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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Power Assets Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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Power Assets Holdings Ltd.
電能實業有限公司

Incorporated in Hong Kong with limited liability
Stock Code: 6

PROPOSED GENERAL MANDATES TO ISSUE NEW SHARES AND TO REPURCHASE SHARES AND DIRECTORS PROPOSED TO BE RE-ELECTED NOTICE OF ANNUAL GENERAL MEETING

A letter from the Board is set out on pages 4 to 8 of this circular.

The notice convening the annual general meeting (“AGM”) to be held as a hybrid meeting at Unit 2005, 20th Floor, Cheung Kong Center, 2 Queen’s Road Central, Hong Kong (the “Principal Meeting Place”) and online on Wednesday, 18 May 2022 at 5:00 p.m. or any adjournment or postponement thereof is set out on pages 16 to 20 of this circular. Due to the legal restrictions under the Prevention and Control of Disease (Requirements and Directions) (Business and Premises) Regulation (Cap. 599F of the Laws of Hong Kong) and the Prevention and Control of Disease (Prohibition on Gathering) Regulation (Cap. 599G of the Laws of Hong Kong) which limit the number of people permitted for group gatherings in public places (including any meeting of shareholders), **shareholders of the Company will not be able to attend the AGM physically and will only be able to attend online only.**

A proxy form for use at the AGM is enclosed with this circular. The proxy form can also be downloaded from websites of the Company at www.powerassets.com and Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk. Shareholders are encouraged to exercise their rights to attend online and vote at the AGM electronically or to appoint the Chairman of the AGM as their proxy by (i) returning the completed proxy form in accordance with the instructions printed thereon to the Company’s share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong; or (ii) depositing the completed proxy form at the Company’s registered office at Unit 2005, 20th Floor, Cheung Kong Center, 2 Queen’s Road Central, Hong Kong; or (iii) sending a legible image of the completed proxy form to the Company by email at eproxy@powerassets.com as soon as possible and in any event no less than 48 hours before the time appointed for the holding of the AGM (or any adjournment or postponement thereof). **Completion and return of the proxy form will not preclude shareholders from attending and voting at the AGM (or at any adjournment or postponement thereof) through the Online Platform should they subsequently so wish and in such event, the proxy form shall be deemed to be revoked. For the AGM convened to be held on Wednesday, 18 May 2022 at 5:00 p.m., the deadline to submit completed proxy forms is Monday, 16 May 2022 at 5:00 p.m.**

In the case of inconsistency between the Chinese version and the English version of this circular, the English version will prevail.

This circular has been posted in both the English and Chinese languages on the Company's website at www.powerassets.com. If, for any reason, shareholders who have chosen (or are deemed to have consented) to receive corporate communications through the Company's website have difficulty in gaining access to this circular, they may request that a printed copy of this circular be sent to them free of charge by mail.

Shareholders may at any time choose to receive all future corporate communications either in printed form or through the Company's website, by writing to the Company at Unit 2005, 20th Floor, Cheung Kong Center, 2 Queen's Road Central, Hong Kong or to the share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong or by emailing to the Company's email address at mail@powerassets.com.

GUIDANCE FOR THE ANNUAL GENERAL MEETING

The Company does not in any way wish to diminish the opportunity available to shareholders to exercise their rights and to attend, participate and vote at the AGM. However, due to the legal restrictions under the Prevention and Control of Disease (Requirements and Directions) (Business and Premises) Regulation (Cap. 599F of the Laws of Hong Kong) and the Prevention and Control of Disease (Prohibition on Gathering) Regulation (Cap. 599G of the Laws of Hong Kong) (the “Regulations”) which have been implemented to deal with the health risks of the COVID-19 pandemic and which limit the number of people permitted for group gatherings in public places (including any meeting of shareholders), **shareholders will not be able to attend the AGM physically and will only be able to attend online. In compliance with the Regulations in holding the AGM, the Company regrets that it will refuse admission to any shareholder who arrives at the Principal Meeting Place and wishes to attend the AGM physically. The Company encourages shareholders to (i) attend the AGM and vote by means of electronic facilities; or (ii) exercise their right to vote at the AGM by appointing the Chairman of the AGM as their proxy.**

ATTENDING THE AGM BY MEANS OF ELECTRONIC FACILITIES

The AGM will be held as a hybrid meeting. While shareholders will not be able to attend physically at the Principal Meeting Place of the AGM, they can instead attend, participate, raise questions and vote at the AGM through online access by visiting the website at <https://web.lumiagm.com> (the “Online Platform”). Shareholders participating in the AGM using the Online Platform will be deemed present at, and will be counted towards the quorum of, the AGM.

