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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the twenty second Annual General Meeting of Shareholders of CLP Holdings Limited 中電控股有限公司 (the Company) will be held at the Grand Ballroom, Level 2, Kerry Hotel, Hong Kong, 38 Hung Luen Road, Hung Hom Bay, Kowloon, Hong Kong on Friday, 8 May 2020, at 11:00 a.m. for the following purposes:

- (1) To receive the audited Financial Statements and the Reports of the Directors and Independent Auditor for the year ended 31 December 2019.
- (2) To re-elect Directors.
- (3) To re-appoint PricewaterhouseCoopers as Independent Auditor and authorise Directors to fix the Auditor's remuneration for the year ending 31 December 2020.

As special business to consider and, if thought fit, pass with or without modification the following Resolutions as Ordinary Resolutions:

- (4) "That:
 - (a) subject to paragraphs (c) and (d), a general mandate be and is hereby unconditionally granted to the Directors of the Company to exercise during the Relevant Period all the powers of the Company to allot, issue and dispose of additional shares in the Company; to make or grant offers, agreements, options or warrants which would or might require the exercise of such powers and to grant rights to subscribe for, or to convert any security into, shares in the Company;
 - (b) the mandate in paragraph (a) shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements, options and warrants which would or might require the exercise of such powers after the end of the Relevant Period;
 - (c) the shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the mandate in paragraph (a), otherwise than pursuant to (i) a Rights Issue, or (ii) any option scheme or similar arrangement for the time being adopted for the grant or issue to the officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company, or (iii) any scrip dividend or similar arrangement pursuant to the Articles of Association of the Company from time to time, or (iv) an allotment of shares made in accordance with a grant of the right to subscribe for, or convert any security into shares provided that the right has been approved in advance by a resolution of the Company whether conditionally or unconditionally, shall not exceed five per cent (5%) of the total number of shares of the Company in issue at the date of this Resolution (as such number of shares may be adjusted in the event of any subdivision or consolidation of shares after the date of this Resolution) and the said mandate shall be limited accordingly;
 - (d) any shares of the Company to be allotted and issued (whether wholly or partly for cash or otherwise) pursuant to the mandate in paragraph (a) of this Resolution shall not be at a discount of more than ten per cent (10%) to the Benchmarked Price of such shares of the Company; and

(e) for the purpose of this Resolution:

“Benchmarked Price” means the price which is the higher of:

- (i) the closing price of the shares of the Company as quoted on The Stock Exchange of Hong Kong Limited on the date of the agreement involving the relevant proposed issue of shares of the Company; or
- (ii) the average closing price as quoted on The Stock Exchange of Hong Kong Limited of the shares of the Company for the five trading days immediately preceding the earlier of:
 - (A) the date of announcement of the transaction or arrangement involving the relevant proposed issue of shares of the Company;
 - (B) the date of the agreement involving the relevant proposed issue of shares of the Company; or
 - (C) the date on which the price of the shares of the Company that are proposed to be issued is fixed.

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next Annual General Meeting of the Company;
- (ii) the expiration of the period within which the next Annual General Meeting of the Company is required by law to be held; or
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors of the Company to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusion or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

(5) “That:

- (a) a general mandate be and is hereby unconditionally given to the Directors of the Company to exercise during the Relevant Period all the powers of the Company to purchase/buy back or otherwise acquire shares of the Company in issue in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, provided that the aggregate number of shares so purchased/bought back or otherwise acquired shall not exceed ten per cent (10%) of the total number of shares of the Company in issue at the date of this Resolution (as such number of shares may be adjusted in the event of any subdivision or consolidation of shares after the date of this Resolution).
- (b) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next Annual General Meeting of the Company;
- (ii) the expiration of the period within which the next Annual General Meeting of the Company is required by law to be held; or
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the Shareholders in general meeting.”

