered while maintaining benefits for customers.

Outlook

EnergyAustralia is actively supporting the energy transition through targeted investments to enable secure, affordable and reliable electricity for customers. Two contracted flexible capacity projects – the 200MW Orana BESS project in New South Wales and the 250MW/2,000MWh Kidston pumped hydro project in Queensland – are scheduled to commence operations in 2026 and 2027, respectively. Construction of the 50MW Hallett BESS in South Australia is expected to start in 2026, while final investment decisions for the Lake Lyell pumped hydro project and Mount Piper BESS are anticipated later in the year. The Wooreen project is on track to start operations in 2027.

EnergyAustralia remains committed to retiring Yallourn Power Station in 2028, aligning with CLP's target of phasing out coal-fired generation before 2040. A Declared Mine Rehabilitation Plan has been submitted to the Victorian Government following public consultations. The plan proposes creating a lake at the coal mine site to provide recreational spaces and alternative employment. EnergyAustralia is also progressing plans for the development of new flexible energy capacity opportunities including gas-fired and solar energy generation with long-duration battery energy storage at the Yallourn site following the plant's closure to support future power demand from data centres and other major electricity users.

The Australian Energy Market Commission will implement reforms to electricity market rules in stages throughout 2026. Energy retailers are required to provide information to customers to help them evaluate the best market offers and put caps on retail prices for energy services. The reforms are expected to further increase competitive pressures for retailers.

EnergyAustralia has entered a strategic partnership with Tata Consultancy Services to accelerate operational transformation across key functions including finance, technology, and procurement. This partnership is designed to deliver material improvements in efficiency, scalability and cost management, while enabling EnergyAustralia to focus on its core business and strategic growth priorities.

India

Operating earnings in India dropped 32.8% to HK\$221 million as Apraava Energy recognised an impairment charge on a transmission asset, offsetting increased contributions from renewable energy generation.

Delivering solid energy operations

Output from the renewable energy fleet increased due to improved wind resources and the full commissioning in early 2025 of the 251MW Sidhpur Wind Farm in Gujarat state, the biggest in Apraava Energy's portfolio. Solar energy operations remained stable while generation was slightly lower due to reduced irradiance. However, Apraava Energy's overall output was down marginally as generation in Jhajjar Power Station in Haryana state dropped due to lower demand, though not impacting profitability.

In October, Apraava Energy agreed to sell its entire interests in Jhajjar to Jindal Jhajjar Power Limited. The planned divestment is in line with Apraava Energy's strategy to focus on non-carbon businesses.

Apraava Energy's Satpura Transco Private Ltd. maintained high availability of its 240-kilometre transmission line in the state of Madhya Pradesh. Kohima-Mariani Transmission Ltd., operator of a 254-kilometre interstate transmission line across three northeastern states, also performed well. However, its financial performance was affected by a non-cash impairment charge following a reassessment of debt sizing and discount rates.

Progressing new project development

Apraava Energy continued to progress the construction of two solar energy projects in Rajasthan state – the 250MW NHPC Bhanipura I and the 300MW NTPC Bhanipura II. However, the commissioning schedules for both projects have been affected by delays in the delivery of external transmission infrastructure for connecting the solar farms to the grid.

The Fatehgarh IV transmission project in Rajasthan, comprising a 21-kilometre transmission line and a 2,500MVA (megavolt-ampere) substation, was commissioned in January 2026. The asset will connect to Apraava Energy's Fatehgarh III project, a 230-kilometre transmission line currently under construction. Together they form part of a transmission system that will connect 20GW of renewable energy to the federal grid.

Apraava Energy continued to advance construction of two other transmission projects: the Rajasthan IV A project in Rajasthan, comprising around 200 kilometres of transmission lines and a 6,000MVA substation; and the Karera transmission project in Madhya Pradesh, with 43 kilometres of power lines and a 3,000MVA substation.

Apraava Energy expanded its AMI business after signing contracts this year for the installation of more than 2.8 million additional smart meters in the states of Himachal Pradesh and Madhya Pradesh, as well as the Union Territory of Puducherry. These projects took Apraava Energy's AMI portfolio to 9.7 million smart meters across nine projects in India. More than 2.5 million smart meters had been installed by the end of 2025.

Outlook

Apraava Energy will focus on delivering its portfolio of new renewable energy, transmission and AMI projects. When completed, the projects will add 2.1GW-equivalent of non-carbon energy capacity to expand Apraava Energy's capabilities to serve the low-carbon energy needs of India, one of the world's fastest-growing economies. Apraava Energy views the improved relations between the Indian and Chinese governments as mutually beneficial for both countries in the long term.

The NHPC Bhanipura I and the NTPC Bhanipura II solar projects in Rajasthan are scheduled to start operations in early 2027, subject to the readiness of onward transmission infrastructure. Apraava Energy is also seeking a power purchase agreement to start construction of a new 50MW solar project in the state. Meanwhile, work is scheduled to start at Apraava Energy's 300MW wind farm in Karnataka state in the first quarter of 2026.

Commissioning of the two transmission projects in Rajasthan - Fatehgarh III and Rajasthan IV A - is targeted for the second half of 2026. Operations of the Karera transmission project in Madhya Pradesh are also expected to start during the period.

The agreed divestment of Jhajjar Power Station is scheduled for completion in the first quarter of 2026.

Apraava Energy will continue to compete for opportunities to develop new non-carbon energy projects through auctions, though competition is expected to remain intense. In addition, Apraava Energy will also explore potential acquisitions if government approval processes for transactions are simplified.

Taiwan Region and Southeast Asia

Operating earnings from the Group's investments in Taiwan Region and Southeast Asia decreased 31.2% to HK\$179 million due to lower fuel cost recoveries at Ho-Ping Power Station (Ho-Ping) in Taiwan Region.

Ho-Ping's operations were disrupted by an equipment malfunction in late May at one of the plant's two generation units, leading to an unplanned outage. The power station has maintained reliable operations since the unit returned to service in June, and full-year generation increased.

In Thailand, generation at Lopburi Solar Farm was slightly lower due to reduced irradiance and outages of external transmission lines. Financial performance was also affected by lower tariffs.

Outlook

CLP is focused on capturing growth opportunities from low-carbon energy outside its core markets, particularly in the Asia Pacific region where demand for low-carbon energy is accelerating. CLP will continue to explore potential acquisitions and other opportunities including greenfield renewable energy developments, corporate power purchase agreements and transmission.

