



CK ASSET HOLDINGS LIMITED

2023 ANNUAL RESULTS

21 March 2024



Disclaimer

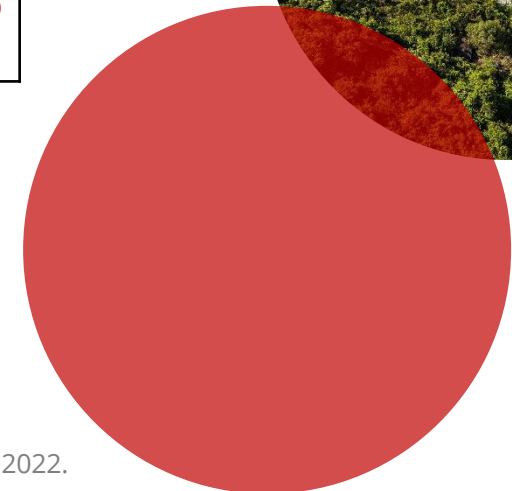
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2023 Annual Results Highlights

	2023	2022	2023	2022	Change
	HK\$ Million	HK\$ Million	HK\$ per share	HK\$ per share	
Revenue	71,082	79,551			-10.6%
Profit attributable to shareholders					
- Continuing operations	17,340	19,627	4.86	5.41	-10.2%
- Discontinued aircraft leasing business	-	2,056	-	0.57	
	17,340	21,683	4.86	5.98	-18.7%



Note:

- (1) 2022 Earnings per share is based on profit attributable to shareholders and weighted average of 3,628,235,965 shares in issue during 2022.
- (2) 2023 Earnings per share is based on profit attributable to shareholders and weighted average of 3,570,941,266 shares in issue during 2023.

Interim: HK\$0.43
 Final: HK\$1.62
 Full Year: HK\$2.05

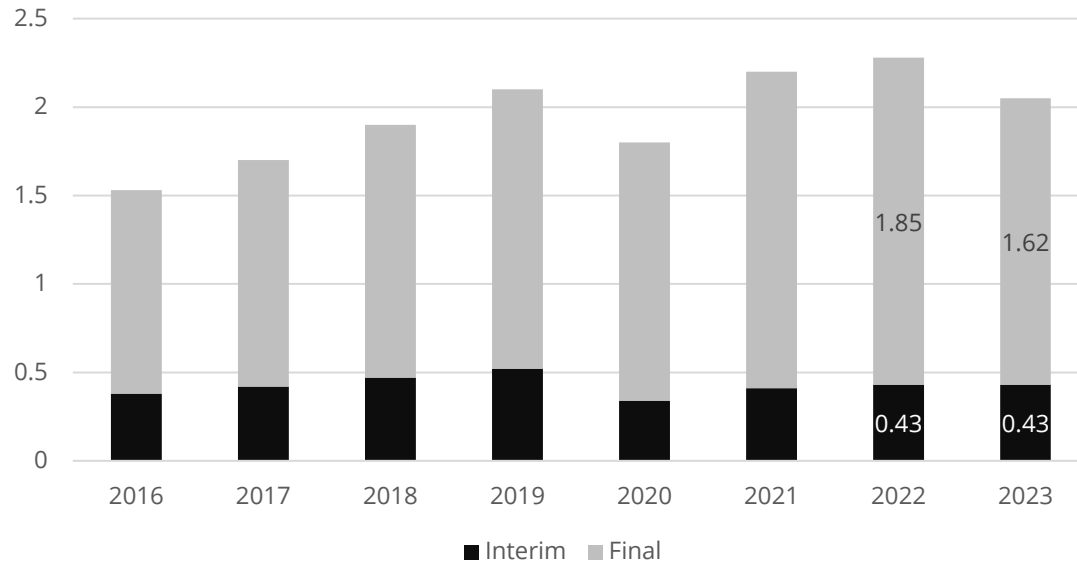
Dividend per share
 -10.1%

HK\$108.72

Net book value per share
 +3.2%



DPS (HK\$/share)