The Online Platform will be open for registered shareholders and non-registered shareholders (see below for login details and arrangements) to log in approximately 30 minutes prior to the commencement of the AGM and can be accessed from any location with internet connection by a smart phone, tablet device or computer. Shareholders should allow ample time to check into the Online Platform to complete the related procedures. Please refer to the Online User Guide for the AGM at www.powerassets.com for assistance.

Login details for registered shareholders

Details regarding the AGM arrangements including login details to access the Online Platform are included in the Company’s notification letter to registered shareholders (the “Shareholder Notification”) sent together with this circular.

Login details for non-registered shareholders

Non-registered shareholders who wish to attend, participate and vote at the AGM using the Online Platform should:

- (1) contact and instruct their banks, brokers, custodians, nominees or HKSCC Nominees Limited through which their shares are held (together, the “Intermediary”) to appoint themselves as proxy or corporate representative to attend the AGM; and

GUIDANCE FOR THE ANNUAL GENERAL MEETING

- (2) provide their email address to their Intermediary before the time limit required by the relevant Intermediary.

Details regarding the AGM arrangements including login details to access the Online Platform will be sent by the share registrar of the Company, Computershare Hong Kong Investor Services Limited, to the email addresses of the non-registered shareholders provided by the Intermediary. Any non-registered shareholder who has provided an email address through the relevant Intermediary for this purpose but has not received the login details by email by 12:00 noon on Tuesday, 17 May 2022 should reach out to the share registrar of the Company for assistance. Without the login details, non-registered shareholders will not be able to participate and vote using the Online Platform. Non-registered shareholders should therefore give clear and specific instructions to their Intermediary in respect of both (1) and (2) above.

Registered and non-registered shareholders should note that only one device is allowed per login. Please also keep the login details in safe custody for use at the AGM and do not disclose them to anyone else. None of the Company nor its agents assume any obligation or liability whatsoever in connection with the transmission of the login details or any use of the login details for voting or otherwise.

The Company is not required to, and will not, independently verify the accuracy of the email addresses or other information provided by registered or non-registered shareholders. The Company and its agents take no responsibility for all or any loss or other consequence caused by or resulting from any inaccuracy and/or deficiency in the information provided or any unauthorised use of the login details.

Voting through the Online Platform

Votes cast through the Online Platform are irrevocable once the voting session at the AGM ends. Further, once the online voting has closed, the votes which a registered shareholders has submitted through the Online Platform will supersede any votes which may be cast by his/her/its proxy (if any) at the AGM. The votes submitted through the Online Platform using the login details provided to the registered or non-registered shareholders will be conclusive evidence that such votes were validly cast by such registered or non-registered shareholders.

QUESTIONS AT AND PRIOR TO THE AGM

Shareholders attending the AGM using the Online Platform will be able to submit questions relevant to the proposed resolutions online during the AGM. Shareholders can also send their questions prior to the AGM by email from Wednesday, 11 May 2022 (9:00 a.m.) to Monday, 16 May 2022 (5:00 p.m.) to AGM2022@powerassets.com. For registered shareholders, please state the 10-digit shareholder reference number starting with “C” (SRN) as printed on the top right corner of the Shareholder Notification.

Whilst the Company will endeavour to respond to as many questions as possible at the AGM, due to time constraints, unanswered questions may be responded to after the AGM as appropriate.

GUIDANCE FOR THE ANNUAL GENERAL MEETING

VOTING BY PROXY IN ADVANCE OF THE AGM

Shareholders are encouraged to submit their completed proxy forms well in advance of the AGM. Return of a completed proxy form will not preclude shareholders from attending and voting at the AGM (or any adjournment or postponement thereof) through the Online Platform should they subsequently so wish.

Submission of proxy forms for registered shareholders

A proxy form for use at the AGM is enclosed with this circular. The proxy form can also be downloaded from the websites of the Company at www.powerassets.com and Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk.

The deadline to submit completed proxy forms is Monday, 16 May 2022 at 5:00 p.m. Completed proxy forms must be (i) returned to the Company's share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong; or (ii) deposited at the Company's registered office at Unit 2005, 20th Floor, Cheung Kong Center, 2 Queen's Road Central, Hong Kong; or (iii) returned electronically in an legible image to the Company by email at eproxy@powerassets.com before the above deadline.

Appointment of proxy for non-registered shareholders

Non-registered shareholders should contact their Intermediary as soon as possible for assistance in the appointment of proxy.

Due to the constantly evolving COVID-19 pandemic situation in Hong Kong and the potential changes in the legal restrictions or requirements under the Regulations, the Company may be required to change the AGM arrangements at short notice. Accordingly, the Directors may, in their absolute discretion in accordance with the Company's articles of association, change the place of the AGM at the same time and on the same date by way of an announcement without the need to give a new notice of AGM. Shareholders should check the website of the Company at www.powerassets.com for future announcements and updates on the AGM arrangements.