With its key role in supporting the Taiwan Region's energy security, Ho-Ping aims to continue providing reliable power generation beyond 2027 subject to an extension of its power purchase agreement, which is due to expire that year.

HUMAN RESOURCES

At the end of 2025, CLP had 8,539 full-time and part-time employees serving its Hong Kong, Chinese Mainland and Australia businesses, compared with 8,415 a year earlier. This included 6,272 employees in CLP's core markets of Hong Kong and Chinese Mainland, compared with 6,160 at the end of 2024. Total remuneration for the year ended 31 December 2025 was HK\$7,761 million, compared with HK\$7,081 million in 2024, including retirement benefit costs of HK\$736 million, compared with HK\$696 million the previous year.

FINANCIAL INFORMATION

The financial information has been reviewed by the Audit & Risk Committee, approved by the Board and agreed by the Group's external auditor, PricewaterhouseCoopers, to the amounts set out in the audited financial statements.

Consolidated Statement of Profit or Loss for the year ended 31 December 2025

| | <i>Note</i> | 2025 HK\$M | 2024 HK\$M |
|--|-------------|-----------------------------|---------------|
| Revenue | 3 | 88,018 | 90,964 |
| Expenses | | | |
| Purchases and distributions of electricity and gas | | (28,950) | (31,871) |
| Staff expenses | | (5,987) | (5,150) |
| Fuel and other operating expenses | | (29,551) | (29,764) |
| Depreciation and amortisation | | (9,718) | (9,276) |
| | | (74,206) | (76,061) |
| Other gain | 5 | 460 | - |
| Operating profit | 6 | 14,272 | 14,903 |
| Finance costs | | (1,860) | (2,254) |
| Finance income | | 194 | 235 |
| Share of results, net of income tax | | | |
| Joint ventures | | (12) | 845 |
| Associates | | 1,607 | 1,810 |
| Profit before income tax | | 14,201 | 15,539 |
| Income tax expense | 7 | (2,655) | (2,821) |
| Profit for the year | | 11,546 | 12,718 |
| Earnings attributable to: | | | |
| Shareholders | | 10,468 | 11,742 |
| Perpetual capital securities holders | | 199 | 136 |
| Other non-controlling interests | | 879 | 840 |
| | | 11,546 | 12,718 |
| Earnings per share, basic and diluted | 9 | HK\$4.14 | HK\$4.65 |

Consolidated Statement of Profit or Loss and Other Comprehensive Income
for the year ended 31 December 2025

| | 2025 | 2024 |
|--|----------------|---------|
| | HK\$M | HK\$M |
| Profit for the year | 11,546 | 12,718 |
| Other comprehensive income | | |
| Items that can be reclassified to profit or loss | | |
| Exchange differences on translation | 2,146 | (2,474) |
| Translation reserve reclassified upon early termination of a joint venture agreement | - | (68) |
| Cash flow hedges | (1,287) | (161) |
| Costs of hedging | (5) | 345 |
| Share of other comprehensive income of joint ventures | 67 | - |
| Cash flow hedge reserve reclassified upon deconsolidation of subsidiaries | 112 | - |
| Release of other reserves | - | (2) |
| | 1,033 | (2,360) |
| Items that cannot be reclassified to profit or loss | | |
| Fair value gains on investments | - | 190 |
| Remeasurement gains/(losses) on defined benefit plans | 9 | (4) |
| | 9 | 186 |
| Other comprehensive income for the year, net of tax | 1,042 | (2,174) |
| Total comprehensive income for the year | 12,588 | 10,544 |
| Total comprehensive income attributable to: | | |
| Shareholders | 11,534 | 9,530 |
| Perpetual capital securities holders | 199 | 136 |
| Other non-controlling interests | 855 | 878 |
| | 12,588 | 10,544 |

Consolidated Statement of Financial Position
as at 31 December 2025

| | <i>Note</i> | 2025 HK\$M | 2024 HK\$M |
|--|-------------|-----------------|-----------------|
| Non-current assets | | | |
| Fixed assets | 10 | 166,094 | 158,532 |
| Right-of-use assets | 11 | 10,034 | 10,183 |
| Investment property | | 754 | 817 |
| Goodwill and other intangible assets | | 12,685 | 12,445 |
| Interests in and loans to joint ventures | | 12,125 | 12,188 |
| Interests in associates | | 9,508 | 8,486 |
| Deferred tax assets | | 1,943 | 1,625 |
| Derivative financial instruments | | 514 | 1,134 |
| Other non-current assets | | 2,149 | 1,464 |
| | | <u>215,806</u> | <u>206,874</u> |
| Current assets | | | |
| Inventories – stores and fuel | | 3,717 | 3,513 |
| Renewable energy certificates | | 1,179 | 1,055 |
| Properties for sale | | 714 | 1,888 |
| Trade and other receivables | 12 | 12,856 | 14,114 |
| Derivative financial instruments | | 444 | 900 |
| Fuel clause account | | - | 370 |
| Short-term deposits and restricted cash | | 23 | 23 |
| Cash and cash equivalents | | 3,905 | 4,976 |
| | | <u>22,838</u> | <u>26,839</u> |
| Current liabilities | | | |
| Customers' deposits | | (7,542) | (7,207) |
| Fuel clause account | | (1,043) | - |
| Trade payables and other liabilities | 13 | (18,598) | (19,788) |
| Income tax payable | | (504) | (775) |
| Bank loans and other borrowings | | (9,673) | (15,849) |
| Derivative financial instruments | | (1,054) | (1,185) |
| | | <u>(38,414)</u> | <u>(44,804)</u> |
| Net current liabilities | | <u>(15,576)</u> | <u>(17,965)</u> |
| Total assets less current liabilities | | <u>200,230</u> | <u>188,909</u> |

Consolidated Statement of Financial Position (continued)
as at 31 December 2025

| | Note | 2025 HK\$M | 2024 HK\$M |
|--|-------------|-----------------------------|-----------------------------|
| Financed by: | | | |
| Equity | | | |
| Share capital | | 23,243 | 23,243 |
| Reserves | 15 | 84,367 | 80,812 |
| Shareholders' funds | | 107,610 | 104,055 |
| Perpetual capital securities | | 3,872 | - |
| Other non-controlling interests | | 5,943 | 6,063 |
| | | 117,425 | 110,118 |
| Non-current liabilities | | | |
| Bank loans and other borrowings | | 52,156 | 49,305 |
| Deferred tax liabilities | | 17,978 | 17,348 |
| Derivative financial instruments | | 1,437 | 1,388 |
| Scheme of Control (SoC) reserve accounts | 14 | 2,871 | 3,172 |
| Asset decommissioning liabilities and retirement obligations | | 5,063 | 4,696 |
| Other non-current liabilities | | 3,300 | 2,882 |
| | | 82,805 | 78,791 |
| Equity and non-current liabilities | | 200,230 | 188,909 |

Notes:**1. General Information**

The Company is a limited liability company incorporated in Hong Kong and listed on the Stock Exchange of Hong Kong. The principal activity of the Company is investment holding, and the principal activities of the subsidiaries are generation and supply of electricity in Hong Kong, Chinese Mainland and Australia, and investment holding of power projects on the Chinese Mainland, India, and Taiwan Region and Southeast Asia.