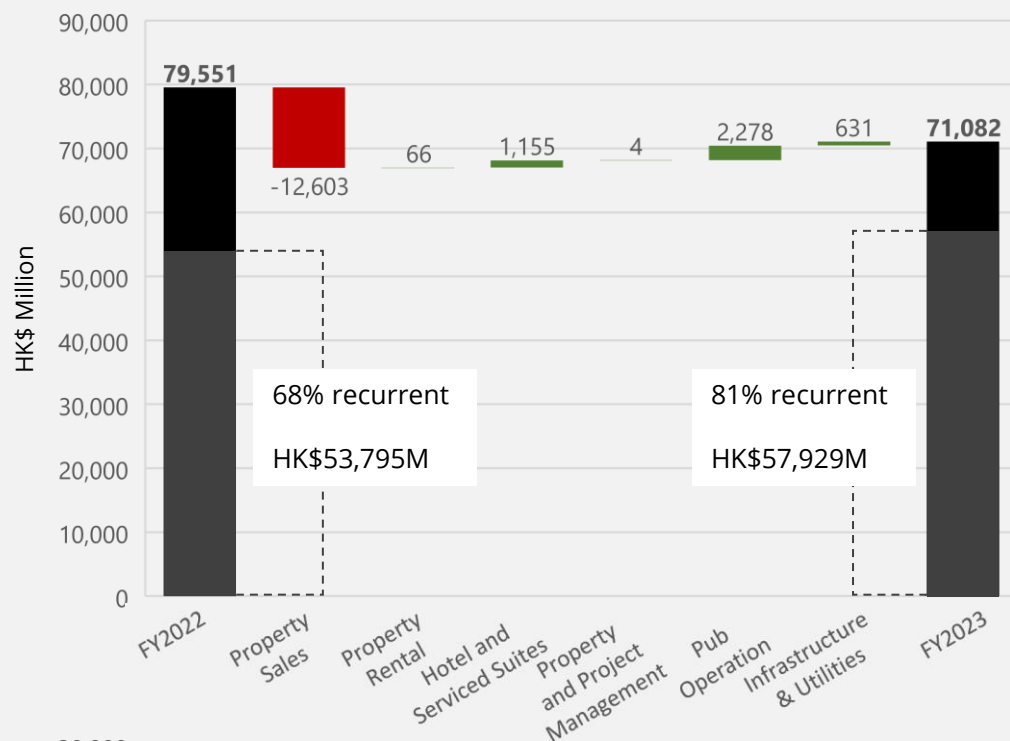
2023 Annual Results Highlights

Note:

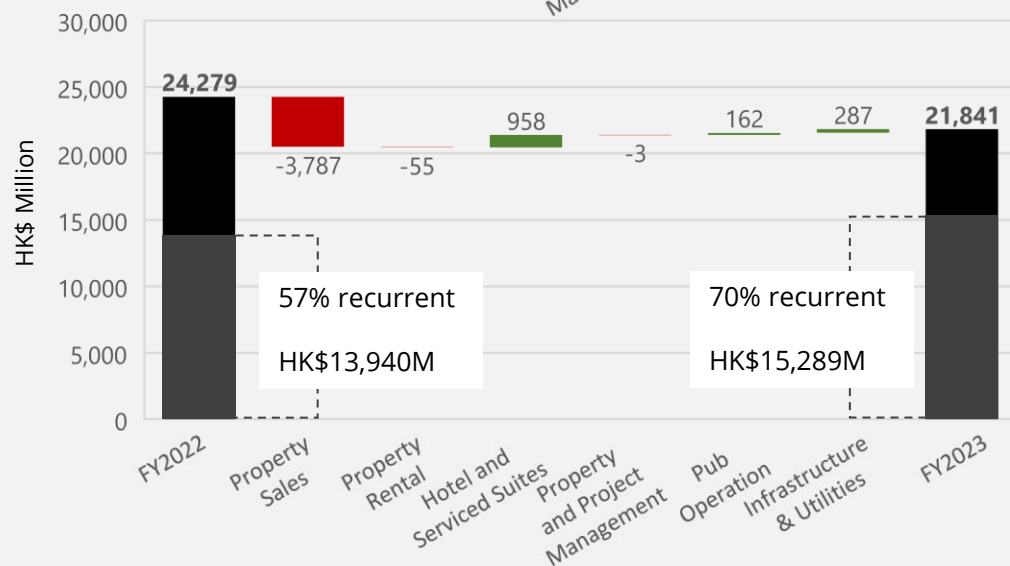
(1) Net book value per share is based on 3,548,884,333 shares in issues on 31 December 2023.



