Power Assets Holdings Ltd.
電能實業有限公司

於香港註冊成立的有限公司
Incorporated in Hong Kong with limited liability
股票代號 Stock Code: 6

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2024 INTERIM RESULTS

CHAIRMAN'S STATEMENT

Half Year Results

I am delighted to deliver my first statement as Chairman of Power Assets Holdings Limited and express my gratitude to Mr. Fok Kin Ning, Canning, my predecessor, for his strategic vision and invaluable contributions. Mr. Fok retired from the position of Chairman and Executive Director of the company with effect from 1 April 2024. During his tenure, Power Assets has undergone a period of unprecedented growth, establishing it as a global investor in energy and utility-related businesses, with a presence spanning nine markets around the world.

The Group reported unaudited profits of HK$3,006 million (2023: HK$2,959 million) for the six months ended 30 June 2024, an increase of 2% over the same period of last year. Despite the high interest rates in global markets and the impact of new price control on UK Power Networks (UKPN), our businesses demonstrated resilience and delivered stable results.

Interim Dividend

The board of directors has declared an interim dividend of HK$0.78 (2023: HK$0.78) per share, payable on 24 September 2024 to shareholders whose names appear in the Company's Register of Members on 12 September 2024.

New Acquisitions in the United Kingdom

The period under review saw the Group complete two strategic acquisitions of low-carbon energy businesses in the UK. In April 2024, the Group acquired a 20% stake in Phoenix Energy, Northern Ireland (NI)'s largest natural gas distribution network. This regulated business assures steady revenue streams and significant decarbonisation potential, supporting NI government's net-zero targets. The acquisition was completed in partnership with CK Infrastructure Holdings Limited (CKI) and CK Asset Holdings Limited (CKA).

This was followed by the acquisition of UU Solar via our operating company, UKPN, in May 2024. UU Solar owns and operates 70 renewable power-generation assets, including solar, wind, and hydro plants across the UK. With 90% of its revenue assured through long-term agreements and Government backed renewable energy subsidies, it is expected to yield immediate returns, consistent profit contributions, and steady cash flows for the Group.

Maintaining a Solid Financial Foundation

We strive to maintain a solid financial foundation to respond to new growth opportunities.

Our strong financial position and low gearing, illustrated by an "A/Stable" credit rating by S&P and a net debt to net total capital ratio of 2% (45% on a look-through basis by sharing net debt of the international investment portfolio), position us advantageously for further growth.

International Energy Investment Portfolio

United Kingdom Portfolio

The UK remains our largest market of operation. UKPN completed a year of operations under the RIIO-ED2 new price control period, which incorporates stricter price caps, increased transparency, and new incentives for renewable energy, to ensure a more sustainable energy landscape. Lower finance costs partly offset the impact of price control on UKPN, which allowed our UK businesses to achieve a total contribution of HK$1,550 million (2023: HK$1,398 million).

UKPN surpassed multiple operational performance targets. The company maintained its status as the UK's best-performing distribution network operator for customer service, securing an average customer satisfaction score of 94.3% for 2024. This high performance earned the company an incentive award under the RIIO-ED2 framework.

Northern Gas Networks (NGN) also retained market leadership in customer satisfaction and continued to invest in support of the UK's 2050 net zero goals.

Wales and West Utilities (WWU) met all of its regulatory targets and led the industry in emergency response, an important metric for the gas distribution industry as a whole.

Seabank Power Station operated at a higher load factor than projected. Average operational availability, efficiency, and start-up performance have met or exceeded expectations.

Australian Portfolio

The Australian portfolio delivered a profit contribution of HK$601 million (2023: HK$558 million), thanks to strong consumption from both residential and business customers. Following regulatory resets, our operating companies have a stable framework in which to operate. They are focused on supporting major infrastructure projects, strengthening grid agility and resilience to address accelerating uptake of renewable energy and extreme weather events.

SA Power Networks (SAPN) was recognised for its excellent response during a major flood of the Murray River in 2023, impacting homes, businesses, and infrastructure.