The financial operations of the Company's major subsidiaries, CLP Power Hong Kong Limited (CLP Power) and Castle Peak Power Company Limited, are governed by a SoC Agreement entered into with the Hong Kong Government. Our electricity business in Hong Kong is therefore also referred to as the SoC business.

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in the preliminary announcement have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by PricewaterhouseCoopers on the preliminary announcement.

The financial information relating to the years ended 31 December 2024 and 2025 included in this preliminary announcement of 2025 annual results does not constitute the Company's statutory annual consolidated financial statements for those years but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap.622) is as follows:

The Company has delivered the financial statements for the year ended 31 December 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance (Cap.622) and will deliver the financial statements for the year ended 31 December 2025 in due course.

The Company's auditor has reported on the financial statements of the Group for the years ended 31 December 2024 and 2025. The auditor's reports were unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under sections 406(2), 407(2) or 407(3) of the Hong Kong Companies Ordinance (Cap.622).

2. Changes in Material Accounting Policies

Amendments to HKAS 21 and HKFRS 1 Lack of Exchangeability specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how currency not being exchangeable into another currency affects, or is expected to affect, the entity's financial performance, financial position, and cash flows.

The Group has applied the amendments for the first time in 2025. The amendments do not have an impact on the results and financial position of the Group.

3. Revenue

The Group's revenue primarily represents sales of electricity and gas and is disaggregated as follows:

| | 2025 | 2024 |
|---|---------------|--------|
| | HK\$M | HK\$M |
| Revenue from contracts with customers | | |
| Sales of electricity in Hong Kong | 48,967 | 50,649 |
| Transfer for SoC to/(from) revenue (note) | 296 | (505) |
| SoC sales of electricity | 49,263 | 50,144 |
| Sales of electricity outside Hong Kong | 29,883 | 32,718 |
| Sales of gas in Australia | 5,515 | 5,749 |
| Sales of properties in Hong Kong | 1,404 | 374 |
| Others | 1,515 | 1,453 |
| | 87,580 | 90,438 |
| Other revenue | 438 | 526 |
| | 88,018 | 90,964 |

Note: Under the SoC Agreement, if the gross tariff revenue in a period is less than or exceeds the total of the SoC operating costs, permitted return and taxation charges, such deficiency shall be deducted from, or such excess shall be added to, the Tariff Stabilisation Fund. In any period, the amount of deduction from or addition to the Tariff Stabilisation Fund is recognised as a revenue adjustment to the extent that the return and charges under the SoC are recognised in the profit or loss.

4. Segment Information

The Group operates, through its subsidiaries, joint ventures and associates, in five major geographical regions – Hong Kong, Chinese Mainland, Australia, India, and Taiwan Region and Southeast Asia.

4. Segment Information (continued)

| | Hong Kong HK\$M | Chinese Mainland HK\$M | Australia HK\$M | India HK\$M | Taiwan Region and Southeast Asia HK\$M | Unallocated Items HK\$M | Total HK\$M |
|--|--------------------|------------------------------|--------------------|----------------|--|-------------------------------|----------------|
| For the year ended 31 December 2025 | | | | | | | |
| Revenue from contracts with customers | 51,807 | 1,831 | 33,939 | - | 3 | - | 87,580 |
| Other revenue | 133 | 41 | 252 | - | - | 12 | 438 |
| Revenue | <u>51,940</u> | <u>1,872</u> | <u>34,191</u> | <u>-</u> | <u>3</u> | <u>12</u> | <u>88,018</u> |
| EBITDAF* | 19,674 | 1,475 | 3,453 | (3) | (63) | (867) | 23,669 |
| Share of results, net of income tax | | | | | | | |
| Joint ventures | (19) | (461) | (11) | 235 | 244 | - | (12) |
| Associates | - | 1,607 | - | - | - | - | 1,607 |
| Consolidated EBITDAF | <u>19,655</u> | <u>2,621</u> | <u>3,442</u> | <u>232</u> | <u>181</u> | <u>(867)</u> | <u>25,264</u> |
| Depreciation and amortisation | (5,965) | (915) | (2,795) | - | - | (43) | (9,718) |
| Fair value movements | 23 | - | 298 | - | - | - | 321 |
| Finance costs | (1,273) | (175) | (404) | - | - | (8) | (1,860) |
| Finance income | 99 | 16 | 24 | 3 | - | 52 | 194 |
| Profit/(loss) before income tax | <u>12,539</u> | <u>1,547</u> | <u>565</u> | <u>235</u> | <u>181</u> | <u>(866)</u> | <u>14,201</u> |
| Income tax expense | (2,096) | (317) | (226) | (14) | (2) | - | (2,655) |
| Profit/(loss) for the year | <u>10,443</u> | <u>1,230</u> | <u>339</u> | <u>221</u> | <u>179</u> | <u>(866)</u> | <u>11,546</u> |
| Earnings attributable to | | | | | | | |
| Perpetual capital securities holders | (199) | - | - | - | - | - | (199) |
| Other non-controlling interests | (871) | (8) | - | - | - | - | (879) |
| Earnings/(loss) attributable to shareholders | <u>9,373</u> | <u>1,222</u> | <u>339</u> | <u>221</u> | <u>179</u> | <u>(866)</u> | <u>10,468</u> |
| Excluding: Items affecting comparability | <u>(122)</u> | <u>608</u> | <u>(45)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>441</u> |
| Operating earnings | <u>9,251</u> | <u>1,830</u> | <u>294</u> | <u>221</u> | <u>179</u> | <u>(866)</u> | <u>10,909</u> |
| Other segment information: | | | | | | | |
| Capital additions | 10,639 | 3,567 | 2,575 | - | - | 19 | 16,800 |
| Impairment provisions | | | | | | | |
| Receivables and others | 62 | (4) | 459 | - | - | - | 517 |
| Purchases and distributions of electricity and gas | 8,662 | - | 20,288 | - | - | - | 28,950 |
| At 31 December 2025 | | | | | | | |
| Fixed assets, right-of-use assets and investment property | 149,853 | 14,106 | 12,812 | - | - | 111 | 176,882 |
| Goodwill and other intangible assets | 6,813 | 2,578 | 3,189 | - | - | 105 | 12,685 |
| Interests in and loans to joint ventures | 2,152 | 4,379 | 292 | 3,300 | 2,002 | - | 12,125 |
| Interests in associates | - | 9,508 | - | - | - | - | 9,508 |
| Deferred tax assets | 1 | 52 | 1,890 | - | - | - | 1,943 |
| Other assets | 7,518 | 5,823 | 10,714 | 156 | 30 | 1,260 | 25,501 |
| Total assets | <u>166,337</u> | <u>36,446</u> | <u>28,897</u> | <u>3,456</u> | <u>2,032</u> | <u>1,476</u> | <u>238,644</u> |
| Bank loans and other borrowings | 50,157 | 7,902 | 3,770 | - | - | - | 61,829 |
| Current and deferred tax liabilities | 17,385 | 1,096 | - | - | 1 | - | 18,482 |
| Other liabilities | 26,467 | 2,052 | 11,891 | - | 6 | 492 | 40,908 |
| Total liabilities | <u>94,009</u> | <u>11,050</u> | <u>15,661</u> | <u>-</u> | <u>7</u> | <u>492</u> | <u>121,219</u> |