Revenue by Principal Activities



Profit Contribution by Principal Activities



Principal Activities Analysis

70% of our profit contribution is recurrent in nature

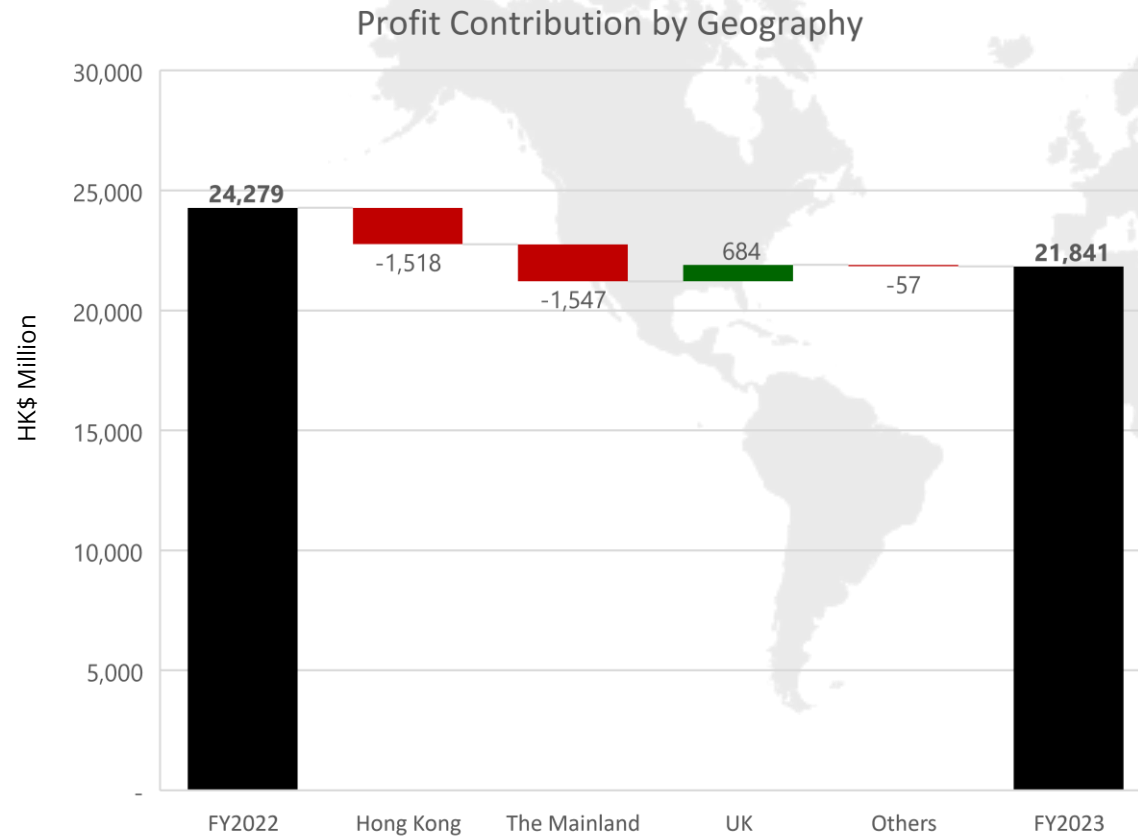
Note:

- (1) Profit Contribution refers to contribution from principal activities after depreciation, fixed assets impairment and absorption of overhead expenses but before goodwill impairment, interest costs and tax.
- (2) Excludes contribution from gain on bargain purchase of Civitas, discontinued aircraft leasing business, surplus on disposal of investment properties and gain on disposal of interest in utility joint venture.
- (3) Includes income from the forfeited deposit of HK\$2,077 million received due to the termination of the agreement for the sale of Bristow Investments Limited, the developer of 21 Borrett Road in Hong Kong.