CitiPower, a subsidiary of Victoria Power Networks, initiated the first phase of a significant power upgrade to Melbourne's underground network, addressing the growing demand from population increase, greater electrification, and more electric vehicles (EVs).

United Energy moved to a new state-of-the-art facility in Glen Waverley, co-locating over 200 employees with a partner company to streamline operations and meet evolving business needs. This significant investment features a purpose-built operational control room, the first in-house security capability, rooftop solar, and EV charging stations.

Australian Gas Networks continued work on the design of the Gawler Gate station project in South Australia to enhance the security of gas supply. HyP Murray Valley 10-MW electrolyser project is progressing well and will blend 10% hydrogen into the Albury-Wodonga gas network, serving 40,000 homes and businesses upon completion. Multinet Gas Networks continued with its upgrade of mains across the network, replacing 80.5 km of cast iron and unprotected steel pipelines with polyethylene pipes.

Dampier Bunbury Pipelines achieved 99.96% reliability at its compressor stations, surpassing the target of 99%. Energy Developments Pty Ltd (EDL) progressed several renewable and hybrid projects. These included enhancements to performance and capacity at its Limestone and Lorain renewable natural gas plants and the first stage of expansion of the Agnew plant.

Other Portfolios

The Group's other worldwide businesses delivered satisfactory performance.

In China, Jinwan Power Plant maintained safe operations while also benefiting from additional contributions provided by ancillary energy storage services commissioned in late 2023. The renewable energy generated by the wind farms in Dali and Laoting over the six months significantly reduced carbon emissions within their respective provinces.

In the Netherlands, AVR produced electricity, heat and steam by incinerating waste, selling electricity and steam to a large network of national and international customers. Following a fire at the Rozenburg incineration plant in 2023, repair activities are currently underway.

Canadian Power reported lower earnings compared to 2023 due to softer power market prices in Alberta driven by increases in supply. In the first half of 2024, Husky Midstream maintained safe and reliable operations of its midstream pipeline and terminal assets in Alberta and Saskatchewan, and gas infrastructure assets in Alberta.

In New Zealand, Wellington Electricity Lines Limited delivered high levels of safety, supply reliability, and customer service. Network assets exceeded their reliability targets.

In Thailand, Ratchaburi Power Company generated steady revenues under a long-term offtake contract with the Electricity Generating Authority of Thailand.

Hong Kong Portfolio

In Hong Kong, HK Electric Investments and its sole operating company, HK Electric, recorded an increase in electricity sales of 1.8% compared to the same period in 2023, driven mainly by exceptionally warm weather, with record-breaking high temperatures in April and an additional leap day in February.

Following the successful completion of its 2019-2023 Development Plan, the company moved forward with a new HK$22 billion Development Plan covering the period 2024-2028. Planned projects include constructing a new gas-fired combined-cycle unit and three new open-cycle gas turbines, improving grid intelligence and automation, strengthening the power grid, and enhancing system resilience.

In March 2024, L12, a new 380-MW gas-fired combined-cycle generating unit was commissioned, bringing the gas-fired generation to around 70% of total output since then. As part of its commitment to reducing coal-fired generation, HK Electric retired two old coal-fired units during the period.

Progressing the sustainability roadmap

The Group’s operating companies explored a range of avenues and projects to expand support for green electricity and gas, while investing to assure reliable electricity for greener consumer-side technologies such as EVs.

A top priority among our electricity network businesses is to support unpredictable two-way energy flows from renewable connections as well as accommodate increased demand.

Our companies are unwavering in their support for green and renewable gas. EDL upgraded landfill gas-to-electricity power plants to renewable natural gas facilities, using otherwise fugitive gas captured from landfill waste. On the same front, Australian Gas Infrastructure Group is committed to delivering at least 10% renewable gas across its networks by 2030. Currently, it supplies blended renewable hydrogen to nearly 4,000 homes and businesses in South Australia.