*EBITDAF stands for earnings before interest, taxes, depreciation and amortisation, and fair value movements. Fair value movements include fair value gains or losses on non-debt related derivative financial instruments relating to transactions not qualified for hedge accounting, ineffectiveness and discontinuation of cash flow hedges.

4. Segment Information (continued)

| | Hong Kong HK\$M | Chinese Mainland HK\$M | Australia HK\$M | India HK\$M | Taiwan Region and Southeast Asia HK\$M | Unallocated Items HK\$M | Total HK\$M |
|---|--------------------|------------------------------|--------------------|----------------|--|-------------------------------|----------------|
| For the year ended 31 December 2024 | | | | | | | |
| Revenue from contracts with customers | 51,713 | 1,750 | 36,972 | - | 3 | - | 90,438 |
| Other revenue | 335 | 51 | 125 | - | - | 15 | 526 |
| Revenue | <u>52,048</u> | <u>1,801</u> | <u>37,097</u> | <u>-</u> | <u>3</u> | <u>15</u> | <u>90,964</u> |
| EBITDAF* | 18,892 | 1,434 | 3,774 | (3) | (9) | (913) | 23,175 |
| Share of results, net of income tax | | | | | | | |
| Joint ventures | (28) | 152 | - | 451 | 270 | - | 845 |
| Associates | - | 1,810 | - | - | - | - | 1,810 |
| Consolidated EBITDAF | <u>18,864</u> | <u>3,396</u> | <u>3,774</u> | <u>448</u> | <u>261</u> | <u>(913)</u> | <u>25,830</u> |
| Depreciation and amortisation | (5,727) | (840) | (2,658) | - | - | (51) | (9,276) |
| Fair value movements | (45) | - | 1,049 | - | - | - | 1,004 |
| Finance costs | (1,579) | (180) | (471) | - | - | (24) | (2,254) |
| Finance income | 119 | 14 | 29 | 4 | - | 69 | 235 |
| Profit/(loss) before income tax | <u>11,632</u> | <u>2,390</u> | <u>1,723</u> | <u>452</u> | <u>261</u> | <u>(919)</u> | <u>15,539</u> |
| Income tax expense | <u>(2,076)</u> | <u>(328)</u> | <u>(398)</u> | <u>(18)</u> | <u>(1)</u> | <u>-</u> | <u>(2,821)</u> |
| Profit/(loss) for the year | 9,556 | 2,062 | 1,325 | 434 | 260 | (919) | 12,718 |
| Earnings attributable to | | | | | | | |
| Perpetual capital securities holders | (136) | - | - | - | - | - | (136) |
| Other non-controlling interests | (830) | (10) | - | - | - | - | (840) |
| Earnings/(loss) attributable to shareholders | 8,590 | 2,052 | 1,325 | 434 | 260 | (919) | 11,742 |
| Excluding: Items affecting comparability | 11 | - | - | (105) | - | - | (94) |
| Operating earnings | <u>8,601</u> | <u>2,052</u> | <u>1,325</u> | <u>329</u> | <u>260</u> | <u>(919)</u> | <u>11,648</u> |
| Other segment information: | | | | | | | |
| Capital additions | 11,378 | 2,355 | 2,095 | - | - | 143 | 15,971 |
| Impairment provisions | | | | | | | |
| Receivables and others | 33 | - | 471 | - | - | - | 504 |
| Purchases and distributions of electricity and gas | 8,327 | - | 23,544 | - | - | - | 31,871 |
| At 31 December 2024 | | | | | | | |
| Fixed assets, right-of-use assets and investment property | 146,154 | 10,547 | 12,693 | - | - | 138 | 169,532 |
| Goodwill and other intangible assets | 6,359 | 2,852 | 3,128 | - | - | 106 | 12,445 |
| Interests in and loans to joint ventures | 2,076 | 4,738 | - | 3,494 | 1,880 | - | 12,188 |
| Interests in associates | - | 8,486 | - | - | - | - | 8,486 |
| Deferred tax assets | 2 | 45 | 1,578 | - | - | - | 1,625 |
| Other assets | 9,595 | 5,312 | 11,228 | 41 | 29 | 3,232 | 29,437 |
| Total assets | <u>164,186</u> | <u>31,980</u> | <u>28,627</u> | <u>3,535</u> | <u>1,909</u> | <u>3,476</u> | <u>233,713</u> |
| Bank loans and other borrowings | 56,024 | 5,572 | 3,558 | - | - | - | 65,154 |
| Current and deferred tax liabilities | 16,987 | 1,121 | 14 | - | 1 | - | 18,123 |
| Other liabilities | 27,220 | 1,686 | 10,946 | 1 | 2 | 463 | 40,318 |
| Total liabilities | <u>100,231</u> | <u>8,379</u> | <u>14,518</u> | <u>1</u> | <u>3</u> | <u>463</u> | <u>123,595</u> |

5. Other Gain

In June 2025, the Group introduced a 50% joint venture partner to its wholly-owned subsidiaries, which engage in the development of an energy storage system in Australia, for a consideration of HK\$188 million. As a result of the transaction, the Group's equity interest in the energy storage system project was reduced from 100% to 50%, and the associated entities ceased to be subsidiaries of the Group and were deconsolidated. Accordingly, the Group's 50% retained interest has been recognised as an investment in joint venture at its fair value.