2023 Annual Results Highlights

45% contribution from HK, 11% from the Mainland, 44% from Overseas



HK\$ Million	2023 Profit Contribution
Hong Kong	9,791
The Mainland	2,487
UK	5,254
Others	4,309
Total	21,841

Note:

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Property Sales

Reduction in divisional activity leading to lower contribution

HK\$ Million	2023	2022	Change
Revenue	13,153	25,756	-49%
Profit contribution	4,475	10,339	-57%
Margin	34.0%	40.1%	

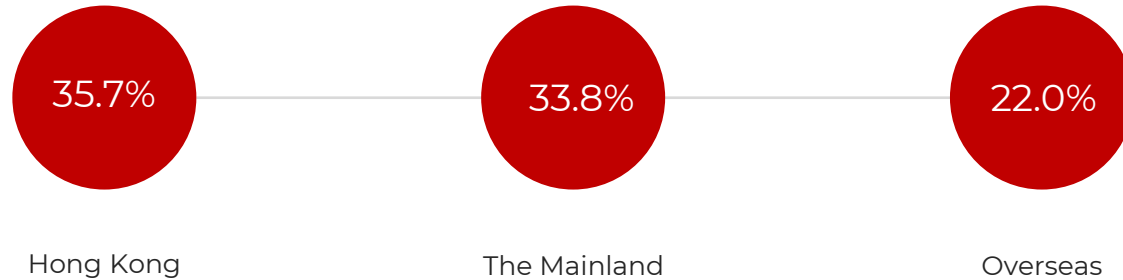
Note:

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Property Sales

Healthy margins across all markets despite challenging conditions



HK\$ Million	Revenue		Profit Contribution & Margin			
	2023	2022	2023		2022	
Hong Kong	5,840	14,511	2,087	35.7%	6,374	43.9%
The Mainland	6,630	9,916	2,238	33.8%	3,799	38.3%
Overseas	683	1,329	150	22.0%	166	12.5%

Note:
(1) Excludes income from the forfeited deposit of HK\$2,077 million received due to the termination of the agreement for the sale of Bristow Investments Limited, the developer of 21 Borrett Road in Hong Kong.



Property Sales

HK\$19,415M contracted sales not yet recognized

- About HK\$7,097 million scheduled for recognition in 2024



**Hong Kong
HK\$11,758M**

**The Mainland
HK\$3,523M**

**Overseas
HK\$4,134M**



PROPERTY RENTAL

HK\$ Million	2023	2022	Change
Revenue	5,909	5,843	1%
Profit contribution	4,635	4,690	-1%
Margin	78.4%	80.3%	



Use of property	2023	2022	Change
	HK\$ Million	HK\$ Million	
Retail	2,056	2,204	-6.7%
Office	1,881	2,148	-12.4%
Industrial	771	757	+1.8%
Others	1,201	734	+63.6%
Total	5,909	5,843	+1.1%

Property Rental Analysis

Slight shift in revenue mix

Profit Contribution	2023	2022	Change
	HK\$ Million	HK\$ Million	
Hong Kong	3,734	3,923	-4.8%
The Mainland	323	371	-12.9%
Overseas	578	396	+46.0%
Total	4,635	4,690	-1.2%



22.0 million sq.ft. of investment properties

Increase in fair value of investment properties of HK\$3,238 million

Upper West Shanghai



Hong Kong 13.1 million sq. ft.
The Mainland 4.6 million sq. ft.
Overseas 4.3 million sq. ft.

**4% - 8%
cap rate**

Social healthcare rental properties



Hutchison Logistics Centre



Hotel and Serviced Suite Operation

Margin recovered to pre-Covid level

HK\$ Million	2023	2022	Change
Revenue	4,383	3,228	+36%
Profit contribution	1,525	567	+169%
Margin	34.8%	17.6%	





Hotel and Serviced Suite Operation

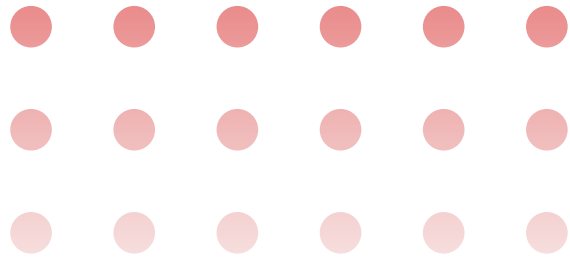
HK\$ Million	Profit Contribution	
	2023	2022
Hong Kong	1,652	764
The Mainland	(127)	(197)
Total	1,525	567

