



長江實業集團有限公司
CK ASSET HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability – Stock Code: 1113)

2023 Interim Results

3 August 2023



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2023 Interim Results Highlights



	2023	2022	2023	2022	Change
	HK\$ Million	HK\$ Million	HK\$ per share	HK\$ per share	
Revenue	36,516	47,620			-23%
Profit attributable to shareholders					
Continuing operations	10,331	10,931	2.88	3.00	-4%
Discontinued operation	-	2,005	-	0.55	
	10,331	12,936	2.88	3.55	-18.9%

Note:

(1) Earnings per share is based on the weighted average of 3,589,614,728 shares in issue during the period.

2023 Interim Results Highlights



Dividend per share

HK\$0.43

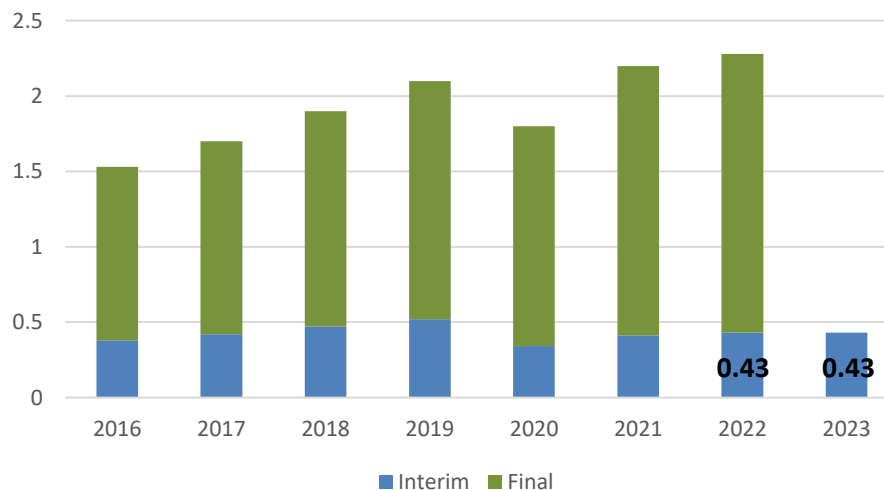
+0%

Net book value
per share ⁽¹⁾

HK\$106.73

+1.4%

DPS (HK\$/share)



Note:

(1) Based on 3,592,671,333 shares in issue on 30 June 2023.