By Order of the Board
David Simmonds
Company Secretary

Hong Kong, 25 March 2020

10. Among the three Directors who stand for re-election at the AGM, The Hon Sir Michael Kadoorie and Mr William Mocatta have interests in the shares of the Company. Such Directors' interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance are set out in the Directors' Report on page 184 of CLP Holdings' 2019 Annual Report and have remained unchanged as at 11 March 2020, being the latest practicable date prior to the printing of the Notice (latest practicable date).
11. The basis of determining Directors' emoluments and the amount of emoluments paid for the year ended 31 December 2019 to each of the Directors who stands for re-election at the AGM are set out in the Human Resources & Remuneration Committee Report on page 168 of CLP Holdings' 2019 Annual Report.
12. The biographical details (as at the latest practicable date) of each of the Directors who stand for re-election at the AGM are set out in Schedule 1 to the Explanatory Notes. In addition, their responsibilities and attendance at Board and Board Committees meetings are set out in the Corporate Governance Report on page 110 of the Company's 2019 Annual Report. Our website also contains the comprehensive biographical details of all our Directors (as updated from time to time).
13. Sir Rod Eddington, who was first appointed on 1 January 2006, has served for more than nine years. He has no financial or family relationships with any Directors, Senior Management or substantial or controlling shareholders of the Company. He has met the independence guidelines set out in rule 3.13 of the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (Listing Rules) and has submitted to the Hong Kong Stock Exchange a written confirmation concerning his independence to the Company. Sir Rod Eddington has also given to the Company an annual confirmation of his independence and as of the latest practicable date, the Company did not receive any notification from Sir Rod Eddington that there has been a subsequent change of circumstances which affected his independence.
14. As recognised in CLP's Board Diversity Policy, the independence of Directors is a question of fact and is assessed with regard to all relevant factors concerned not just limited to the length of service. The Board is satisfied that the length of Sir Rod Eddington's tenure had not affected his independence having regard to his actual contributions, his impartiality and effective oversight of management, therefore, the Board considers him to be independent and believes that he should be re-elected.
15. Save for the information referred to in paragraphs 6 to 14 above and set out in Schedule 1 to the Explanatory Notes, as at the latest practicable date, there is no other information that need to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules nor are there other matters that need to be brought to the attention of Shareholders in respect of the Directors who stand for re-election at the AGM.
16. All of our Independent Non-executive Directors provide valuable contributions and insights to the Board. Moreover, since only Independent Non-executive Directors can serve on certain Board Committees under the Listing Rules, their independence is a valuable asset to the Board and its Committees. Each of the Independent Non-executive Directors has submitted to the Hong Kong Stock Exchange a written confirmation concerning his/her independence to the Company and has also given to the Company an annual confirmation of his/her independence. These written confirmations also covered the immediate family members of each of the Independent Non-executive Directors. Having regard to the confirmations as well as the actual contributions that each of the Independent Non-executive Directors has made, the Board concluded that each of the Independent Non-executive Directors to be independent.
17. Board Diversity is important to CLP. The proposed re-election of Directors should be considered based on merit having regard to the experience, skills and expertise as well as the overall board diversity. More details about CLP Board Diversity are set out in the Corporate Governance Report on page 110 of the Company's 2019 Annual Report and in Schedule 2 to the Explanatory Notes.
18. Pursuant to Article 122 of the Articles of Association of the Company, if a Shareholder wishes to propose a person other than a Director of the Company for election as a director at the AGM, he/she can deposit a written notice to that effect at the registered office of the Company for the attention of the Company Secretary. In order for the Company to inform Shareholders of that proposal, the written notice must state the full name of the person proposed for election as a director, include the person's biographical details as required by rule 13.51(2) of the Listing Rules, and be signed by the Shareholder concerned and that person indicating his/her willingness to be elected. The period for lodgement of such a written notice will commence no earlier than 26 March 2020 being the day after the despatch of the Notice and end no later than 1 May 2020 which is seven days prior to the date of the AGM. If the notice is received less than 15 days prior to the AGM, the Company will need to consider the adjournment of the AGM in order to allow Shareholders 14 days' notice of the proposal.

Independent Auditor's Remuneration – Resolution (3)

19. In relation to Resolution (3) in the Notice regarding the authorisation of Directors to fix the Auditor's remuneration, Shareholders should note that, in practice, the amount of Auditor's remuneration for the year 2020 audit cannot be determined at the beginning of the financial year. This is because Auditor's remuneration for any given year varies, in particular by reference to the scope and extent of the audit work which is undertaken during that year.
20. In order to be able to charge the amount of Auditor's remuneration as operating expenses for the year ending 31 December 2020, Shareholders' approval to delegate the authority to the Directors to fix the Auditor's remuneration for the year ending 31 December 2020 is required at the AGM.
21. CLP Holdings recognises the Auditor's independence is a fundamental governance principle and in addition, PricewaterhouseCoopers (PwC) is required to give an annual confirmation on their independence. The lead audit partner of PwC is subject to rotation every seven years (as per The Independent Federation of Accountants rules on independence of external auditors). The current lead audit partner has served for six years and will serve no more than seven years in total in accordance with The Independent Federation of Accountants rules. The current lead audit partner will leave the CLP engagement next year upon the completion of the 2020 financial year-end audit.
22. In addition, PwC will not be engaged to perform non-audit work unless the non-audit work meets the criteria suggested in the Listing Rules and has been pre-approved by the Audit & Risk Committee or its delegates. There must be clear efficiencies and value-added benefits to CLP from the work being undertaken by PwC, with no adverse effect on the independence of their audit work, or the perception of such independence.
23. The work of PwC and the amount of remuneration paid to PwC for the year 2019 audit were reviewed by the Audit & Risk Committee, which comprises only Independent Non-executive Directors. In addition, the permissible audit related and non-audit services performed by PwC for the year 2019 were pre-approved by the Audit & Risk Committee or its delegates.
24. We summarise below the amount of remuneration paid to PwC for the audit and permissible audit related and non-audit services for the past three years:

	2019 HK\$M	2018 HK\$M	2017 HK\$M
Audit	39	39	39
Permissible audit related services (percentage to total)	7 (14.6%)	8 (16.7%)	6 (12.5%)
Permissible non-audit services (percentage to total)	2 (4.2%)	1 (2.1%)	3 (6.3%)
Total	48	48	48

(For these purposes, **permissible audit related and non-audit services** include any entity under common control, ownership or management with PwC or any entity that a reasonable and informed third party having knowledge of all relevant information would reasonably conclude as part of the audit firm nationally or internationally.)

General Mandate to Issue 5% Shares at 10% Benchmarked Price Discount – Resolution (4)

25. In relation to the general mandate referred to in Resolution (4) in the Notice, an Ordinary Resolution was passed at the AGM held on 6 May 2019 giving a general mandate to the Directors to issue up to five per cent (5%) of the share capital of the Company in issue and any shares of the Company to be allotted and issued pursuant to this general mandate shall not be at a discount of more than ten per cent (10%) to the Benchmarked Price of such shares of the Company. No shares have been issued pursuant to this mandate as at the latest practicable date. The general mandate will lapse at the conclusion of the forthcoming AGM, unless the mandate is renewed at that meeting.

26. The Company acknowledges the possible concern of some minority Shareholders with respect to possible dilution of their shareholding interest resulting from the exercise of the general mandate to issue shares, and has reaffirmed its commitment to use the mandate sparingly and in the interest of all our Shareholders. Accordingly, the Board has continued to propose to limit the general mandate to five per cent (5%) of the total number of shares of the Company in issue (rather than twenty per cent (20%) and without any increase for shares repurchased as permitted by the Listing Rules) as at the date of the Resolution passed by the Shareholders, and that any shares of the Company to be allotted and issued pursuant to this general mandate shall not be at a discount of more than ten per cent (10%) (rather than twenty per cent (20%) as permitted under the Listing Rules) to the Benchmarked Price of such shares of the Company unless and until there is a material change in circumstances or market condition.
27. The Directors believe that it is in the best interests of the Company and its Shareholders to have a general authority from Shareholders to enable the Directors to issue shares for flexibility in raising capital as and when needed.

Share Buy-back Mandate of 10% Shares in Issue – Resolution (5)

28. In relation to the general mandate referred to in Resolution (5) in the Notice, an Ordinary Resolution was passed at the AGM on 6 May 2019 giving a general mandate to the Directors to repurchase shares of the Company on the Hong Kong Stock Exchange representing up to ten per cent (10%) of the share capital of the Company in issue. Up to the latest practicable date, no shares were bought back pursuant to this general mandate, which will lapse at the conclusion of the forthcoming AGM, unless the mandate is renewed at that meeting. The Directors believe that it is in the best interests of the Company and its Shareholders to have a general authority from Shareholders to enable the Directors to buy back its own shares on an opportunistic basis for the enhancement of long-term shareholder value. Shareholders' attention is particularly drawn to the implication of share buy-backs under the Codes on Takeovers and Mergers and Share Buy-backs (Takeovers Code) as set out in the Explanatory Statement on Share Buy-back Mandate which accompanies the Notice.

Recommendation

29. The Board of the Company considers that each of the Resolutions (1) to (5) as set out in the Notice is in the best interests of the Company and its Shareholders as a whole and, accordingly, recommends Shareholders to vote in favour of the Resolutions (1) to (5) to be proposed at the AGM.

Right to demand a poll

30. Pursuant to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and as reflected in Article 76 of the Articles of Association of the Company, a poll may be demanded at the AGM on any of the Resolutions by:
- (a) at least five Shareholders present in person or by proxy having the right to vote at the AGM;
 - (b) a Shareholder or Shareholders present in person or by proxy representing at least five per cent (5%) of the total voting rights of all the Shareholders having the right to vote at the AGM;
 - (c) a Shareholder or Shareholders present in person or by proxy holding shares conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to at least five per cent (5%) of the total sum paid up on all the shares conferring the right; or
 - (d) the Chairman of the AGM.
31. Since 2004, the Chairman has demanded a poll on each of the resolutions submitted for determination at General Meetings of Shareholders. The Chairman will continue to demand a poll on each of the resolutions submitted for determination at the forthcoming AGM. The results of the poll will be published on the Company's and the Hong Kong Stock Exchange's websites not later than the business day following the AGM, as well as in the Minutes of the AGM which will also be published on CLP website.