Average hotel room occupancy rate 79 %



Average serviced suites occupancy rate 90 %





Property and Project Management

267m sq.ft. under management

HK\$ Million	2023	2022	Change
Revenue	900	896	+0.4%
Profit contribution	359	362	-0.8%
Margin	39.9%	40.4%	



Pub Company

Operates food-led and drink-led destination pubs and restaurants and community-focused local pubs



Pub Partners

Owens a portfolio of mainly drink-led pubs which are run as franchised or leased pubs



Brewing & Brands

Sells and distributes a wide range of beers including ale brands brewed in own breweries

Pub Operation

A leading integrated brewer and pub retailer operating about 2,700 pubs restaurants and hotels across England, Wales and Scotland



Pub Operation

Excluding fixed asset impairment and disposal gain, profit contribution reduced slightly compared to 2022 due to cost pressure



	Pub Company HK\$ Million	Pub Partners HK\$ Million	Brewing & Brands HK\$ Million	2023 Total HK\$ Million	2022 Total HK\$ Million	Change
Revenue	19,186	1,796	2,235	23,217	20,939	+11%
Profit contribution ⁽¹⁾	627	221	149	997	835	+19%
Margin	3.3%	12.3%	6.7%	4.3%	4.0%	

Note:

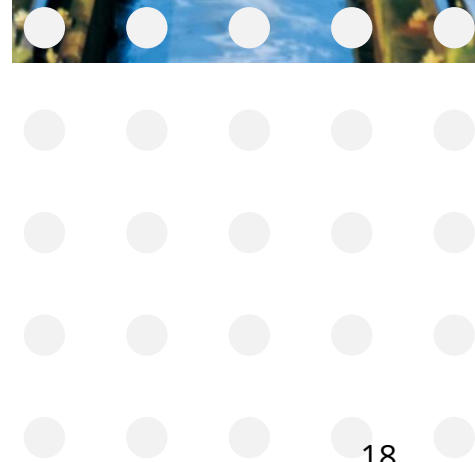
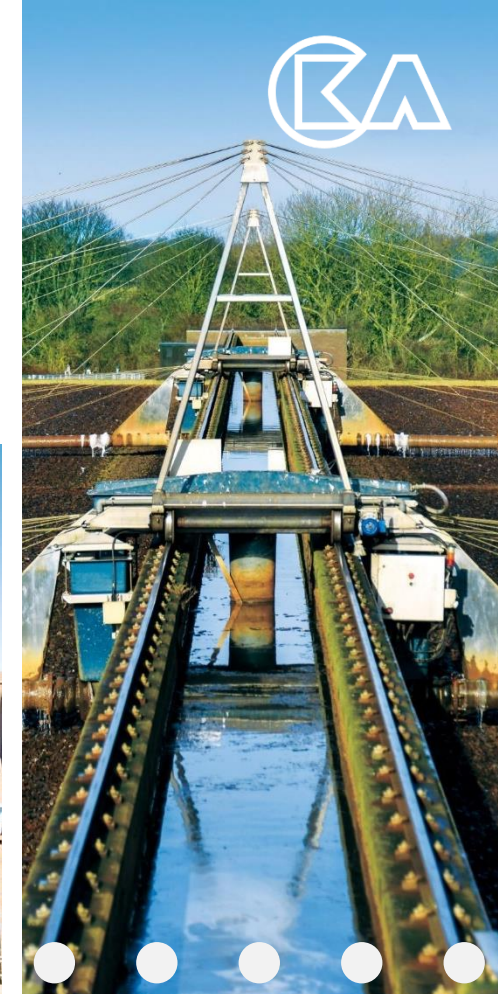
(1) Profit Contribution is after a provision of HK\$535 million (2022 – HK\$994 million) for asset impairment.

Infrastructure and Utility Asset Operation

	Principal Activity	Interest in Joint Venture
CK William JV	An owner and operator of energy utility assets in Australia, the United States, Canada and the United Kingdom	40%
CKP (Canada) JV	A building equipment and service provider under the consumer brand identity of "Reliance Home Comfort" in Canada	75%
ista JV	A fully integrated energy management service provider operated by ista Group in Europe	65%
UK Power Networks JV	A power distributor that serves London, the South East and East of England	20%
Northumbrian Water JV	A regulated water and sewerage company in England and Wales	27%
Dutch Enviro Energy JV	An operator of energy-from-waste company in the Netherlands	24%
Wales & West Utilities JV	A gas distributor that serves Wales and the South West of England	22%
UK Rails JV	A rolling stock operating company in the United Kingdom	20%

Note:

(1) In December 2023, the Group's interest in the economic benefits of UK Rails was converted to equity shareholding as part of the streamlining exercise of the corporate structure of UK Rails.