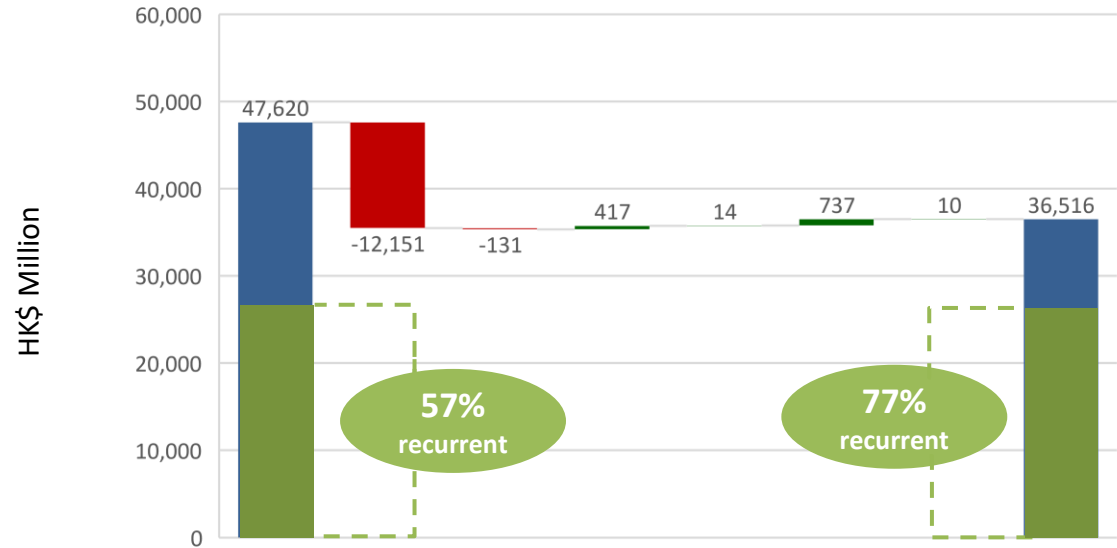
Principal Activities Analysis

69% of our profit contribution was recurrent in nature



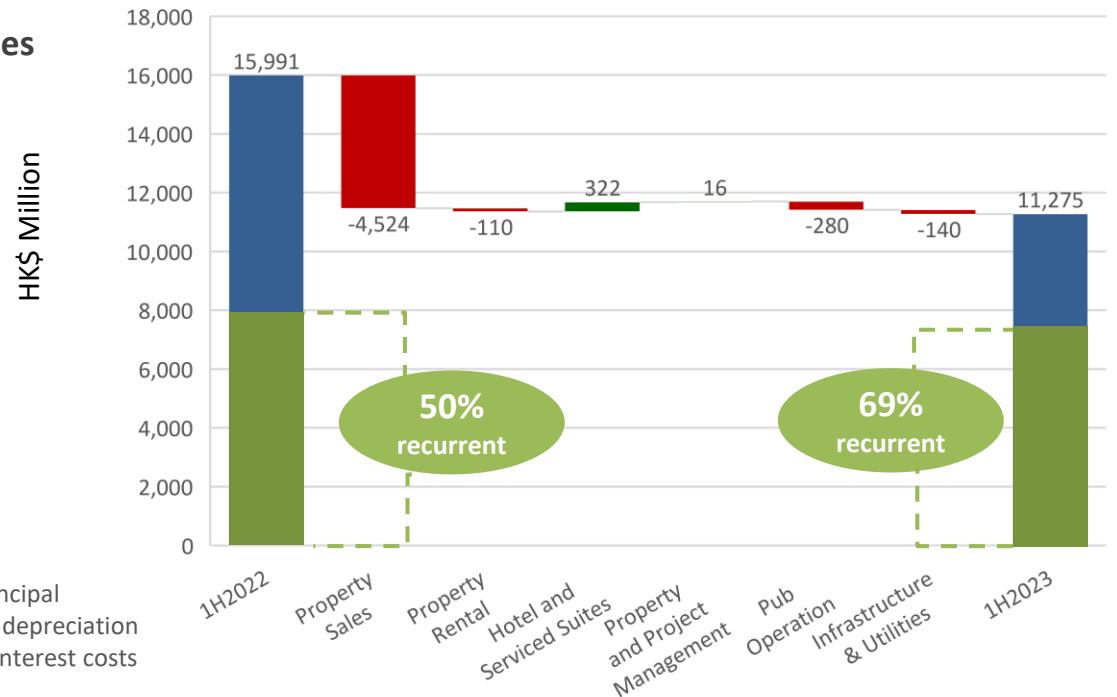
Revenue by Principal Activities

Recurrent Revenue	
1H2022	1H2023
HK\$27,223M	HK\$28,270M



Profit Contribution by Principal Activities

Recurrent Profit Contribution	
1H2022	1H2023
HK\$7,937M	HK\$7,745M

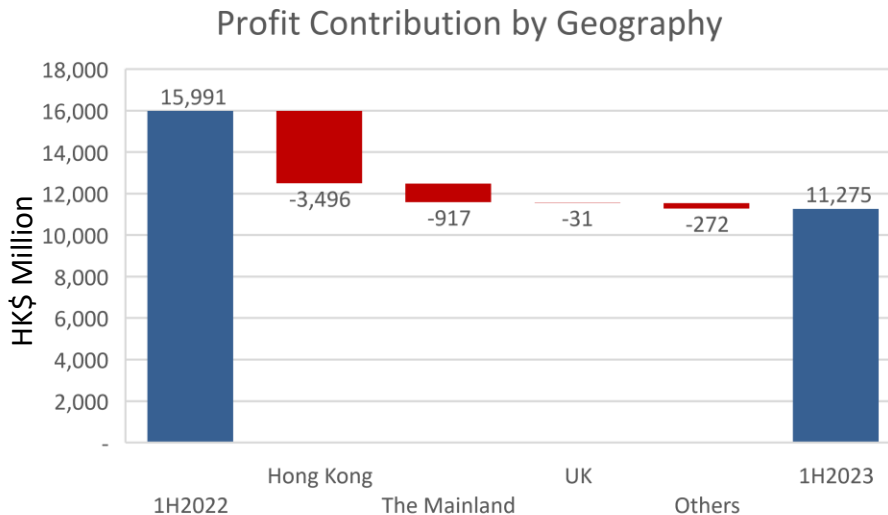


Note:

- (1) Profit Contribution refers to contribution from principal activities (excluding discontinued operation) after depreciation and absorption of overhead expenses but before interest costs and tax.