6. Operating Profit

Operating profit is stated after charging/(crediting) the following:

| | 2025 HK\$M | 2024 HK\$M |
|--|---------------|---------------|
| Charging | | |
| Retirement benefits costs ^(a) | 570 | 519 |
| Auditors' remuneration | | |
| Audit services | | |
| PricewaterhouseCoopers | 48 | 47 |
| Other auditor | - | - |
| Permissible audit related and non-audit services | | |
| PricewaterhouseCoopers ^(b) | 8 | 8 |
| Other auditor | - | - |
| Variable lease expenses | 28 | 29 |
| Cost of properties sold | 1,176 | 306 |
| Net losses on disposal of fixed assets | 319 | 582 |
| Impairment of | | |
| Inventories – stores and fuel | 45 | 47 |
| Trade and other receivables | 472 | 457 |
| Yallourn closure cost provision ^(c) | 493 | - |
| Revaluation loss on investment property | 63 | 67 |
| | <hr/> | <hr/> |
| Crediting | | |
| Rental income from investment property | (21) | (26) |
| Dividends from equity investments | - | (15) |
| Fair value gains on investments at fair value through profit or loss | (46) | (2) |
| Net fair value (gains)/losses on non-debt related derivative financial instruments | | |
| Cash flow hedge | | |
| Reclassified from cash flow hedge reserve and cost of hedging reserve to | | |
| Purchases and distributions of electricity and gas | (390) | (1,758) |
| Fuel and other operating expenses | (90) | (102) |
| Ineffectiveness of cash flow hedge | 52 | (21) |
| Not qualified for hedge accounting | (373) | (983) |
| Net exchange (gains)/losses | (28) | 21 |
| | <hr/> | <hr/> |

6. Operating Profit (continued)

Notes:

- (a) Retirement benefits costs for the year amounted to HK\$736 million (2024: HK\$696 million), of which HK\$163 million (2024: HK\$173 million) was capitalised.
- (b) Permissible audit related and non-audit services provided by PricewaterhouseCoopers comprised Continuing Connected Transactions limited assurance, limited assurance over regulatory reviews and reporting, EnergyAustralia's Sustainability Report limited assurance, agreed upon procedures related to debt offerings, audits of CLP's provident funds, auditor's attestation and other advisory services.
- (c) Constructive obligation to the planned closure for Yallourn Power Station in 2028 existed and a provision for the associated closure cost totalling HK\$493 million was recognised in 2025.

7. Income Tax Expense

Income tax in the consolidated statement of profit or loss represents the income tax of the Company and subsidiaries and is analysed below:

| | 2025 | 2024 |
|----------------------------|---------------------|--------------|
| | HK\$M | HK\$M |
| Current income tax expense | 1,805 | 1,963 |
| Deferred tax expense | 850 | 858 |
| | <u>2,655</u> | <u>2,821</u> |

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits for the year. Income tax on profits assessable outside Hong Kong has been provided at the rates prevailing in the respective jurisdictions.

The Group is within the scope of the Organisation for Economic Co-operation and Development Pillar Two model rules (the Rules). Under the Rules, a top-up tax liability arises when the effective tax rate of the Group's operations in a jurisdiction, calculated using principles set out in the Pillar Two legislation, is below 15%.

As at 31 December 2025, Pillar Two legislation has been enacted and in effect in certain jurisdictions where the Group operates, including Hong Kong and Australia. It has been assessed that the impact of the Rules is immaterial to the Group for the year ended 31 December 2025.

The Group has applied the mandatory temporary relief from the accounting requirement to recognise and disclose deferred taxes arising from the jurisdictional implementation of the Rules, as provided in HKAS 12.

8. Dividends

| | 2025 | | 2024 | |
|---------------------------------------|-------------------|--------------|-------------------|--------------|
| | HK\$ per Share | HK\$M | HK\$ per Share | HK\$M |
| First to third interim dividends paid | 1.89 | 4,775 | 1.89 | 4,775 |
| Fourth interim dividend declared | 1.31 | 3,310 | 1.26 | 3,183 |
| | <u>3.20</u> | <u>8,085</u> | <u>3.15</u> | <u>7,958</u> |

At the Board meeting held on 26 February 2026, the Directors declared the fourth interim dividend of HK\$1.31 per share (2024: HK\$1.26 per share). The fourth interim dividend is not reflected as a dividend payable in the financial statements.

9. Earnings per Share

The earnings per share are computed as follows:

| | 2025 | 2024 |
|--|------------------|------------------|
| Earnings attributable to shareholders (HK\$M) | <u>10,468</u> | <u>11,742</u> |
| Weighted average number of shares in issue (thousand shares) | <u>2,526,451</u> | <u>2,526,451</u> |
| Earnings per share (HK\$) | <u>4.14</u> | <u>4.65</u> |

Basic and fully diluted earnings per share are the same as the Company did not have any dilutive equity instruments throughout the years ended 31 December 2025 and 2024.

10. Fixed Assets

The movements during the year are set out below:

| | Freehold Land HK\$M | Buildings HK\$M | Plant, Machinery and Equipment HK\$M | Total HK\$M |
|---|---------------------------|--------------------|--|----------------|
| Net book value at 1 January 2025 | 272 | 25,201 | 133,059 | 158,532 |
| Additions | - | 1,292 | 14,513 | 15,805 |
| Deconsolidation of subsidiaries | - | - | (840) | (840) |
| Transfers and disposals | - | (95) | (375) | (470) |
| Depreciation | - | (927) | (7,548) | (8,475) |
| Exchange differences | 22 | 149 | 1,371 | 1,542 |
| Net book value at 31 December 2025 | <u>294</u> | <u>25,620</u> | <u>140,180</u> | <u>166,094</u> |
| Cost | 370 | 43,649 | 265,236 | 309,255 |
| Accumulated depreciation and impairment | (76) | (18,029) | (125,056) | (143,161) |
| Net book value at 31 December 2025 | <u>294</u> | <u>25,620</u> | <u>140,180</u> | <u>166,094</u> |