Infrastructure and Utility Asset Operation

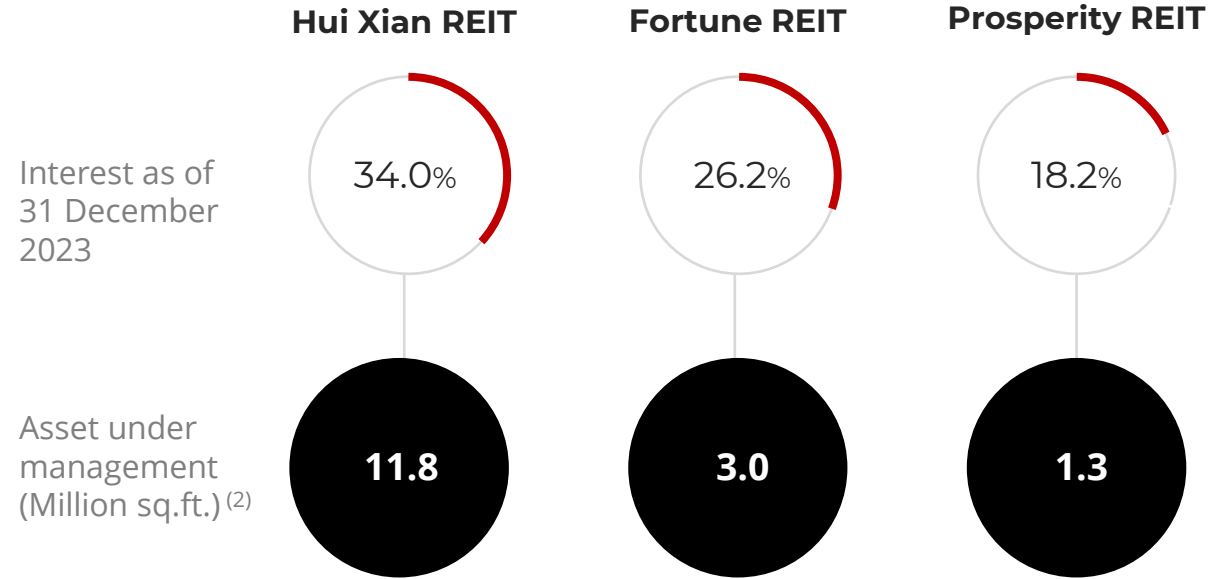
Healthy margins and resilient contribution across the portfolio

	Revenue HK\$ Million	Profit Contribution HK\$ Million	Margin
CK William JV (DUET Group)	4,469	1,400	31.3%
CKP (Canada) JV (Reliance Group)	4,689	1,456	31.1%
ista JV	6,296	1,291	20.5%
UK Power Networks JV	3,595	2,025	56.3%
Northumbrian Water JV	2,541	672	26.4%
Dutch Enviro Energy JV	712	129	18.1%
Wales & West Utilities JV	1,184	621	52.4%
UK Rails JV	34	19	55.9%
Others	-	160	-
2023 Total	23,520	7,773	33.0%
2022 Total	22,889	7,486	32.7%
Change	+3%	+4%	