Schedule 1 – Biographical Details of Directors Standing for Re-election at the AGM

1. The Honourable Sir Michael Kadoorie

Aged 78

Chairman of the Board

Member of Nomination Committee

Appointed on 19 January 1967*

Expertise

- Board/board committees leadership
- CLP market experience
- Global market experience
- Other industries
- Other listed board roles
- Related industry experience (Infrastructure/Power/Property/Retail)

Titles, qualifications and education

Gold Bauhinia Star

Commandeur de la Légion d'Honneur

Commandeur de l'Ordre des Arts et des Lettres

Commandeur de l'Ordre de la Couronne

Commandeur de l'Ordre de Leopold II

Honorary Doctor of Laws

Honorary Doctor of Science

Other major offices

The Hongkong and Shanghai Hotels, Ltd.# (Non-executive Chairman, and Chairman of Nomination Committee and Executive Committee)

Sir Elly Kadoorie & Sons Ltd.^ (Director)

Heliservices (Hong Kong) Ltd. (Chairman)

CK Hutchison Holdings Ltd.# (Independent Non-executive Director and member of Nomination Committee)

Past experience

Until July 2015, The Hon Sir Michael Kadoorie was an Independent Non-executive Director of Hutchison Whampoa Ltd. (which was privatised by way of a scheme of arrangement on 3 June 2015). He was also an Alternate Director of Hong Kong Aircraft Engineering Company Ltd. (which was privatised by way of a scheme of arrangement on 29 November 2018) from January 2007 to May 2016.

Relationships with any Directors, Senior Management or Substantial or Controlling Shareholders of the Company

The Hon Sir Michael Kadoorie is the father of Mr Philip Lawrence Kadoorie, a Non-executive Director of CLP Holdings, and is a substantial shareholder of the Company.

* The date given is that of appointment to the Board of China Light & Power Company, Ltd., the holding company of the CLP Group prior to the Group Reorganisation in 1998. The Hon Sir Michael Kadoorie was appointed Chairman to the Board of CLP Holdings on 31 October 1997.

The securities of these companies are currently listed on the Hong Kong Stock Exchange or overseas stock exchange(s).

^ Sir Elly Kadoorie & Sons Ltd. oversees a number of Kadoorie Family interests in Hong Kong and overseas and, as such, is associated with the substantial shareholders of CLP Holdings as disclosed in the Directors' Report of the Annual Report as well as the Substantial Shareholders section of CLP website.

2. Mr William Elkin Mocatta

Aged 67

Vice Chairman of the Board

Chairman of Finance & General Committee and Provident & Retirement Fund Committee; and

Member of Human Resources & Remuneration Committee

Appointed on 16 January 1993*

Expertise

- Board/board committees leadership
- CLP market experience
- Global market experience
- Other industries
- Other listed board roles
- Professional (Accounting)
- Related industry experience (Infrastructure/Power/Property/Retail)
- Risk & compliance

Titles, qualifications and education

Fellow of The Institute of Chartered Accountants in England and Wales

Major positions held with the Group

CLP Power Hong Kong Ltd. (Chairman)

Castle Peak Power Company Ltd. (Chairman)

CLP Properties Ltd. (Chairman)

CLP Property Investment Ltd. (Chairman)

Hong Kong Pumped Storage Development Company, Ltd. (Chairman)

Other major offices

The Hongkong and Shanghai Hotels, Ltd.# (Non-executive Director)

Sir Elly Kadoorie & Sons Ltd. (Director)

CK Hutchison Holdings Ltd.# (Alternate Director)

Past experience

Until July 2015, Mr Mocatta was an Alternate Director of Hutchison Whampoa Ltd. (which was privatised by way of a scheme of arrangement on 3 June 2015).

Relationships with any Directors, Senior Management or Substantial or Controlling Shareholders of the Company

Mr Mocatta is a director of Sir Elly Kadoorie & Sons Ltd., overseeing a number of Kadoorie Family's interests in Hong Kong and overseas and, as such, is associated with a substantial shareholder of the Company.

* *The date given is that of appointment to the Board of China Light & Power Company, Ltd., the holding company of the CLP Group prior to the Group Reorganisation in 1998. Mr Mocatta was appointed to the Board of CLP Holdings on 31 October 1997.*

The securities of these companies are currently listed on the Hong Kong Stock Exchange or overseas stock exchange(s).

