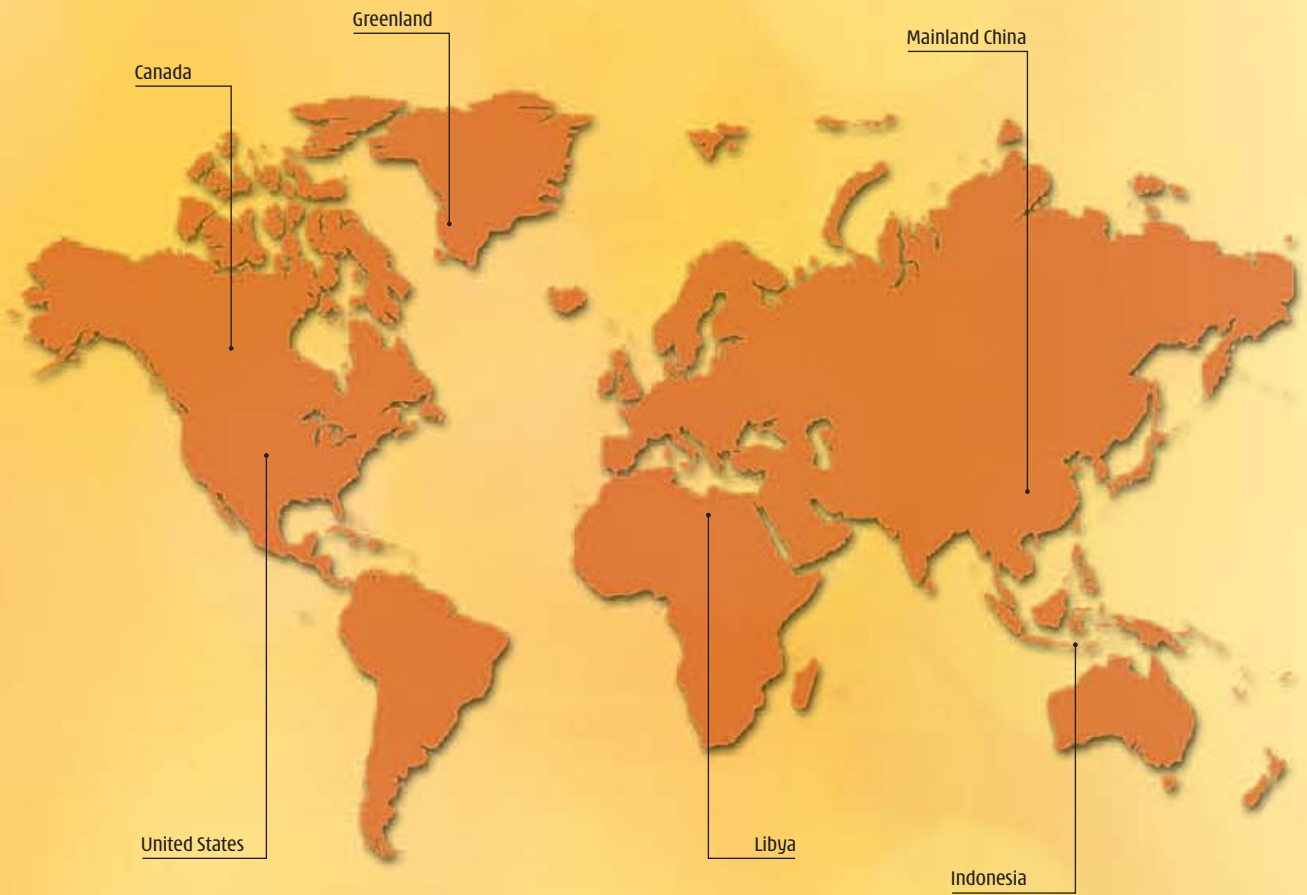


# Energy

The energy division comprises the Group's 33.78% interest in Husky Energy Inc ("Husky Energy"), a Canadian based international integrated energy and energy-related company listed on the Toronto Stock Exchange.