In the UK, NGN supported the country’s net-zero transition by blending hydrogen with natural gas for 668 customers in the HyDeploy22 project. WWU partnered with a global hydrogen company to produce electrolyser prototypes that use less water, thus reducing costs and expanding green hydrogen production locations.

Climate change poses urgent challenges to the day-to-day operations of all our operating companies. They are prioritising investments to assure resilient operations during extreme weather. HK Electric will invest in improving its system resilience against extreme weather events, including flood control and flood monitoring at its facilities.

Subsequent Event

On 13 August 2024, a consortium comprising CKI, CKA and the Group, which will own 40%, 40% and 20% interests in the portfolio, respectively, had entered into an agreement to acquire a portfolio of operating onshore wind farms in the United Kingdom for a purchase price of approximately £350 million (approximately HK$3.5 billion). This marks the Group's third acquisition in 2024. The transaction is expected to be completed in September. The portfolio comprises 32 wind farms located in England, Scotland and Wales, totalling 175 MW in installed capacity and 137 MW in net attributable capacity. The portfolio will provide immediate returns, stable cashflows and recurring profit contributions. Revenues are generated from (i) government subsidies, which are inflation-linked; and (ii) power revenue, including from power purchase agreements as well as from selling power to the market.

Outlook

We remain focused on seeking suitable global investment opportunities that meet our criteria, prioritising high-quality investments in mature, well-regulated energy markets, and will continue to work in partnership with CKI to achieve this goal.

With most regulatory resets for our operating companies finalised, we are assured of a stable operating environment with predictable revenue streams over the medium term.

I extend my personal gratitude to our outgoing Chairman Mr. Fok, the board of directors, and all employees for their diligence and commitment. I also deeply appreciate the steadfast and long-term support of our shareholders and stakeholders.

Andrew John Hunter
Chairman

Hong Kong, 14 August 2024

FINANCIAL REVIEW

Capital Expenditure, Liquidity and Financial Resources

The Group's capital expenditure and investments were primarily funded by cash from operations, dividends and other repatriation from investments. Total unsecured bank loans outstanding at 30 June 2024 were HK$2,863 million (31 December 2023: HK$3,097 million). In addition, the Group had bank deposits and cash of HK$1,480 million (31 December 2023: HK$4,201 million) and no undrawn committed bank facility at 30 June 2024 (31 December 2023: HK$ Nil).

Treasury Policy, Financing Activities and Debt Structure

The Group manages its financial risks in accordance with guidelines laid down in its treasury policy, which is approved by the Board. The treasury policy is designed to manage the Group's currency, interest rate and counterparty risks. Surplus funds, which arise mainly from dividends and other repatriation from investments, are generally placed in short-term deposits denominated primarily in Australian dollars, Canadian dollars, Hong Kong dollars, pounds sterling and United States dollars. The Group aims to ensure that adequate financial resources are available for refinancing and business growth, whilst maintaining a prudent capital structure.

The Group's financial profile remained strong during the period. On 20 February 2024, Standard & Poor's reaffirmed the "A" long-term issuer credit rating and the "Stable" outlook of the Company, unchanged since September 2018.

As at 30 June 2024, the net debt position of the Group was HK$1,383 million (31 December 2023: net cash position of HK$1,104 million) with a net debt to net total capital ratio of 2% (2023: Nil). The net debt to net total capital ratio was 45% by sharing net debt of the international investment portfolio on a look-through basis, which was based on HK$70,521 million of net debt and HK$157,084 million of net total capital. This ratio was slightly higher than that of 43% at the year end of 2023.

The profile of the Group's external borrowings as at 30 June 2024, after taking into account interest rate swaps, was as follows:

(1) 100% were in Australian dollars;

(2) 100% were bank loans;

(3) 100% were repayable between 2 and 5 years; and

(4) 95% were in fixed rate and 5% were in floating rate.

The Group's policy is to maintain at least a significant portion of its debt at fixed interest rates. Interest rate risk is managed by either securing fixed rate borrowings or by using interest rate derivatives.