3. Sir Roderick Ian Eddington

Aged 70

Independent Non-executive Director

Member of Finance & General Committee

Appointed on 1 January 2006

Expertise

- Board/board committees leadership
- CLP market experience
- Company executive
- Global market experience
- Other industries
- Other listed board roles
- Professional (Engineering)
- Related industry experience (Infrastructure/Property/Retail)
- Risk & compliance

Titles, qualifications and education

Officer of the Order of Australia

1974 Rhodes Scholar, the University of Western Australia

Doctor of Philosophy in the Department of Engineering Science, the University of Oxford

Other major offices

John Swire & Sons (Australia) Pty Ltd. (Non-executive Director)

JP Morgan Chase Bank N.A. (Non-executive Chairman (Asia Pacific Advisory Council))

Lion Pty Ltd. (Non-executive Chairman)

Past experience

Sir Rod Eddington was the Chief Executive of British Airways plc from 2000 until he retired on 30 September 2005. Prior to joining British Airways plc, Sir Rod Eddington has served as a Director of News Ltd., News Corporation's principal subsidiary in Australia, from 1998 until 2000, as Chairman of Ansett Holdings Ltd. and as a Director of each of Ansett Australia Ltd. and Ansett Australia Holdings Ltd. from 1997 until 2000. He has maintained a connection with Hong Kong from his previous directorships with Cathay Pacific Airways Ltd.[#], Swire Pacific Ltd.[#] and Hong Kong Aircraft Engineering Company Ltd. (which was privatised by way of a scheme of arrangement on 29 November 2018) during the period from 1988 to 1996.

Sir Rod Eddington was also a Non-executive Director of Allco Finance Group Ltd. (now in liquidation) (until May 2009), Rio Tinto Group (until May 2011) and 21st Century Fox[#] (until March 2019).

Relationships with any Directors, Senior Management or Substantial or Controlling Shareholders of the Company

Sir Rod Eddington has no financial or family relationships with any Directors, Senior Management or substantial or controlling shareholders of the Company.

[#] *The securities of these companies are currently listed on the Hong Kong Stock Exchange or overseas stock exchange(s).*

Schedule 2 – CLP Board Diversity

Our concept of diversity incorporates a number of different aspects, such as independence, professional experiences, business perspectives, skills, knowledge, gender, age, cultural and educational background, ethnicity and length of service.

Our Board Diversity Policy also recognises that board diversity can be achieved without increasing the size of the Board and that a reduction in board size due to retirements without replacement can also be a way to further diversity.

In our 2019 Annual Report, we have set out our assessment of our Board Diversity with the Board composition as at the 2019 year end.

With the announced retirement of Mr Vernon Moore and Mr Vincent Cheng, and the proposed re-election of Directors at the 2020 AGM, we have set out below aspects of the Board Diversity for the Board (following retirement of Mr Vernon Moore and Mr Vincent Cheng and assuming the Directors would be re-elected at the AGM).



Length of service

The percentage of Directors having served on the Board for over 10 years will remain at 42%



Capacity

The independence of Directors will be maintained at a high level of 42% and the representation of Executive Directors in the Board will be at a moderate low level of 16%



Age group

The percentage of directors aged 70 and above is on a downward trend and will reduce to 16% from 28%



Gender

Enhanced female representation by percentage (three female Directors, at 25% from 21%)



Nationality

Maintaining a reasonable diverse mix, with resident Directors in countries where CLP has major business and operations

The Board's expertise as a whole would be as follows ^(Note 1):

Expertise	Relevance to CLP	No. of Directors ^(Note 1)
CLP market experience (Hong Kong/Mainland China/ India/Southeast Asia & Taiwan/ Australia)	Facilitates the review of CLP's business and financial operations and investments in the respective region	12/12
Related industry experience (Infrastructure/Power/Property/ Retail)	Facilitates the review of CLP's business operations and investment opportunities in the related industries	12/12
Technology	Provides insights into the technological developments and the governance of cyber risks	3/12
Global market experience	Provides insights into the global economic trends and opportunities that CLP can explore	12/12
Other industries	Brings in other expertise that are applicable across different industries	9/12
Other listed board roles	Brings in good practices as a board and/or board committee member of listed companies	11/12
Board/board committees leadership	Board and governance leadership experience are regarded as a strategic asset to the Board and Board Committees	6/12
Risk & compliance	Risk and compliance are key governance responsibilities of the Board	10/12
Company executive	Provides insights into executive leadership and the management of CLP's business and operations	6/12
Public administration	Brings in experience in the areas of governance and stakeholder engagement	1/12
Professional	Brings in oversight, advisory and operational experience in the respective field of profession	9/12
• Engineering		3/12
• Legal		2/12
• Accounting		5/12
Notes:		
1 Takes into account the retirement of Mr Vernon Moore and Mr Vincent Cheng at the conclusion of the 2020 AGM and the proposed re-election of Directors would be duly approved at the 2020 AGM.		
2 Multiple professional background and experience may apply to a Director.		

EXPLANATORY STATEMENT ON SHARE BUY-BACK MANDATE

This Explanatory Statement includes information required under Rule 10.06(1)(b) of the Listing Rules to be given to Shareholders in connection with the proposed share buy-back mandate to be granted to the Directors of the Company.