If shareholders have any questions relating to the AGM, please contact Computershare Hong Kong Investor Services Limited, the share registrar of the Company, as follows:

Computershare Hong Kong Investor Services Limited
17M Floor, Hopewell Centre,
183 Queen's Road East,
Wanchai, Hong Kong
Telephone: (852) 2862 8558
Facsimile: (852) 2865 0990
Website: www.computershare.com/hk/contact

LETTER FROM THE BOARD



Power Assets Holdings Ltd.
電能實業有限公司

Incorporated in Hong Kong with limited liability
Stock Code: 6

Executive Directors:

FOK Kin Ning, Canning (*Chairman*)
TSAI Chao Chung, Charles
(*Chief Executive Officer*)
CHAN Loi Shun
Andrew John HUNTER
Neil Douglas MCGEE
WAN Chi Tin

Registered Office:

Unit 2005, 20th Floor,
Cheung Kong Center,
2 Queen's Road Central,
Hong Kong

Non-executive Directors:

LEUNG Hong Shun, Alexander
LI Tzar Kuoi, Victor

Independent Non-executive Directors:

IP Yuk-keung, Albert
KOH Poh Wah
LUI Wai Yu, Albert
Ralph Raymond SHEA
WU Ting Yuk, Anthony

7 April 2022

To the Shareholders,

Dear Sir or Madam,

**PROPOSED GENERAL MANDATES
TO ISSUE NEW SHARES AND TO REPURCHASE SHARES AND
DIRECTORS PROPOSED TO BE RE-ELECTED**

NOTICE OF ANNUAL GENERAL MEETING

INTRODUCTION

The purpose of this circular is to provide you with information regarding some of the resolutions to be proposed at the forthcoming AGM of the Company to be held as a hybrid meeting, with principal meeting place at Unit 2005, 20th Floor, Cheung Kong Center, 2 Queen's Road Central, Hong Kong and online on Wednesday, 18 May 2022 at 5:00 p.m. (*or, in the event*

LETTER FROM THE BOARD

that a black rainstorm warning signal or a tropical cyclone warning signal no. 8 or above is in force in Hong Kong at 9:00 a.m. on that day, at the same time and place on Friday, 20 May 2022), including (i) the ordinary resolution for the general mandates to issue shares and to repurchase shares which are proposed to be granted to the Directors; and (ii) the ordinary resolution for the proposed re-election of the Directors who are due to retire, and to give you notice of the AGM at which the resolutions as set out in the notice of the AGM dated 7 April 2022 (the “Notice of AGM”) will be proposed.

PROPOSED GENERAL MANDATES FOR ISSUE OF NEW SHARES AND SHARE REPURCHASE

On 12 May 2021, a general mandate was given to the Directors to issue and dispose of additional shares of the Company. Such mandate will lapse at the conclusion of the AGM. It is therefore proposed to seek your approval at the AGM of an ordinary resolution granting the Directors a general mandate to issue and dispose of during the Relevant Period (as defined below) additional shares representing not more than 10% (instead of 20% as permitted under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”)) of the total number of shares of the Company in issue at the date of the passing of the resolution and the shares to be allotted and issued pursuant to this general mandate shall not be at a discount of more than 10% to the Benchmarked Price (as described in Rule 13.36(5) of the Listing Rules) of such shares until the next annual general meeting. Relevant Period means the period from the passing of the resolution until whichever is the earliest 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; and (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting. The Board wishes to state that it has no immediate plans to issue and allot any new shares of the Company pursuant to the general mandate under the Resolution 5 as set out in the Notice of AGM. The general mandate is being sought from shareholders in compliance with the requirements under the Companies Ordinance and the Listing Rules.

On the same date, a general mandate was also given to the Directors to exercise the powers of the Company to repurchase shares of the Company. Such mandate will lapse at the conclusion of the AGM. It is therefore proposed to seek your approval at the AGM of an ordinary resolution granting the Directors a general mandate to repurchase during the Relevant Period (as defined above) shares representing not more than 10% of the total number of shares of the Company in issue at the date of the passing of the resolution (the “Repurchase Mandate”). In accordance with the relevant rules set out in the Listing Rules regulating the repurchase by companies of their own securities on the Stock Exchange, the Company is required to send shareholders an explanatory statement containing information reasonably necessary to enable shareholders to make an informed decision on whether to vote for or against the resolution to approve the purchase by the Company of its own shares. This explanatory statement is set out in **Appendix I** to this circular.

LETTER FROM THE BOARD

DIRECTORS PROPOSED TO BE RE-ELECTED

In accordance with Article 118 of the Company's articles of association, Mr. Fok Kin Ning, Canning and Mr. Chan Loi Shun will retire by rotation at the AGM. In accordance with Article 101 of the Company's articles of association, Mr. Leung Hong Shun, Alexander (appointed as a Non-executive Director of the Company on 13 May 2021) and Ms. Koh Poh Wah (appointed as an Independent Non-executive Director of the Company on 13 May 2021) will hold office until the AGM. Being eligible, all the above Directors have offered themselves for re-election at the AGM.