Currency and interest rate risks are actively managed in accordance with the Group's treasury policy. Derivative financial instruments are used primarily for managing interest rate and foreign currency risks and not for speculative purposes. Treasury transactions are only executed with counterparties with acceptable credit ratings to control counterparty risk exposure.

The Group's principal foreign currency exposures arise from its investments outside Hong Kong. Foreign currency exposure also arises from settlement to vendors which is not material and is managed mainly through purchases in the spot market or utilisation of foreign currency receipts of the Group. Currency exposures arising from investments outside Hong Kong are, where considered appropriate, mitigated by financing those investments in local currency borrowings or by entering into forward foreign exchange contracts or cross currency swaps. The fair value of such borrowings at 30 June 2024 was HK$2,863 million (31 December 2023: HK$3,097 million). The fair value of forward foreign exchange contracts and cross currency swaps at 30 June 2024 was an asset of HK$1,657 million (31 December 2023: an asset of HK$1,185 million). Foreign currency fluctuations will affect the translated value of the net assets of investments outside Hong Kong and the resultant translation difference is included in the Group's reserve account. Income received from the Group's investments outside Hong Kong which is not denominated in Hong Kong dollars is, unless otherwise placed as foreign currency deposits, converted into United States dollars on receipt.

The contractual notional amounts of derivative financial instruments outstanding at 30 June 2024 amounted to HK$32,402 million (31 December 2023: HK$32,223 million).

Contingent Liabilities

As at 30 June 2024, the Group had given guarantees and indemnities totalling HK$68 million (31 December 2023: HK$142 million).

Employees

The Group continues its policy of pay-for-performance and the pay levels are monitored to ensure competitiveness is maintained. The Group's total remuneration costs for the six months ended 30 June 2024, excluding directors' emoluments, amounted to HK$14 million (2023: HK$13 million). As at 30 June 2024, the Group employed 13 (31 December 2023: 13) employees. No share option scheme is in operation.

POWER ASSETS HOLDINGS LIMITED
UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the six months ended 30 June 2024
(Expressed in Hong Kong dollars)

	Note	**2024** **$ million**	2023 $ million
Revenue	5	**454**	662
Other operating income		**35**	88
Operating profit		**489**	750
Finance costs		**(80)**	(76)
Share of results of joint ventures		**2,014**	1,777
Share of results of associates		**711**	610
Profit before taxation	6	**3,134**	3,061
Income tax	7	**(128)**	(102)
Profit for the period attributable to equity shareholders of the Company		**3,006**	2,959
Earnings per share			
Basic and diluted	8	**$1.41**	$1.39

POWER ASSETS HOLDINGS LIMITED
UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the six months ended 30 June 2024
(Expressed in Hong Kong dollars)

	2024 **$ million**	2023 $ million
Profit for the period attributable to equity shareholders of the Company	**3,006**	2,959
Other comprehensive income for the period		
Items that will not be reclassified to profit or loss		
Share of other comprehensive income of joint ventures and associates	**(861)**	87
Income tax relating to items that will not be reclassified to profit or loss	**214**	(21)
	(647)	66
Items that are or may be reclassified subsequently to profit or loss		
Exchange differences on translating operations outside Hong Kong, including joint ventures and associates	**(926)**	2,551
Net investment hedges	**443**	(273)
Cost of hedging	**8**	(12)
Cash flow hedges:		
Net movement in hedging reserve	**(13)**	5
Share of other comprehensive income of joint ventures and associates	**384**	655
Income tax relating to items that may be reclassified subsequently to profit or loss	**(96)**	(168)
	(200)	2,758
	(847)	2,824
Total comprehensive income for the period attributable to equity shareholders of the Company	**2,159**	5,783

POWER ASSETS HOLDINGS LIMITED
UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 30 June 2024
(Expressed in Hong Kong dollars)