1. Exercise of the Buy-back Mandate

- 1.1 Resolution (5) set out in the Notice will, if passed, give a general unconditional mandate to the Directors authorising the buy-back by the Company of up to ten per cent (10%) of the total number of shares of the Company in issue at the date of the AGM at any time from the passing of the Resolution until the conclusion of the next AGM of the Company, the expiration of the period within which the next AGM of the Company is required by law to be held, or at any time when the aforementioned mandate is revoked or varied by ordinary resolution of the Shareholders in general meeting, whichever occurs first (Relevant Period).
- 1.2 On the basis of 2,526,450,570 shares in issue as at the latest practicable date, if the buy-back mandate is exercised in full, this would result in up to 252,645,057 shares being bought back by the Company during the Relevant Period.

2. Reasons for Buy-backs

- 2.1 The Directors believe that it is in the best interests of the Company and its Shareholders to have a general authority from Shareholders to enable the Directors to buy back its own shares. Such buy-back may, depending on market conditions and funding arrangements at the time, lead to an enhancement in the value of the shares and/or earnings per share and will only be made when the Directors believe that such buy-back will benefit the Company and its Shareholders.

3. Funding of Buy-backs

- 3.1 In buying back its own shares, the Company may only apply funds legally available for such purpose in accordance with the laws of Hong Kong and the Articles of Association of the Company. Such funds may include profits available for distribution and the proceeds of a fresh issue of shares made for the purpose of the buy-backs.
- 3.2 In the event that the buy-back mandate is exercised in full, there might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the Company's Annual Report and Financial Statements for the year ended 31 December 2019). However, the Directors do not propose to exercise the buy-back mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or gearing level which in the opinion of the Directors is from time to time appropriate to the Company.

4. Status of Bought-back Shares

- 4.1 The Listing Rules provide that all the shares purchased by the Company are automatically delisted and the Company must ensure that the corresponding certificates are cancelled and destroyed. Under the Companies Ordinance, the shares so purchased in accordance with the proposed mandate will be regarded as cancelled.

5. Share Prices

- 5.1 The highest and lowest prices at which shares have been traded on the Hong Kong Stock Exchange during each of the previous 12 months and as at the latest practicable date were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2019		
March	94.15	90.00
April	91.70	88.00
May	92.95	86.75
June	90.80	85.30
July	88.75	85.20
August	85.80	78.40
September	83.00	78.00
October	82.50	79.15
November	83.85	79.80
December	83.50	79.10
2020		
January	83.55	80.45
February	82.75	79.80
11 March (latest practicable date)	82.75	80.85

6. Disclosure of Interests

- 6.1 None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates currently intends to sell any shares to the Company or its subsidiaries under the buy-back mandate if such buy-back mandate is approved by Shareholders.
- 6.2 The Directors have undertaken to the Hong Kong Stock Exchange that, so far as the same may be applicable, they will exercise the buy-back mandate pursuant to the proposed resolution in accordance with the Listing Rules and the laws of Hong Kong.
- 6.3 No core connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell shares to the Company or have undertaken not to do so in the event that the buy-back mandate is approved by Shareholders.

7. The Codes on Takeovers and Mergers and Share Buy-backs

- 7.1 If, as a result of share buy-backs by the Company, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert, may be treated, as a result of share buy-backs by the Company, as having obtained or consolidated control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.
- 7.2 As at the latest practicable date, the Kadoorie Family's interests in the Company (which included interests held through/by (i) various discretionary trusts of which members of the Kadoorie Family are beneficiaries, (ii) the charities associated with the Kadoorie Family, and (iii) some members of the Kadoorie Family personally (collectively, the Parties)), amounted in aggregate to 885,928,074 shares, representing 35.0661% of the shares of the Company in issue.
- 7.3 If the Parties' holding of voting rights in the Company increases by more than 2% from their lowest percentage holding in the 12 months ending on date of an acquisition of shares or buy-back of shares by the Company, the Parties may be obliged to make a mandatory general offer under the Takeovers Code unless a waiver is granted by the Securities and Futures Commission. The Company does not presently envisage exercising the buy-back mandate to effect on-market share buy-backs in circumstances where this will trigger a mandatory general offer obligation on the part of the Parties under the Takeovers Code.

8. Buy-backs made by the Company

- 8.1 The Company has not repurchased any shares on the Hong Kong Stock Exchange in the six months prior to the date of the Notice.

GUIDE FOR SHAREHOLDERS – AGM

WHERE TO ATTEND?

The twenty second AGM of Shareholders of the Company will be held at the Grand Ballroom, Level 2, Kerry Hotel, Hong Kong, 38 Hung Luen Road, Hung Hom Bay, Kowloon, Hong Kong. Please see the location plan of the Kerry Hotel, Hong Kong as printed in the mid fold out section of this document. In addition, a transportation guide to access the AGM venue is also provided for Shareholders' reference.

The registration for attending the 2020 AGM will start at 10:00 a.m. on 8 May 2020. To facilitate crowd management control, Shareholders are encouraged to arrive the AGM venue earlier in order to have sufficient time for registration.