Details of the retiring Directors that are required to be disclosed under the Listing Rules are set out in **Appendix II** to this circular.

The Nomination Committee of the Company has considered the nomination of the retiring Directors for re-election at the AGM. The nomination was made in accordance with the Director Nomination Policy and took into account the Board's composition as well as the various diversity aspects as set out in the Board Diversity Policy.

Ms. Koh Poh Wah, an Independent Non-executive Director, has confirmed her independence pursuant to Rule 3.13 of the Listing Rules. She has not been involved in the daily management of the Company nor in any relationship or circumstances which would interfere with her exercise of independent judgement. Ms. Koh possesses vast experience in operations management, technology, financial and business re-engineering consultancy, and diverse experience and expertise through her involvement in different business sectors. She will continue to contribute to the Board with a diversity of perspectives, skills and experience.

The Nomination Committee is of the view that having regard to the above and all other relevant factors, these retiring Directors continue to be suitable candidates to serve on the Board and recommended their nomination for re-election at the AGM, and that Ms. Koh meets the independence factors set out in Rule 3.13 of the Listing Rules and is independent in accordance with the guidelines.

Accordingly, the Board endorsed the views and recommendations of the Nomination Committee and recommended the retiring Directors to stand for re-election at the AGM. The Board considers that the re-election of the retiring Directors as Directors is in the best interest of the Company and its shareholders as a whole. The retiring Directors abstained from the discussion and voting at the Board meeting regarding their respective nominations.

Any shareholder who wishes to nominate a person to stand for election as a Director of the Company at the AGM must lodge with the Company Secretary of the Company at Unit 2005, 20th Floor, Cheung Kong Center, 2 Queen's Road Central, Hong Kong within the period from Saturday, 9 April 2022 to Friday, 15 April 2022, both days inclusive, (i) a written nomination of the candidate, (ii) written confirmation from such nominated candidate of his/her willingness to stand for election as a Director, and (iii) the biographical details of such nominated candidate as required under Rule 13.51(2) of the Listing Rules for publication by the Company.

LETTER FROM THE BOARD

ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The resolutions to be proposed at the AGM are set out in full in the Notice of AGM on pages 16 to 20 of this circular. Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, the chairman of the AGM will exercise his power under Article 81 of the Company's articles of association to put each of the resolutions set out in the Notice of AGM to vote by way of a poll.

An announcement will be made by the Company following the conclusion of the AGM to inform you of the results of the AGM.

A proxy form for use at the AGM is enclosed with this circular. The proxy form can also be downloaded from the websites of the Company at www.powerassets.com and Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk. Shareholders are encouraged to exercise their rights to attend online and vote at the AGM electronically or to appoint the Chairman of the AGM as their proxy by (i) returning the completed proxy form in accordance with the instructions printed thereon to the Company's share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong; or (ii) depositing the completed proxy form at the Company's registered office at Unit 2005, 20th Floor, Cheung Kong Center, 2 Queen's Road Central, Hong Kong; or (iii) sending a legible image of the completed proxy form to the Company by email at eproxy@powerassets.com as soon as possible and in any event no less than 48 hours before the time appointed for the holding of the AGM (or any adjournment or postponement thereof). **Completion and return of the proxy form will not preclude shareholders from attending and voting at the AGM (or at any adjournment or postponement thereof) through the Online Platform should they subsequently so wish and, in such event, the proxy form shall be deemed to be revoked. For the AGM convened to be held on Wednesday, 18 May 2022 at 5:00 p.m., the deadline to submit completed proxy forms is Monday, 16 May 2022 at 5:00 p.m.**

Due to the legal restrictions under the Regulations, shareholders will not be able to attend the AGM physically at the Principal Meeting Place and will only be able to attend online and vote by means of electronic facilities. Please refer to "Guidance for the Annual General Meeting" on pages 1 to 3 of this circular.

LETTER FROM THE BOARD

RECOMMENDATIONS

The Directors consider that the resolutions as set out in the Notice of AGM are all in the best interests of the Company and its shareholders as a whole. The Directors also consider that it is in the interests of the Company and its shareholders to re-elect those Directors retiring at the AGM who, being eligible, have offered themselves for re-election at the AGM. Accordingly, the Directors recommend you to vote in favour of all such resolutions at the AGM.

Yours faithfully,
FOK Kin Ning, Canning
Chairman

APPENDIX I EXPLANATORY STATEMENT FOR THE REPURCHASE MANDATE

The following is the explanatory statement required to be sent to shareholders under the Listing Rules and also constitutes the memorandum required under Section 239 of the Companies Ordinance.