	Note	**(Unaudited) 30 June 2024 $ million**	(Audited) 31 December 2023 $ million
Non-current assets			
Property, plant and equipment and leasehold land		**17**	19
Interest in joint ventures	9	**61,946**	61,669
Interest in associates	10	**26,763**	27,028
Other non-current financial assets		**1,100**	1,100
Derivative financial instruments		**1,726**	1,521
Employee retirement benefit assets		**6**	6
		91,558	91,343
Current assets			
Other receivables	11	**78**	158
Bank deposits and cash		**1,480**	4,201
		1,558	4,359
Current liabilities			
Other payables	12	**(3,181)**	(3,018)
Current tax payable		**(18)**	(231)
		(3,199)	(3,249)
Net current (liabilities) / assets		**(1,641)**	1,110
Total assets less current liabilities		**89,917**	92,453
Non-current liabilities			
Bank loans and other interest-bearing borrowings		**(2,863)**	(3,097)
Lease liabilities		**(1)**	(1)
Derivative financial instruments		**(63)**	(199)
Deferred tax liabilities		**(323)**	(301)
Employee retirement benefit liabilities		**(104)**	(103)
		(3,354)	(3,701)
Net assets		**86,563**	88,752
Capital and reserves			
Share capital		**6,610**	6,610
Reserves		**79,953**	82,142
Total equity attributable to equity shareholders of the Company		**86,563**	88,752

POWER ASSETS HOLDINGS LIMITED
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the six months ended 30 June 2024
(Expressed in Hong Kong dollars)

	Attributable to equity shareholders of the Company					
$ million	**Share capital**	**Exchange reserve**	**Hedging reserve**	**Revenue reserve**	**Proposed/ declared dividend**	**Total**
Balance at 1 January 2023	6,610	(7,320)	1,304	81,916	4,347	86,857
Changes in equity for the six months ended 30 June 2023:						
Profit for the period	-	-	-	2,959	-	2,959
Other comprehensive income	-	2,266	502	56	-	2,824
Total comprehensive income	-	2,266	502	3,015	-	5,783
Final dividend in respect of the previous year approved and paid	-	-	-	-	(4,347)	(4,347)
Interim dividend *(see note 13)*	-	-	-	(1,662)	1,662	-
Balance at 30 June 2023	6,610	(5,054)	1,806	83,269	1,662	88,293
Balance at 1 January 2024	**6,610**	**(5,542)**	**1,252**	**82,084**	**4,348**	**88,752**
Changes in equity for the six months ended 30 June 2024:						
Profit for the period	**-**	**-**	**-**	**3,006**	**-**	**3,006**
Other comprehensive income	**-**	**(475)**	**275**	**(647)**	**-**	**(847)**
Total comprehensive income	**-**	**(475)**	**275**	**2,359**	**-**	**2,159**
Final dividend in respect of the previous year approved and paid	**-**	**-**	**-**	**-**	**(4,348)**	**(4,348)**
Interim dividend *(see note 13)*	**-**	**-**	**-**	**(1,662)**	**1,662**	**-**
Balance at 30 June 2024	**6,610**	**(6,017)**	**1,527**	**82,781**	**1,662**	**86,563**

1. Review of unaudited interim financial statements

These unaudited consolidated interim financial statements have been reviewed by the Audit Committee.

2. Basis of preparation

These unaudited consolidated interim financial statements have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34, *Interim Financial Reporting*, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The interim financial statements have been prepared in accordance with the same accounting policies adopted in the 2023 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2024 annual financial statements. Details of these changes in accounting policies are set out in note 3.

The preparation of the interim financial statements in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

The interim financial statements and selected explanatory notes thereon do not include all of the information required for full set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs").

The financial information relating to the financial year ended 31 December 2023 that is included in the interim financial statements as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Further information relating to these statutory financial statements 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 2023 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.

The Company's auditor has reported on the financial statements of the Company for the year ended 31 December 2023. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

3. Changes in accounting policies

The HKICPA has issued a number of amended HKFRSs that are first effective for the current accounting period of the Group.