2023 Interim Results Highlights

39% contribution from HK, 16% from the Mainland, 45% from UK and Overseas



HK\$ Million	2023
	Profit contribution
Hong Kong	4,450
The Mainland	1,791
UK	2,776
Others	2,258
Total	11,275

Note:

(1) Profit Contribution refers to contribution from principal activities (excluding discontinued operation) after depreciation and absorption of overhead expenses, but before interest costs and tax.

Property Sales



Property Sales



HK\$ Million	2023	2022	Change
Revenue	8,246	20,397	-60%
Profit contribution	3,530	8,054	-56%
<i>Margin</i>	<i>42.8%</i>	<i>39.5%</i>	



Property Sales

Healthy margins across all markets



	Revenue		Profit Contribution & Margin			
	2023	2022	2023		2022	
	HK\$ Million	HK\$ Million	HK\$ Million	%	HK\$ Million	%
Hong Kong	4,316	12,748	1,666	38.6%	5,422	42.5%
The Mainland	3,542	7,436	1,677	47.3%	2,563	34.5%
Overseas	388	213	187	48.2%	69	32.4%



HK\$14,822M contracted sales not yet recognized

- About HK\$4,416 million scheduled for recognition in 2023



**Hong Kong
HK\$7,063M**



**The Mainland
HK\$3,781M**



**Overseas
HK\$3,978M**



Property Rental

Property Rental

Solid overall margin

HK\$ Million	2023	2022	Change
Revenue	2,862	2,993	-4%
Profit contribution	2,316	2,426	-5%
<i>Margin</i>	80.9%	81.0%	



Hong Kong
13.1 million sq.ft.

17.1 million sq.ft. of investment properties

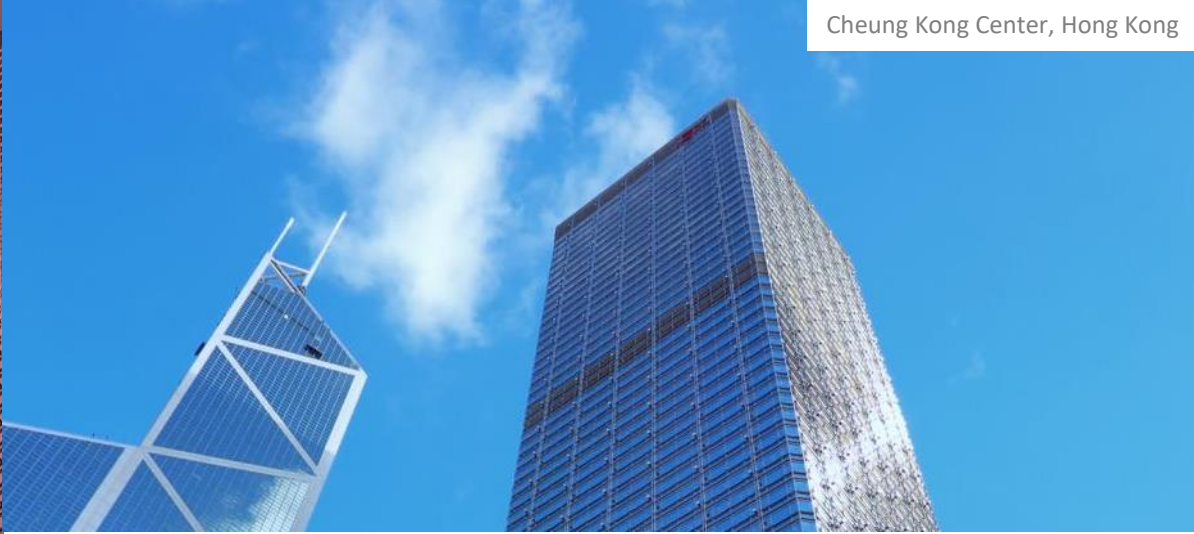
The Mainland
1.9 million sq.ft.