SHARE CAPITAL

As at 31 March 2022 (the latest practicable date prior to the printing of this circular), the total number of ordinary shares of the Company in issue was 2,134,261,654 shares.

Exercise in full of the Repurchase Mandate (being 10% of the total number of shares of the Company in issue), on the basis that no further shares are issued prior to the date of the AGM, could accordingly result in up to 213,426,165 shares being repurchased by the Company during the course of the period ending on the earlier of the date of the annual general meeting in 2023, and the date upon which such authority is revoked or varied.

REASONS FOR REPURCHASE

The Directors believe that it is in the best interests of the Company and its shareholders to seek a general authority from shareholders to enable the Directors to purchase shares of the Company in the market. Such purchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or earnings per share. The Directors are seeking a general mandate to repurchase shares to give the Company the flexibility to do so if and when appropriate. The number of shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time having regard to the circumstances then prevailing.

FUNDING OF REPURCHASE

In repurchasing shares, the Company may only apply funds legally available for such purpose in accordance with its articles of association and the Companies Ordinance. It is envisaged that the funds required for any repurchase would be derived from the distributable profits of the Company.

There could be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited consolidated accounts contained in the annual report for the year ended 31 December 2021) in the event that the Repurchase Mandate were to be exercised in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

APPENDIX I EXPLANATORY STATEMENT FOR THE REPURCHASE MANDATE

SHARE PRICES

The highest and lowest prices at which the shares of the Company have traded on the Stock Exchange during each of the previous twelve months before the printing of this circular were as follows:

	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
March 2021	46.550	42.050
April 2021	47.800	45.100
May 2021	50.550	46.500
June 2021	49.000	47.050
July 2021	51.350	47.100
August 2021	50.800	48.300
September 2021	49.200	45.250
October 2021	47.450	44.200
November 2021	48.350	46.250
December 2021	49.350	46.300
January 2022	49.650	47.650
February 2022	50.350	47.600
1 March 2022 up to the latest practicable date prior to the printing of this circular	51.950	47.900

DISCLOSURE OF INTERESTS

The Directors have given an undertaking to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make all repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Hong Kong.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their close associates have any present intention to sell any shares to the Company if the Repurchase Mandate is approved and exercised. No other 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 Repurchase Mandate is approved and exercised.

APPENDIX I EXPLANATORY STATEMENT FOR THE REPURCHASE MANDATE

As at 31 March 2022 (the latest practicable date prior to the printing of this circular), CK Infrastructure Holdings Limited (“CKI”) and its subsidiary Hyford Limited held through certain subsidiaries of Hyford Limited (including Monitor Equities S.A. and Uninvest Equity S.A.) a total of 767,499,612 shares, representing approximately 35.96% of the total number of shares of the Company in issue. By virtue of their direct and/or indirect shareholdings in CKI, CK Hutchison Holdings Limited and its subsidiary, CK Hutchison Global Investments Limited (“CKHGI”), and Hutchison Infrastructure Holdings Limited of which certain subsidiaries of CKHGI hold more than one-third of the issued voting shares thereof (collectively the “Substantial Shareholders”) were each deemed to hold these same 767,499,612 shares.

In the event that the Directors exercise in full the power to repurchase shares which is proposed to be granted pursuant to the Repurchase Mandate, then (if the present shareholdings otherwise remained the same) the shareholding of CKI in the Company would be increased to approximately 39.96% of the total number of shares of the Company in issue and similarly, so would the deemed shareholdings of each of the Substantial Shareholders be increased. In the opinion of the Directors such increase may give rise to an obligation to make a mandatory offer under Rule 26.1 of the Code on Takeovers and Mergers.

SHARE PURCHASE MADE BY THE COMPANY

The Company has not purchased any of its shares (whether on the Stock Exchange or otherwise) in the six months preceding the date of this circular.

The following is the information required to be disclosed by the Listing Rules on the Directors proposed to be re-elected at the AGM.