None of these developments have had a material effect on how the Group's result and financial position for the current or prior periods have prepared or presented in this financial report. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

4. Segment reporting

The analyses of the principal activities of the operations of the Group during the period are as follows:

	2024						
		Investments					
$ million	**Investment in HKEI**	**United Kingdom**	**Australia**	**Others**	**Sub-total**	**All other activities**	**Total**
For the six months ended 30 June							
Reportable segment revenue	**-**	**205**	**208**	**41**	**454**	**-**	**454**
Results							
Segment earnings	**-**	**205**	**208**	**39**	**452**	**(65)**	**387**
Depreciation and amortisation	**-**	**-**	**-**	**-**	**-**	**(2)**	**(2)**
Bank deposit interest income	**-**	**-**	**-**	**-**	**-**	**104**	**104**
Operating profit	**-**	**205**	**208**	**39**	**452**	**37**	**489**
Finance costs	**-**	**-**	**(80)**	**-**	**(80)**	**-**	**(80)**
Share of results of joint ventures and associates	**316**	**1,345**	**486**	**579**	**2,410**	**(1)**	**2,725**
Profit before taxation	**316**	**1,550**	**614**	**618**	**2,782**	**36**	**3,134**
Income tax	**-**	**-**	**(13)**	**(115)**	**(128)**	**-**	**(128)**
Reportable segment profit	**316**	**1,550**	**601**	**503**	**2,654**	**36**	**3,006**

$ million	2023 Investment in HKEI	Investments United Kingdom	Australia	Others	Sub-total	All other activities	Total
For the six months ended 30 June							
Reportable segment revenue	-	299	316	47	662	-	662
Results							
Segment earnings	-	299	316	45	660	(36)	624
Depreciation and amortisation	-	-	-	-	-	(1)	(1)
Bank deposit interest income	-	-	-	-	-	127	127
Operating profit	-	299	316	45	660	90	750
Finance costs	-	14	(101)	11	(76)	-	(76)
Share of results of joint ventures and associates	328	1,085	352	620	2,057	2	2,387
Profit before taxation	328	1,398	567	676	2,641	92	3,061
Income tax	-	-	(9)	(93)	(102)	-	(102)
Reportable segment profit	328	1,398	558	583	2,539	92	2,959

5. Revenue

Group revenue represents interest income from loans granted to joint ventures and associates and dividends from other financial assets.

	Six months ended 30 June **2024** **$ million**	2023 $ million
Interest income	**454**	662
Share of revenue of joint ventures	**9,258**	9,502

6. Profit before taxation

	Six months ended 30 June	
	2024	2023
	$ million	$ million
Profit before taxation is arrived at after charging/(crediting):		
Finance costs − interest on borrowings and other finance costs	**80**	76
Depreciation	**2**	1
Interest income on financial assets measured at amortised cost	**(104)**	(127)

7. Income tax

	Six months ended 30 June	
	2024	2023
	$ million	$ million
Current tax	**91**	52
Deferred tax	**37**	50
	128	102

Taxation is provided for at the applicable tax rate on the estimated assessable profits less available tax losses. Deferred taxation is provided on temporary differences under the liability method using tax rates applicable to the Group's operations in different countries.

8. Earnings per share

The calculation of earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of $3,006 million for the six months ended 30 June 2024 (2023: $2,959 million) and 2,131,105,154 ordinary shares (2023: 2,131,105,154 ordinary shares) in issue throughout the period.

There were no dilutive potential ordinary shares in existence during the six months ended 30 June 2024 and 2023.

9. Interest in joint ventures

	30 June 2024 $ million	31 December 2023 $ million
Share of net assets of unlisted joint ventures	**53,685**	52,079
Loans to unlisted joint ventures	**8,058**	9,451
Amounts due from unlisted joint ventures	**203**	139
	61,946	61,669
Share of total assets of unlisted joint ventures	**145,566**	146,620

10. Interest in associates

	30 June 2024 $ million	31 December 2023 $ million
Share of net assets		
− Listed associate	**16,422**	16,572
− Unlisted associates	**9,116**	7,300
	25,538	23,872
Loans to unlisted associates	**1,211**	3,108
Amounts due from associates	**14**	48
	26,763	27,028

11. Other receivables

	30 June 2024 $ million	31 December 2023 $ million
Interest and other receivables	**29**	129
Derivative financial instruments	**45**	24
Deposits and prepayments	**4**	5
	78	158

Receivables are carried out on credit and invoices are normally due within one month after issued.