If you are a registered Shareholder, on the day of AGM, you are also encouraged to bring the AGM Personalised Registration Card which we have sent to you and present this at the designated counters. We hope this will be a more efficient attendance registration process; thereby reduce the waiting time.

Shareholders are asked not to take items such as large bags, cameras, audio recording equipment or video recorders to the AGM. For security reasons, Shareholders may have their bags searched and will be requested to leave all such items at the entrance of the AGM venue before entering.

HOW TO VOTE AT OUR PHYSICAL AGM?

If you are a registered member of the Company, you are entitled to attend the AGM and cast your vote in person. If you are a registered Shareholder and do not plan to attend the AGM, you may appoint a proxy to exercise your rights at the AGM. You may also appoint separate proxies to represent respectively the number of the shares held by you as specified in each of your proxy forms and instruct your proxy(ies) to cast your vote(s) at the AGM. Please refer to the Explanatory Notes to the Notice on page 3 of this document for further information regarding the appointment of proxies.

If you are not a registered member of the Company (e.g. your shares are held through a nominee or broker), you may instruct them to appoint you as their proxy or corporate representative to attend and vote at the AGM.

Electronic voting system will be used this year at the forthcoming AGM for enhancing efficiency in the vote counting process. Every Shareholder or proxy will be given a hand-held voting device together with a personalised smart card to be used for the electronic poll voting upon his/her registration at the AGM. Please use the voting device to cast your votes on a poll at the AGM. Instructions on how to use the voting device will be given before the AGM commences.

Please refer to the section "HYBRID AGM" for how to vote online.

ARRANGEMENT FOR DISABILITY

In case you have a disability (as defined under the Disability Discrimination Ordinance) and need special arrangements to participate in the AGM, please provide your contact details (name, telephone number, email address, etc.) in advance for us to contact you. We will endeavor to make the necessary arrangements unless there is unjustifiable hardship in arranging for them.

GALE OR BLACK RAINSTORM WARNING

In the event that a gale warning (tropical cyclone no. 8 or above) or black rainstorm warning is in effect at any time between 9:00 a.m. and 11:00 a.m. on the day of the AGM, the AGM may be postponed to a later date and/or time as determined by the Company.

If postponed, the Company will, as soon as practicable, post an announcement on its website and on the website of the Hong Kong Stock Exchange to notify Shareholders that the meeting has been postponed (however, a failure to post such a notice shall not affect the postponement of such meeting). Shareholders can call (852) 2678 8228 to enquire whether the meeting has been cancelled.

When the date, time and location of the rescheduled meeting has been fixed, the Company will post a further announcement on its website and on the website of the Hong Kong Stock Exchange to notify Shareholders of the date, time and location of the rescheduled meeting. At least seven clear days' notice shall be given of the rescheduled meeting.

Shareholders should in any event exercise due care and caution when deciding to attend the AGM in adverse weather conditions.

CORONAVIRUS SITUATION

At the time of publishing this guide, the coronavirus situation in Hong Kong and the neighbouring region is still developing and the situation at the time of the 2020 AGM is difficult to predict.

CLP Holdings is required to convene the 2020 AGM by 30 June 2020 and CLP takes the view that, as a regulatory meeting, Shareholders should not be discouraged from attending the 2020 AGM. However, Shareholders are kindly reminded that should the coronavirus continue to affect Hong Kong at or around the time of the 2020 AGM, Shareholders should assess for themselves whether they should actually attend. Over the past three years, CLP's AGMs have had attendances of over 1,500 people and, depending on the coronavirus situation at the time, a similar attendance may or may not pose a health risk to the attendees.

Depending on the circumstances, CLP may need to take certain precautions at the AGM, such as (but not limited to) requiring all attendees to submit to temperature testing. Should anyone seeking to attend the 2020 AGM decline to submit to these requirements or be found to be suffering from a fever or otherwise unwell, CLP reserves the right to refuse such person's admission to the 2020 AGM.

As an alternative to attending the 2020 AGM in person, Shareholders have the option of joining the 2020 AGM online, as further explained below.

In the event that the coronavirus situation requires the date or place of the 2020 AGM to be changed, Shareholders will be notified of the revised arrangements in the same manner as they would for a Gale or Black Rainstorm Warning as set out in the Notice of the 2020 AGM.

HYBRID AGM

Our 2020 AGM will be broadcasted live online for our Shareholders in addition to the traditional physical attendance at our AGM. Shareholders have the option of attending or joining our AGM online.

As a hybrid AGM, (a) our registered Shareholders can attend online with the right to vote and submit questions online and (b) our non-registered Shareholders can join our AGM online as observers, they will not be able to vote but would be invited to submit questions online.