11. Right-of-Use Assets

The movements during the year are set out below:

| | Leasehold Land HK\$M | Buildings HK\$M | Plant, Machinery and Equipment HK\$M | Total HK\$M |
|---|----------------------------|--------------------|--|----------------|
| Net book value at 1 January 2025 | 9,118 | 353 | 712 | 10,183 |
| Additions | 129 | 45 | 65 | 239 |
| Modifications to lease terms | (1) | (4) | - | (5) |
| Depreciation | (307) | (92) | (84) | (483) |
| Exchange differences | 23 | 21 | 56 | 100 |
| Net book value at 31 December 2025 | 8,962 | 323 | 749 | 10,034 |

12. Trade and Other Receivables

| | 2025 HK\$M | 2024 HK\$M |
|---|---------------|---------------|
| Trade receivables | 11,466 | 11,367 |
| Deposits, prepayments and other receivables | 1,285 | 1,874 |
| Loans to a joint venture | 67 | 61 |
| Dividend receivables from | | |
| Joint ventures | 29 | 29 |
| An associate | - | 777 |
| Current accounts with | | |
| Joint ventures | 7 | 4 |
| An associate | 2 | 2 |
| | 12,856 | 14,114 |

The Group has established credit policies for customers in each of its retail businesses. In Hong Kong, electricity bills are due within two weeks after issuance. To limit the credit risk exposure, the Group has a policy to require cash deposits or bank guarantees from customers for an amount determined from time to time by reference to the usage of the customers, and in the normal course of events will not exceed the highest expected charge for 60 days. In Australia, customers are allowed to settle their electricity bills generally no more than 45 days after issuance, while commercial and industrial customers can range up to 60 days. Trade receivables arising from sales of electricity to the offtakers on the Chinese Mainland, which are mainly state-owned enterprises, are due for settlement within 30 to 90 days after bills issuance.

12. Trade and Other Receivables (continued)

The ageing analysis of the trade receivables at 31 December based on invoice date is as follows:

| | 2025 | 2024 |
|-------------------|----------------------|---------------|
| | HK\$M | HK\$M |
| 30 days or below* | 9,437 | 9,618 |
| 31 – 90 days | 857 | 754 |
| Over 90 days | 1,172 | 995 |
| | <u>11,466</u> | <u>11,367</u> |

* Including unbilled revenue

13. Trade Payables and Other Liabilities

| | 2025 | 2024 |
|---|----------------------|---------------|
| | HK\$M | HK\$M |
| Trade payables | 6,188 | 6,848 |
| Other payables and accruals | 10,819 | 10,037 |
| Lease liabilities | 163 | 148 |
| Advances from non-controlling interests | 207 | 311 |
| Current accounts with | | |
| Joint ventures | 11 | 6 |
| An associate | 364 | 454 |
| Deferred revenue | 846 | 1,984 |
| | <u>18,598</u> | <u>19,788</u> |

The ageing analysis of trade payables at 31 December based on invoice date is as follows:

| | 2025 | 2024 |
|------------------|---------------------|--------------|
| | HK\$M | HK\$M |
| 30 days or below | 5,931 | 6,409 |
| 31 – 90 days | 186 | 355 |
| Over 90 days | 71 | 84 |
| | <u>6,188</u> | <u>6,848</u> |

14. SoC Reserve Accounts

The Tariff Stabilisation Fund and Rate Reduction Reserve of the Group's major subsidiary, CLP Power, are collectively referred to as SoC reserve accounts. The respective balances at the end of the year are:

| | 2025 | 2024 |
|---------------------------|---------------------|--------------|
| | HK\$M | HK\$M |
| Tariff Stabilisation Fund | 2,786 | 3,048 |
| Rate Reduction Reserve | 85 | 124 |
| | <u>2,871</u> | <u>3,172</u> |

15. Reserves

The movements in reserves attributable to shareholders during the year are shown as follows:

| | Translation Reserve HK\$M | Cash Flow Hedge Reserve HK\$M | Cost of Hedging Reserve HK\$M | Other Reserves HK\$M | Retained Profits HK\$M | Total HK\$M |
|---|---------------------------------|--|--|----------------------------|--------------------------------|----------------|
| Balance at 1 January 2025 | (9,883) | 19 | 343 | 2,091 | 88,242 | 80,812 |
| Earnings attributable to shareholders | - | - | - | - | 10,468 | 10,468 |
| Other comprehensive income | | | | | | |
| Exchange differences on translation of | | | | | | |
| Subsidiaries | 1,582 | 27 | - | - | (27) | 1,582 |
| Joint ventures | 181 | - | - | - | - | 181 |
| Associates | 383 | - | - | - | - | 383 |
| Cash flow hedges | | | | | | |
| Net fair value losses | - | (1,246) | - | - | - | (1,246) |
| Reclassification to profit or loss | - | (422) | - | - | - | (422) |
| Tax on the above items | - | 405 | - | - | - | 405 |
| Costs of hedging | | | | | | |
| Net fair value gains | - | - | 28 | - | - | 28 |
| Reclassification to profit or loss | - | - | (34) | - | - | (34) |
| Tax on the above items | - | - | 1 | - | - | 1 |
| Remeasurement gains on defined benefit plans | - | - | - | - | 9 | 9 |
| Release of revaluation gains upon sale of properties | - | - | - | (797) | 797 | - |
| Share of other comprehensive income of joint ventures | - | 68 | - | - | (1) | 67 |
| Deconsolidation of subsidiaries | - | 112 | - | - | - | 112 |
| Total comprehensive income attributable to shareholders | 2,146 | (1,056) | (5) | (797) | 11,246 | 11,534 |
| Transfer to fixed assets | - | (21) | - | - | - | (21) |
| Appropriation of reserves | - | - | - | 240 | (240) | - |
| Dividends paid | | | | | | |
| 2024 fourth interim | - | - | - | - | (3,183) | (3,183) |
| 2025 first to third interim | - | - | - | - | (4,775) | (4,775) |
| Balance at 31 December 2025 | (7,737) | (1,058) | 338 | 1,534 | 91,290^(note) | 84,367 |

Note: The fourth interim dividend declared for the year ended 31 December 2025 was HK\$3,310 million (2024: HK\$3,183 million). The balance of retained profits after the fourth interim dividend of the Group was HK\$87,980 million (2024: HK\$85,059 million).