Husky Energy's Pikes Peak Thermal Project in Saskatchewan, Canada.



- Husky Energy announced revenues, net of royalties, increased 37% to C\$23,364 million.

## Operations Review – Energy

The energy division contributed 16%, 20% and 17% respectively to the total revenue, EBITDA and EBIT of the Group's businesses.

	2011 HK\$ millions	2010 HK\$ millions	Change
Total revenue	63,027	44,640	+41%
EBITDA	16,053	8,987	+79%
EBIT	8,614	3,073	+180%

Husky Energy announced revenues, net of royalties, increased 37% to C\$23,364 million in 2011. Net earnings of C\$2,224 million are 135% above last year driven by strong production growth, higher realised crude oil prices and improved upgrading and refining margins. Cashflow from operations of Husky Energy in 2011 was C\$5,198 million, a 69% increase from last year.



Husky Energy's Sunrise Energy Project in Northern Alberta commences construction on the infrastructure components. Drilling is advanced on the steam assisted gravity drainage horizontal well pairs.



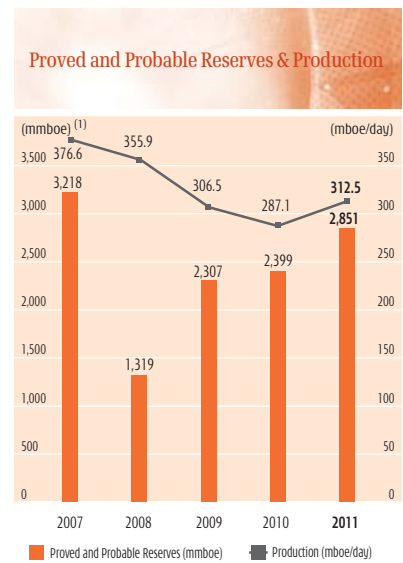


Wenchang platform with shuttle tankers in the distance, at Wenchang field in the South China Sea.

A total dividend of C\$1.20 per share was declared in 2011. During the year, cash received by the Group from dividends from Husky Energy amounted to HK\$692 million, with the remainder in scrip dividends. The Group's interest in Husky Energy decreased from 34.55% at the end of 2010 to its current interest of 33.78% due to the C\$1.2 billion common share offering by Husky Energy during 2011, C\$1 billion of which was through a public offering of common shares.

In 2011, Husky Energy's production averaged approximately 312,500 barrels of oil equivalent ("BOEs") per day, a 9% increase when compared to approximately 287,100 BOEs per day in 2010, primarily due to production from acquisitions completed in the fourth quarter of 2010 and the first quarter of 2011 and higher production from the White Rose and Satellite Fields, as well as from Tucker due to initiating revised start up techniques.

In addition to the strong financial performance, Husky Energy achieved a number of key milestones in bringing forward major projects in its three growth pillars in the Asia Pacific Region, Oil Sands, and the Atlantic Region. The Liwan Gas Project in the South China Sea was sanctioned, with significant progress made towards production; major construction and drilling activity commenced on the Sunrise Energy Project in the oil sands; and first production was achieved at the West White Rose satellite field offshore Newfoundland.



Note 1: Oil and gas reserves disclosures for 2010 and 2011 have been prepared in accordance with Canadian Securities Administrators' National Instrument 51-101 "Standards of Disclosure for Oil and Gas Activities" ("NI 51-101") effective 31 December 2010 ("Canadian method"). In prior years Husky Energy applied for and was granted an exemption from certain provisions of NI 51-101, which permitted Husky Energy to present oil and gas reserves disclosures in accordance with the rules of the United States Securities and Exchange Commission guidelines and the United States Financial Accounting Standards Board ("SEC method"). Accordingly, the 2010 and 2011 figures are shown under the Canadian method, while 2007 to 2009 are shown under the SEC method.