Interests in Real Estate Investment Trusts

HK\$422 million⁽¹⁾ total distribution received

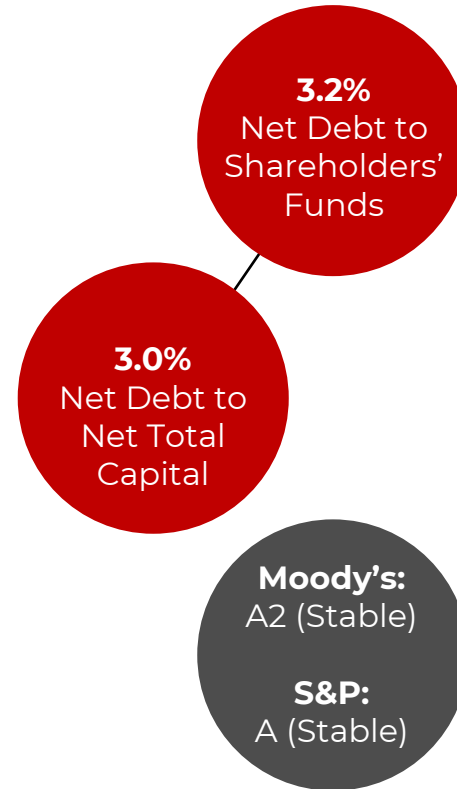


HK\$ Million	2023	2022
Share of profit of Hui Xian REIT	55	178
Cash distributions received from Fortune REIT and Prosperity REIT	270	273
	325	451

Note:
 (1) HK\$152 million of distribution was received from Hui Xian REIT. Cash distributions received from Fortune REIT and Prosperity REIT totaled HK\$270 million.
 (2) Based on latest public announcements.
 (3) Fair value change was recorded under "Change in fair values: real estate investment trusts".

Gearing and Maturity Profile

Bank and other loans with maturities	HK\$ Billion
Within one year	17.8
Within two to five years	30.4
Beyond five years	6.7
Total	54.9
Bank balances and deposits	42.5
Net Debt	12.4





Landbank Summary

Total landbank of 132 million sq. ft.

	Hong Kong Million sq.ft.	The Mainland Million sq.ft.	Overseas Million sq.ft.	Total ⁽¹⁾⁽²⁾ Million sq.ft.
Properties under Development	7	63	4	74
Investment Properties	13	5	4	22
Hotels and Serviced Suites	8	1	-	9
Pub Properties	-	-	27	27
Total	28	69	35	132

Note:

(1) Excludes a total of approximately 16.1 million sq.ft. assets under management by Hui Xian REIT, Fortune REIT and Prosperity REIT based on latest public announcements.

(2) Total landbank excludes agricultural land, projects under planning and car parking spaces, but includes developers' interests in joint development projects.

ESG – Sustainability Highlights



Decarbonisation Progress and Commitment to SBTi

- Committed to setting SBTi's Near Term and Net-Zero targets in late 2023
- Submitted SBTs in early 2024 and is in the validation process

Governance and Reporting Enhancement

- Various policy enhancements to keep up with the market trend and enhance corporate governance

Green Buildings

- In early 2024, the Company has formally adopted its Sustainable Building Guidelines, setting out practices and sustainable measures to be adopted throughout the different life cycles of its buildings

Green Finance

- Obtained two additional sustainability-linked loans



Note:

(1) For further details of our Group's sustainability initiatives, please refer to the 2023 Sustainability Report.

ESG – Business Unit Highlights



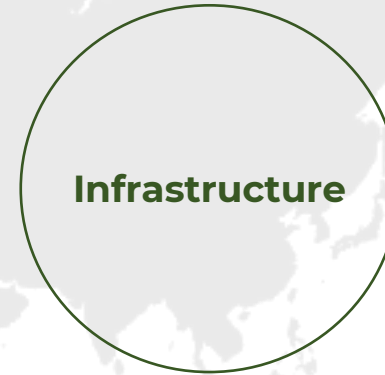
- 47 green building certificates obtained
- Cheung Kong Center has obtained LEED Operations and Maintenance: Existing Buildings – Platinum



- Publicly committed to reaching net zero in 2040, and is seeking SBTi's approval for this target
- In the process of switching to renewable electricity, with an aim to procure 80% renewable energy by 2025 and 100% by 2030



- As part of its sustainability commitment to conserve energy and reduce electricity consumption and costs, Harbour Plaza is a signatory to the "Energy Saving Charter" and "4T Charter" organised by the Environment Bureau of the Government



- The Group's Infrastructure Investments have also made various achievements in innovating for the low-carbon transition, supporting biodiversity conservation and environmental protection reflects the Group's commitment to creating positive impact to society



- Citybase, Goodwell Property Management Limited and Hutchison Property Management Company Limited have been accredited with the ISO 14001 Environmental Management Systems Certification



THANK YOU