16. Commitments

- (A) Capital expenditure on fixed assets, leasehold land and intangible assets contracted for but not yet incurred at 31 December 2025 amounted to HK\$11,213 million (2024: HK\$11,467 million).
- (B) The Group has entered into a long-term Energy Storage Services Agreement (ESSA) to be the market operator of the 250MW Kidston pumped hydro energy storage facility in Queensland. This facility is currently under construction and the ESSA is subject to a number of conditions precedent which must be satisfied before the lease commencement date, which is expected to occur in 2027. At 31 December 2025, the expected undiscounted contractual lease payments under this agreement were approximately HK\$2.0 billion (2024: HK\$1.8 billion).
- (C) Wooreen Energy Storage System in Victoria is under construction and will be a four-hour utility-scale battery of 350MW capacity. The Group will retain first rights to the energy offtake for the project. This will be accounted for as a lease arrangement on the lease commencement date, which is expected to occur in 2027. At 31 December 2025, the expected undiscounted contractual lease payments under this arrangement were approximately HK\$3.0 billion (2024: nil).
- (D) Equity contributions to be made for joint ventures and private equity partnerships at 31 December 2025 were HK\$548 million (2024: HK\$134 million) and HK\$354 million (2024: HK\$138 million) respectively.
- (E) The Group's shares of capital, lease and other commitments of its joint ventures and associates at 31 December 2025 were HK\$5,978 million (2024: HK\$6,056 million) and HK\$342 million (2024: HK\$279 million) respectively.

17. Non-Adjusting Event After the Reporting Period

Apraava Energy, a joint venture of the Group, expects to complete the sale of its entire equity interest in its wholly owned subsidiary, Jhajjar Power Limited which holds a coal-fired power station in India, during the first quarter of 2026. The final consideration is subject to adjustments in accordance with the mechanisms established and agreed between Apraava Energy and the buyer. The Group is currently assessing the financial impact of the sale.

SUPPLEMENTARY INFORMATION ON TREASURY ACTIVITIES

CLP's investment activities continued to be underpinned by the Group's strong and resilient financial position. The Group maintained a robust liquidity position, with undrawn bank facilities of HK\$25.5 billion and bank balances of HK\$3.9 billion as at the end of 2025. The strong liquidity is expected to be sustained in 2026.

Amid ongoing market volatility, CLP's businesses capitalised on windows of more favourable market conditions to secure cost-effective financing and refinance higher-cost facilities. This disciplined approach, supported by efforts to preserve strong investment-grade credit ratings and diversify funding sources, enabled the Group to achieve an overall reduction of 17.5% in net finance costs in 2025, despite interest rates remaining elevated for longer than anticipated.

In January 2025, CLP Power successfully issued US\$500 million (HK\$3.9 billion) of 5.45% non-call 5.25-year perpetual capital securities for redemption of the outstanding US\$500 million perpetual capital securities issued on 6 November 2019. The issuance was more than seven times over-subscribed, reflecting strong investor confidence. The securities were classified as equity in CLP's financial statements and received 50% equity credit from Moody's and Standard & Poor's (S&P's) (for 5.25 years from issuance in the case of S&P's), strengthening the Group's capital structure.

CLP Power also arranged HK\$5.5 billion of one- to three-year revolving bank facilities to support refinancing at more competitive interest costs. In addition, financing costs were further reduced through the completion of three-year private bond placements totalling HK\$2.4 billion-equivalent, denominated in Hong Kong and US dollars, broadening CLP Power's debt investor base and extending its debt maturity profile.

Castle Peak Power Company Limited (CAPCO) arranged HK\$2.4 billion of one- and two-year energy transition loan facilities under the Group's Climate Action Finance Framework (CAFF) to refinance at competitive margins to support decarbonisation initiatives. CAPCO also completed three-year private bond placements totalling HK\$2.0 billion-equivalent under CAFF at favourable interest rates. In addition, CAPCO arranged HK\$3.2 billion in emission reduction-linked bank loans for refinancing purposes.

CLP Power and CAPCO maintain Medium Term Note programmes with issuance limits of up to US\$4.5 billion and US\$2.0 billion, respectively. As of 31 December, CLP Power had issued notes with aggregate nominal value of approximately US\$3.3 billion (HK\$26.0 billion equivalent), while CAPCO had issued approximately US\$1.5 billion (HK\$11.6 billion equivalent).

Outside of Hong Kong, EnergyAustralia arranged a A\$667 million (HK\$3.3 billion) five-year syndicated loan facility in March to finance the development of the utility-scale battery energy storage systems. CLP China executed a total of RMB2.6 billion (HK\$2.9 billion) of onshore non-recourse project loan facilities for its renewable energy businesses at competitive interest rates.

CLP maintains a disciplined and proactive approach to managing financial risks. The Group conducts ongoing monitoring and assessment of its liquidity profile, ensuring timely replenishment of funding resources and the preservation of a robust capital structure. Under CLP's well established treasury risk management framework, approved derivative instruments are employed to hedge interest rate and foreign exchange exposures, thereby mitigating market related risks. To ensure strong control over counterparty credit risk, all derivative transactions and deposits are executed exclusively with financial institutions that meet CLP's investment grade credit standards.

In May, S&P's affirmed the credit ratings of CLP Holdings, CLP Power and CAPCO at A, A+ and AA-, respectively, all with stable outlooks. In August, Moody's affirmed the A2 credit rating of CLP Holdings, and the A1 ratings for both CLP Power and CAPCO, all with stable outlooks. Moody's also assigned a positive outlook on the Baa2 credit rating of EnergyAustralia.

CLP's CAFF continued to enable a growing volume of financing activities in support of the Group's decarbonisation effort. CLP will maintain close collaboration with financial market stakeholders on promoting the development of sustainable financial instruments, while continuing to align CAFF with latest advancements in relevant taxonomies. CLP Holdings has an NZ-2 score from Moody's Net Zero Assessment, representing the second-highest rating on the scale.

As at 31 December 2025, the Group maintained HK\$87.3 billion in financing facilities, including HK\$24.4 billion for subsidiaries in Australia and Chinese Mainland. Of the facilities available, HK\$61.8 billion had been drawn down, excluding perpetual capital securities, of which HK\$11.7 billion related to subsidiaries in Australia and Chinese Mainland. The Group's net debt to total capital ratio was 33.0% (2024: 33.0%) and fixed rate debt as a proportion of total debt was 52% (2024: 51%) excluding perpetual capital securities.

