

Long-term Development Strategy



Power Assets is deeply rooted in Hong Kong and the past century has seen it evolve from an electricity supplier for Hong Kong to a global player with investments in power generation and distribution across four continents, supplying energy to millions of customers.

Underpinning our growth and future development are three key principles.

1 Long-term growth in shareholder value in fields of expertise

The Group aspires to deliver long-term sustainable earnings growth through carefully selected global investments. Supported by our loyal base of committed shareholders who share this ethos, Power Assets has strategically chosen to grow in areas where it has a natural expertise, within stable, well-structured international markets. We therefore invest in electricity and gas businesses that yield stable revenues under government regulation, or on generation assets whose income is safeguarded by long-term power purchase agreements.

2 Pursue global diversification while minimizing risks

Power Assets' approach to expanding its portfolio is systematic. First we identify and rigorously evaluate suitable opportunities on operational, financial, legal and risk parameters in stable, well-regulated power markets around the world to deliver growth without increasing investor risk. Our due diligence process ensures that the technologies, sources of fuel and customer base of potential investments are proven and sustainable. The Group is active in Europe, North America, Asia and Australia to minimise exposure to the economic cycles of any one market.

3 Maintain a strong balance sheet as a foundation for agility

Power Assets believes that a strong balance sheet is the foundation of sustainable growth. Our low gearing ratio and A- credit rating give us sufficient financial power to be agile while leveraging opportunities. We will always aim to preserve requisite financial strength to give us the flexibility and leverage to pursue appropriate avenues for growth.