12. Other payables

	30 June 2024 $ million	31 December 2023 $ million
Creditors measured at amortised cost	**3,157**	2,896
Lease liabilities	**2**	3
Derivative financial instruments	**22**	119
	3,181	3,018

All of the other payables are expected to be settled within one year.

13. Interim dividend

The interim dividend declared by the Board of Directors is as follows:

	Six months ended 30 June	
	2024 $ million	2023 $ million
Interim dividend of $0.78 per ordinary share (2023: $0.78 per ordinary share)	**1,662**	1,662

14. Events after reporting period

In August 2024, a consortium comprising CK Infrastructure Holdings Limited, CK Asset Holdings Limited and the Group, which will own 40%, 40% and 20% interests in the portfolio, have entered into an agreement to acquire a portfolio of operating onshore wind farms in the United Kingdom for approximately £350 million (approximately HK$3.5 billion), subject to certain closing adjustments. The portfolio comprises 32 wind farms located in England, Scotland and Wales, totalling 175 MW in installed capacity and 137 MW in net attributable capacity. The transaction is expected to be completed in September.

OTHER INFORMATION

Interim Dividend

The Board of Directors has declared an interim dividend for 2024 of HK$0.78 per share. The dividend will be payable on Tuesday, 24 September 2024 to shareholders whose names appear in the register of members of the Company at the close of business on Thursday, 12 September 2024, being the record date for determination of entitlement to the interim dividend. To qualify for the interim dividend, all transfers accompanied by the relevant share certificates should be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Thursday, 12 September 2024.

Purchase, Sale or Redemption of Shares

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2024.

Corporate Governance

The Company is committed to maintaining high standards of corporate governance, and recognises that sound and effective corporate governance practices are fundamental to the smooth, effective and transparent operation of the Company and its ability to attract investment, protect the rights of shareholders and other stakeholders, and enhance shareholder value. The Group's corporate governance practices are designed to achieve these objectives and are maintained through a framework of processes, policies and guidelines.

The Company has complied with the applicable code provisions in the Corporate Governance Code set out in Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the six months ended 30 June 2024.

The Audit Committee, Nomination Committee and Remuneration Committee, all chaired by an Independent Non-executive Director, support the Board of Directors (the "Board") in providing independent oversight in their respective areas of responsibilities. The Sustainability Committee oversees management of, and advises the Board on, the development and implementation of the sustainability initiatives of the Group.

The Group is committed to achieving and maintaining standards of openness, probity and accountability. In line with this commitment and in compliance with the Corporate Governance Code, the Audit Committee has reviewed the procedures for reporting possible improprieties in financial reporting, internal control or other matters. In addition, the Company has established the Policy on Inside Information and Securities Dealing for compliance by all employees of the Group.

Model Code for Securities Transactions by Directors

The Board has adopted the Model Code for Securities Transactions by Directors (the "Model Code") set out in Appendix C3 of the Listing Rules as the code of conduct regulating directors' securities transactions. All Directors have confirmed, following specific enquiry, that they have complied with the Model Code throughout the six months ended 30 June 2024.

Board Composition

As at the date of this announcement, the Directors of the Company are:

Executive Directors	:	Mr. Andrew John HUNTER (Chairman), Mr. TSAI Chao Chung, Charles (Chief Executive Officer), Mr. CHAN Loi Shun, Mr. CHENG Cho Ying, Francis and Mr. Neil Douglas MCGEE
Non-executive Directors	:	Mr. LEUNG Hong Shun, Alexander and Mr. LI Tzar Kuoi, Victor
Independent Non-executive Directors	:	Mr. Stephen Edward BRADLEY, Mr. IP Yuk-keung, Albert, Ms. KOH Poh Wah, Mr. KWAN Chi Kin, Anthony and Mr. WU Ting Yuk, Anthony