As at 31 December 2025, the Group had notional value of outstanding derivative financial instruments amounting to HK\$60.2 billion for hedging of foreign exchange and interest rate risks, and notional volumes of outstanding energy derivatives amounting to 98,119GWh, 4.2 million barrels and 9,667TJ for electricity, oil and gas respectively. As at 31 December 2025, the fair value of derivative instruments was a net deficit of HK\$1,533 million, mainly attributable to mark to market valuation of cross currency interest rate swaps entered into in earlier years to hedge foreign currency borrowings.

CORPORATE GOVERNANCE

The Company has its own CLP Code on Corporate Governance (CLP Code) built on CLP's own standards and experience. The CLP Code is on the CLP website and available on request. The CLP Code incorporates the code provisions on a "comply or explain" basis and certain recommended best practices as set out in the Corporate Governance Code, Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (Hong Kong Stock Exchange) (Listing Rules).

CLP deviates from only two recommended best practices in the Corporate Governance Code – that (i) an issuer should announce and publish quarterly financial results, and (ii) the appointment of a lead independent non-executive director.

While CLP does issue quarterly statements which set out key financial and business information such as electricity sales, dividends and progress in major activities, we do not issue quarterly financial results. We have taken this considered approach as we are of the view that quarterly financial reporting does not bring significant benefits to our shareholders, and it encourages a short-term view of our business performance and activities which would not be consistent with the longer term nature of our activities and investments.

In respect of not having appointed a lead independent non-executive director, the Nomination Committee has considered the relevant requirements under the Corporate Governance Code and is of the view that the existing communication and engagement channels available to other Directors and shareholders to the Chairman and management are adequate. These established channels include Chairman-only sessions with the Directors as well as structured and regular engagement opportunities such as Shareholders' Visit Programme and investors meetings for shareholders to communicate with management and Directors. Given the effectiveness of these mechanisms, the Board considers that good communication can continue to be achieved without designating a lead independent non-executive director.

Throughout the financial year ended 31 December 2025, the Company had complied with the code provisions as well as applied all the principles, other than the exceptions explained above, as provided in the Corporate Governance Code.

The accounting principles and practices adopted by the Group, and the financial statements for the year ended 31 December 2025, have been reviewed by the Audit & Risk Committee (ARC).

The ARC's monitoring of the risk management and internal control systems was supported by the review work and reporting by Group Internal Audit (GIA) and by the independent auditor's report of their testing of the control environment of the Group. During the period from 1 January 2025 to the date of this announcement, no internal control issue that would be material to the integrity of the financial statements was identified.

The ARC analysed and was satisfied that the Group's risk management and internal control systems were appropriate and effective for the year ended 31 December 2025 and up to the date of this announcement.

The ARC received and considered two types of reports from the Senior Director – GIA and they are: a) audit reports which provide independent appraisal of the audit unit’s compliance with prescribed policies and procedures, and evaluation of the effectiveness of the overall controls; and b) special review reports which focus on new business areas, emerging risks and thematic issues, where control advisory is provided. For the year 2025, a total of 16 audits and 10 special reviews were completed. Two audit reports carried a not satisfactory audit opinion. None of the control weaknesses identified had a material impact on the financial statements.

The CLP Code for Securities Transactions (CLP Securities Code) is largely based on the Model Code set out in Appendix C3 of the Listing Rules and is on terms no less exacting than those in the Model Code. All Directors have confirmed, following specific enquiry by the Company, that throughout the year ended 31 December 2025 they have complied with the required standard set out in the Model Code and the CLP Securities Code.

Our Senior Management and selected members of staff, “Specified Individuals”, are subject to securities dealing restrictions in the CLP Securities Code. All members of the Senior Management have confirmed, following specific enquiry by the Company, that throughout the year ended 31 December 2025 they have complied with the required standard set out in the Model Code and the CLP Securities Code.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SHARES

There was no purchase, sale or redemption of the Company’s listed shares by the Company or any of its subsidiaries during the year ended 31 December 2025.

FOURTH INTERIM DIVIDEND

Today, the Board of Directors of the Company declared the fourth interim dividend for 2025 at HK\$1.31 per share (2024: HK\$1.26 per share). This fourth interim dividend will be payable on all shares in issue as at the close of business on 12 March 2026 after deducting any shares repurchased and cancelled up to the close of business on 12 March 2026. As at 31 December 2025, 2,526,450,570 shares of the Company were in issue. The fourth interim dividend of HK\$1.31 per share will be payable on 24 March 2026 to shareholders registered as at 13 March 2026.

The Register of Shareholders will be closed on 13 March 2026. To rank for the fourth 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 Thursday, 12 March 2026.

ANNUAL GENERAL MEETING

The twenty eighth Annual General Meeting (AGM) will be held on Friday, 8 May 2026, at 11:00 a.m. The Notice of AGM will be published on the websites of the Company and the Hong Kong Stock Exchange and despatched to shareholders on or about 26 March 2026.

To facilitate the processing of proxy voting, the Register of Shareholders will be closed from 5 May 2026 to 8 May 2026, both days inclusive, during which period the registration of transfers of shares will be suspended. To be entitled to attend and vote at the AGM, 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 Monday, 4 May 2026.

By Order of the Board
Michael Ling
Joint Company Secretary

Hong Kong, 26 February 2026

The Company's Annual Report containing the Directors' Report and Financial Statements for the year ended 31 December 2025 and the Notice of AGM will be made available on the websites of the Company (www.clpgroup.com) and the Hong Kong Stock Exchange on or about 12 March 2026 and 26 March 2026 respectively. Hard copies of these documents will be despatched on 26 March 2026 only to shareholders as per the Company's Corporate Communications Arrangement.

中電控股有限公司 CLP Holdings Limited

(incorporated in Hong Kong with limited liability)

(Stock Code: 00002)

The Directors of CLP Holdings as at the date of this announcement are:

Non-executive Directors:

The Hon Sir Michael Kadoorie, Mr Andrew Brandler,
Mr Philip Kadoorie, Mrs Yuen So Siu Mai Betty and
Mr Diego Gonzalez Morales

Independent Non-executive Directors:

Mr Nicholas C. Allen, Ms May Siew Boi Tan, Ms Christina Gaw,
Mr Chunyuan Gu, Mr Chan Bernard Charnwut,
Ms Wang Xiaojun Heather and Mrs Kung Yeung Yun Chi Ann

Executive Director:

Mr Chiang Tung Keung