FOK Kin Ning, Canning, *Chairman*, aged 70, has been an Executive Director of the Company since February 1985, was appointed Deputy Chairman in August 1993 and became Chairman in November 2005. He is a Director of certain subsidiaries of the Company. He is also the Chairman of HK Electric Investments Manager Limited (“HKEIML”) which is the trustee-manager of HK Electric Investments (“HKEI”), HK Electric Investments Limited (“HKEIL”) and its wholly-owned subsidiary, The Hongkong Electric Company, Limited (“HK Electric”). Mr. Fok is an Executive Director and Group Co-Managing Director of CK Hutchison Holdings Limited, and the Deputy Chairman of CK Infrastructure Holdings Limited (“CKI”). Mr. Fok is the Chairman of Hutchison Telecommunications (Australia) Limited, Hutchison Telecommunications Hong Kong Holdings Limited, Hutchison Port Holdings Management Pte. Limited (“HPHMPL”) which is the trustee-manager of Hutchison Port Holdings Trust (“HPH Trust”) and TPG Telecom Limited (*appointed on 26 March 2021*), a Director of Cenovus Energy Inc. (“Cenovus Energy”) (*appointed on 1 January 2021*), and a Deputy President of the Board of Commissioners of PT Indosat Tbk (*appointed on 4 January 2022*). All the companies mentioned above, except HKEIML, HK Electric and HPHMPL, are listed companies, and HPH Trust and HKEI are listed business/investment trusts. Mr. Fok was previously the Co-Chairman (*ceased on 1 January 2021*) and a Director (*resigned on 23 March 2021*) of Husky Energy Inc. which was delisted on 5 January 2021 following its combination with Cenovus Energy. He holds a Bachelor of Arts degree and a Diploma in Financial Management, and is a Fellow of Chartered Accountants Australia and New Zealand.

Mr. Fok acts as a Director of certain substantial shareholders of the Company within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”), and a Director of certain companies controlled by certain substantial shareholders of the Company. Save as disclosed above, Mr. Fok does not have any relationship with any other director, senior management or substantial or controlling shareholders of the Company. He does not have any interest in the shares of the Company within the meaning of Part XV of the SFO. There is a letter of appointment between the Company and Mr. Fok appointing him as the Chairman and an Executive Director of the Company for an initial term up to 31 December 2012 which automatically renews for successive 12-month periods, subject to retirement and re-election every three years in accordance with the Company’s articles of association. He is entitled to a Chairman’s salary per annum (2021: HK\$50,000) and a Director’s fee per annum (2021: HK\$70,000).

Mr. Fok previously held directorship in Peregrine Investments Holdings Limited (“Peregrine”) (*resigned on 12 January 1998*), a company incorporated in Bermuda and registered under Part XI of the former Companies Ordinance (Cap. 32 of the Laws of Hong Kong), which was an investment bank. Peregrine commenced compulsory liquidation on 18 March 1998 and was finally dissolved on 17 December 2018. The total claim admitted by the liquidators of Peregrine amounts to HK\$15,278 million.

Save as disclosed above, Mr. Fok does not have any information to disclose pursuant to Rule 13.51(2) of the Listing Rules. There are no other matters of significance concerning the Director that need to be brought to the attention of shareholders.

CHAN Loi Shun, aged 59, has been an Executive Director of the Company since June 2012. Mr. Chan is a Director of most of the subsidiaries and certain joint ventures of the Company. He is also an Executive Director of HKEIML which is the trustee-manager of HKEI, and HKEIL, and a Director of HK Electric. Mr. Chan is an Executive Director and Chief Financial Officer of CKI, a substantial shareholder of the Company within the meaning of Part XV of the SFO. Mr. Chan joined the CK Group in January 1992. All the companies mentioned above, except HKEIML and HK Electric, are listed companies, and HKEI is a listed investment trust. Mr. Chan is a fellow of the Hong Kong Institute of Certified Public Accountants, a fellow of the Association of Chartered Certified Accountants and also a member of the Institute of Certified Management Accountants (Australia).

Mr. Chan holds directorships in certain companies controlled by certain substantial shareholders of the Company within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Chan does not have any relationship with any other director, senior management or substantial or controlling shareholders of the Company. He does not have any interest in the shares of the Company within the meaning of Part XV of the SFO. There is a letter of appointment between the Company and Mr. Chan appointing him as an Executive Director of the Company for an initial term up to 31 December 2012 which automatically renews for successive 12-month periods, subject to retirement and re-election every three years in accordance with the Company’s articles of association. According to Mr. Chan’s service contract with the Company, he is entitled to an annual remuneration including benefits of approximately HK\$5.64 million. The emoluments were determined with reference to the Company’s performance and profitability, as well as remuneration benchmark in the industry and the prevailing market conditions. He is entitled to a Director’s fee per annum (2021: HK\$70,000) and a further fee per annum for serving as a member of the sustainability committee (2021: HK\$20,000).

Mr. Chan previously held directorships in CrossCity Motorway Pty Ltd, CrossCity Motorway Nominees No. 1 Pty Ltd, CrossCity Motorway Nominees No. 2 Pty Ltd, CrossCity Motorway Holdings Pty Ltd and CrossCity Motorway Finance Pty Ltd (collectively the “CrossCity companies”) (*all resigned on 22 December 2006*), all incorporated in Australia. The principal business of the CrossCity companies was the design, construction and operation of the Cross City Tunnel in Sydney, Australia. A voluntary administrator and a receiver and manager were appointed in respect of the CrossCity companies on 27 December 2006 as they were insolvent. Following a competitive tender process, ownership of the project contracts in respect of the Cross City Tunnel was transferred to a new consortium formed by ABN AMRO and Leighton Contractors, under sale contracts which were executed on 19 June 2007 and completed on 27 September 2007.