Our online AGM can be accessed from any location with access to the internet via smart phone, tablet device or computer. Login details and information have been included in our letters to registered Shareholders.

SOUVENIRS

As a token of appreciation to Shareholders who participate at our AGM, the Company has, in the past, made available AGM souvenir gifts to our Shareholders.

This year, the coronavirus situation has had a severe impact on the supply chain and we may not be able to source the AGM souvenir gifts in time for our 2020 AGM. We thank you for your kind understanding on this. Should the souvenirs be delivered in time for our 2020 AGM, Shareholders are reminded of the following:

- (a) Subject to availability, a Shareholder attending the physical AGM at the Kerry Hotel, Hong Kong venue in person or by proxy will be offered **one set of souvenir only** regardless of the number of shares he/she holds or represents, or the number of Shareholders he/she represents. Similarly for our online AGM, each Shareholder (regardless of the number of shares held) will be offered one set of souvenir only provided Shareholder's contact details are registered during the online AGM attendance.
- (b) Please note that our souvenir is just one way for us to thank our Shareholders for their attendance at our CLP shareholder events, these are subject to availability on the day and we also make available similar souvenir gifts at our signature Shareholders Visit Programme, for more information about the Programme, please contact us on (852) 2678 6978 or email: shv@clp.com.hk.

USEFUL TIPS FOR THIS YEAR'S 2020 AGM

Venue – We are at Kerry Hotel, Hong Kong and we strongly recommend you to aim to arrive at our venue shortly after 10:00 a.m., as the AGM formally commences at 11:00 a.m. sharp!

How to get there – We understand that MTR is a popular mode of transport, the nearest station is Whampoa and from Exit C2, it is about a 10 minutes walk along uncovered footpath on Shung King Street, then Hung Luen Road.

New AGM Registration Process – On the day of AGM, registered Shareholder is encouraged to bring the AGM Personalised Registration Card and present this at the designated counters. We hope this will be a more efficient attendance registration process; thereby reduce the waiting time.

Souvenirs – Due to the coronavirus situation, we may not be able to make available AGM souvenir gifts to our Shareholders.

AGM – Shareholders have the choice of joining our AGM either through the physical AGM (the traditional means) at the venue or online.

Online AGM for registered Shareholders – You can attend online, vote and submit questions online.

Online AGM for non-registered Shareholders – You can join as observer and will be invited to submit questions online, however, you won't be able to vote.

Online AGM access:

Website – <https://web.lumiagm.com>

Download APP – Lumi AGM

Login Details – please refer to our letters sent to Shareholders

User Guide – please refer to CLP website (www.clpgroup.com)

Where is the AGM venue

年會會場位置圖

Kerry Hotel, Hong Kong
香港嘉里酒店

38 Hung Luen Road, Hung Hom Bay, Kowloon, Hong Kong
香港九龍紅磡灣紅鸞道38號



MTR, Bus and Ferry Information

港鐵、巴士及渡輪資訊

Our AGM venue is conveniently serviced by the following public transport:

乘搭以下公共交通工具便可抵達我們的年會會場：

- MTR – Whampoa Station, take Exit C2 and walk for about 10 minutes
港鐵—黃埔站，從C2出口步行約10分鐘
- Bus/Mini Bus – Available stops at AGM venue doorstep for routes:
巴士／小巴—總站／分站臨近年會會場，路線包括：

Bus 巴士：3B, 7B, 15, 85S, 85X, 268B, 269B, 297, 297P

Mini Bus 小巴：13

- Ferry (from North Point) – Pier at AGM venue doorstep
渡輪(由北角出發)—碼頭臨近年會會場

Ferry service between North Point Ferry Pier (off Kam Hong Street) and Hung Hom Ferry Pier (adjacent to Kerry Hotel, Hong Kong) takes an approximated journey time of 8 minutes.

Ferries depart North Point at 23 and 53 minutes past the hour, first ferry departs 07:23. Ferries depart Hung Hom at 5 and 35 minutes past the hour, first ferry departs 07:05.

渡輪航線往返北角碼頭(鄰近琴行街)及紅磡碼頭(鄰近香港嘉里酒店)，每程約8分鐘。

北角碼頭渡輪於每小時的23分和53分開出，首班船為早上7時23分。紅磡碼頭渡輪於每小時的05分和35分開出，首班船為早上7時05分。

Shareholders may visit the Transportation Department's website (<http://hketransport.gov.hk>) to obtain the latest public transportation information closer to the date of 2020 AGM.

股東可於臨近年會日期，瀏覽運輸署網站(<http://hketransport.gov.hk>)，以獲取最新的公共交通資訊。

For more information on how to access our AGM venue, please contact us on (852) 2678 8228 or email: cosec@clp.com.hk.

如欲知悉前往我們年會會場的更多資料，請致電(852) 2678 8228 或電郵至cosec@clp.com.hk與我們聯絡。