Overseas
2.1 million sq.ft.



M+, Wuhan





Increase in fair value of investment properties of HK\$2,690 million



4% - 8% cap rate





Hotel and Serviced Suite Operation



Hotel and Serviced Suite Operation



Steady recovery led by improvement in occupancy and room rates

HK\$ Million	2023	2022	Change
Revenue	1,950	1,533	+27%
Profit contribution	637	315	+102%
<i>Margin</i>	<i>32.7%</i>	<i>20.5%</i>	



Hotel and Serviced Suite Operation

Majority of contribution from HK operations



HK\$ Million	Profit contribution	
	2023	2022
Hong Kong	717	392
The Mainland	(80)	(77)
Total	637	315



Hotel and Serviced Suite Operation

75% Average hotel room occupancy rate

91% Average serviced suites occupancy rate



Property and Project Management



Property and Project Management

268m sq.ft. of completed projects under management



HK\$ Million	2023	2022	Change
Revenue	454	440	+3%
Profit contribution	198	182	+9%
Margin	43.6%	41.3%	



1881 HERITAGE, Hong Kong



Pub Operation



Pub Operation



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



Pub Company

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



Pub Partners

Owns 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



Operations challenged by cost inflation and bad weather in first half

	Pub Company HK\$ Million	Pub Partners HK\$ Million	Brewing & Brands HK\$ Million	2023 Total HK\$ Million	2022 Total HK\$ Million	Change
Revenue	9,333	860	1,071	11,264	10,527	+7%
Profit contribution	344	192	50	586	866	-32%
Margin	3.7%	22.3%	4.7%	5.2%	8.2%	





Infrastructure and Utility Asset Operation



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%
Sarvana 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 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%

Infrastructure and Utility Asset Operation

Solid contribution from infrastructure and utility assets



	Revenue (HK\$ Million)	Profit contribution (HK\$ Million)	Margin
CK William JV (DUET Group)	2,157	645	29.9%
CKP (Canada) JV (Reliance Group)	2,291	678	29.6%
Sarvana JV (ista Group)	3,254	846	26.0%
UK Power Networks JV	1,818	1,065	58.6%
Northumbrian Water JV ⁽¹⁾	1,244	313	25.2%
Dutch Enviro Energy JV	369	65	17.6%
Wales & West Utilities JV	607	326	53.7%
Others	-	70	-
2023 Total	11,740	4,008	34.1%
2022 Total	11,730	4,148	35.4%
<i>Change</i>	0%	-3%	

Note:

(1) The disposal of 9% interest in Northumbrian Water was completed in December 2022. The Group's interest in Northumbrian Water is now 27%.

Interests in Real Estate Investment Trusts

HK\$205 million⁽¹⁾ total cash distribution received



HK\$ Million	2023	2022
Share of profit of Hui Xian REIT	74	113
Cash distributions received from Fortune REIT and Prosperity REIT	132	128
	206	241

	Hui Xian REIT	Fortune REIT	Prosperity REIT
Interest as of 30 June 2023	33.7%	26.3%	18.1%
Asset under management (Million sq.ft.)	11.8 ⁽²⁾	3.0 ⁽²⁾	1.3 ⁽²⁾

Note:

- (1) HK\$73 million of distribution was received from Hui Xian REIT. Cash distributions received from Fortune REIT and Prosperity REIT totaled HK\$132 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 borrowings with maturities	HK\$ Billion
Within one year	9.2
Within two to five years	31.0
Beyond five years	9.2
Total	49.4
Bank balances and deposits	43.8
Net Debt	5.6

1.4% Net Debt to Shareholders' Funds

1.4% Net Debt to Net Total Capital

Corporate Ratings:

Moody's: A2 (Stable)

S&P: A (Stable)

Landbank Summary

Total landbank of 129 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	8	64	4	76
Investment Properties	13	2	2	17
Hotels and Serviced Suites	8	1	-	9
Pub Properties	-	-	27	27
Total	29	67	33	129

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 and projects under planning but includes developers' interests in joint development projects.



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Thank you