Save as disclosed above, Mr. Chan does not have any information to disclose pursuant to Rule 13.51(2) of the Listing Rules. There are no other matters of significance concerning the Director that need to be brought to the attention of shareholders.

LEUNG Hong Shun, Alexander, aged 59, was appointed as a Non-executive Director of the Company on 13 May 2021. Mr. Leung is a practicing solicitor and notary public in Hong Kong and a China-Appointed Attesting Officer appointed by the Ministry of Justice of the People’s Republic of China. He is presently a partner of Messrs. S.H. Leung & Co., Solicitors. Mr. Leung holds a Bachelor of Laws degree.

Mr. Leung has not held in the last three years and is not holding any directorships in any other publicly listed companies, whether in Hong Kong or overseas, and he does not have any relationship with any other directors, senior management or substantial or controlling shareholders of the Company. As at 31 March 2022 (the latest practicable date prior to the printing of this circular), he had a personal interest in 180,000 shares of the Company within the meaning of Part XV of the SFO. There is a letter of appointment between the Company and Mr. Leung appointing him as a Non-executive Director of the Company for an initial term up to 31 December 2021 which automatically renews for successive 12-month periods, subject to re-election at the next following annual general meeting of the Company, and thereafter to retirement by rotation and re-election once every three years in accordance with the Company’s articles of association. He is entitled to a Director’s fee of HK\$70,000 per annum (or a pro rata amount for the duration of his directorship for an incomplete year).

Save as disclosed above, Mr. Leung does not have any information to disclose pursuant to Rule 13.51(2) of the Listing Rules. There are no other matters of significance concerning the Director that need to be brought to the attention of shareholders.

KOH Poh Wah, aged 65, was appointed as an Independent Non-executive Director of the Company on 13 May 2021. Ms. Koh has more than 30 years of working experience in the areas of operations management, technology, financial and business re-engineering. Ms. Koh is an Independent Non-executive Director of ARA Asset Management (Fortune) Limited which is the manager of Fortune Real Estate Investment Trust, a listed real estate investment trust. Ms. Koh is also an Independent Non-executive Director of HKEIML which is the trustee-manager of HKEI, and HKEIL, and a Director of HK Electric (*all appointed on 13 May 2021*). Ms. Koh was previously the Regional Accountant (Alpha Asia Pacific) of Alpha International, a non-profit organisation, from 2012 to 2015 in charge of the finance functions for Alpha Asia Pacific region, Alpha Singapore and AAP Publishing Pte. Ltd. Prior to this role she was a Director with Future Positive Pte. Ltd. working extensively on information technology and business re-engineering consultancy areas. Ms. Koh also worked for American International Assurance Co. Ltd. for 15 years during the period from 1986 to 2000, with her last position as Vice President - Quality Support & Operations Management. Ms. Koh holds a Master of Science in Management Science and Operational Research, a Bachelor of Arts Degree (Honours) in Accounting, and a Diploma from Institute for the Management of Information Systems (previously known as Institute of Data Processing Management, UK) and a Fellow of Life Management Institute (USA).

Save as disclosed above, Ms. Koh does not have any relationship with any other directors, senior management or substantial or controlling shareholders of the Company. She does not have any interest in the shares of the Company within the meaning of Part XV of the SFO. There is a letter of appointment between the Company and Ms. Koh appointing her as an Independent Non-executive Director of the Company for an initial term up to 31 December 2021 which automatically renews for successive 12-month periods, subject to re-election at the next following annual general meeting of the Company, and thereafter to retirement by rotation and re-election once every three years in accordance with the Company's articles of association. She is entitled to a Director's fee of HK\$70,000 per annum and further fees of HK\$70,000 per annum and HK\$20,000 per annum for serving as a member of the Audit Committee and the chairman of the Remuneration Committee (the appointment of which will be effective upon conclusion of the AGM) respectively (or a pro rata amount for the duration of her directorship and membership of the committees for an incomplete year).

Save as disclosed above, Ms. Koh does not have any information to disclose pursuant to Rule 13.51(2) of the Listing Rules. There are no other matters of significance concerning the Director that need to be brought to the attention of shareholders.

NOTICE OF ANNUAL GENERAL MEETING



Power Assets Holdings Ltd.

電能實業有限公司

Incorporated in Hong Kong with limited liability

Stock Code: 6

NOTICE IS HEREBY GIVEN that the Annual General Meeting of shareholders of the Company will be held as a hybrid meeting at Unit 2005, 20th Floor, Cheung Kong Center, 2 Queen's Road Central, Hong Kong (the "Principal Meeting Place") and online on Wednesday, 18 May 2022 at 5:00 p.m. *(or (i) due to any reduced gathering restrictions imposed by law, the Directors may, in their absolute discretion in accordance with the Company's articles of association, change the place of the Annual General Meeting at the same time and on the same date by way of an announcement without the need to give a new notice of Annual General Meeting or (ii) in the event that a black rainstorm warning signal or a tropical cyclone warning signal no. 8 or above is in force in Hong Kong at 9:00 a.m. on that day, at the same time and place on Friday, 20 May 2022)* for the following purposes:

1. To receive and consider the audited Financial Statements, the Report of the Directors and the Independent Auditor's Report for the year ended 31 December 2021.
2. To declare a final dividend.
3. To re-elect retiring Directors.
4. To appoint Auditor and authorise the Directors to fix the Auditor's remuneration.
5. To consider and, if thought fit, pass with or without modifications, the following resolution as an **Ordinary Resolution**:

"THAT:

- (a) subject to paragraph (b) of this resolution below, a general mandate be and is hereby unconditionally given to the Directors during the Relevant Period (as hereinafter defined) to issue, allot and dispose of such number of additional shares of the Company not exceeding 10% of the total number of shares of the Company in issue at the date of the passing of this resolution (such total number to be subject to adjustment in the case of any conversion of any or all of the shares of the Company into a larger or smaller number of shares of the Company after the passing of this resolution), such mandate to include the granting of offers, options, warrants or rights to subscribe for, or to convert any securities (including bonds and convertible debentures) into, shares of the Company which might be exercisable or convertible during or after the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

(b) 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 10% to the Benchmarked Price (as hereinafter defined) of such shares of the Company; and

(c) 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; and

(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:

(I) the date of announcement of the transaction or arrangement involving the relevant proposed issue of shares of the Company;

(II) the date of the agreement involving the relevant proposed issue of shares of the Company; and

(III) 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 earliest 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; and

(iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

6. To consider and, if thought fit, pass with or without modifications, the following resolution as an **Ordinary Resolution**:

“**THAT**:

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of the Company 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 or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the maximum number of shares of the Company to be repurchased by the Company pursuant to the approval in paragraph (a) above shall not exceed 10% of the total number of shares of the Company in issue at the date of the passing of this resolution (such total number to be subject to adjustment in the case of any conversion of any or all of the shares of the Company into a larger or smaller number of shares of the Company after the passing of this resolution), and the said approval shall be limited accordingly; and
- (c) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest 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; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

By Order of the Board
Alex Ng
Company Secretary

Hong Kong, 7 April 2022

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (1) *The Annual General Meeting will be held as a hybrid meeting. However, due to the legal restrictions under the Prevention and Control of Disease (Requirements and Directions) (Business and Premises) Regulation (Cap. 599F of the Laws of Hong Kong) and the Prevention and Control of Disease (Prohibition on Gathering) Regulation (Cap. 599G of the Laws of Hong Kong) (the “Regulations”), which have been implemented to deal with the health risks of the COVID-19 pandemic and which limit the number of people permitted for group gatherings in public places (including any meeting of shareholders), **shareholders of the Company will not be able to attend the Meeting physically at the Principal Meeting Place and will only be able to attend, participate, raise questions and vote at the Meeting through online access** by visiting the website at <https://web.lumiagm.com> (the “Online Platform”). Shareholders participating in the Meeting using the Online Platform will be deemed present at, and will be counted towards the quorum of, the Meeting. Details of the Online Platform are set out in the circular of the Company dated 7 April 2022 (the “Circular”).*
- (2) *At the Annual General Meeting, the Chairman of the Meeting will exercise his power under article 81 of the Company’s articles of association to put each of the above resolutions to the vote by way of a poll.*
- (3) ***A shareholder of the Company is entitled to appoint another person (whether a shareholder or not) as a proxy to exercise all or any of the shareholder’s rights to attend and vote at the Annual General Meeting, and may appoint separate proxies to represent respectively the number of shares held by the shareholder that is specified in their instruments of appointment.***
- (4) *To be valid, all proxy forms must be completed in accordance with the instructions printed thereon and (i) be returned to the Company’s share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong; or (ii) be deposited at the Company’s registered office at Unit 2005, 20th Floor, Cheung Kong Center, 2 Queen’s Road Central, Hong Kong; or (iii) be returned electronically in an legible image to the Company by email at eproxy@powerassets.com as soon as possible and in any event no less than 48 hours before the time appointed for the holding of the Meeting (or any adjournment or postponement thereof).*
- (5) *Completion and return of the proxy form shall not preclude a shareholder from attending and voting at the Meeting (or at any adjourned or postponed meeting thereof) through the Online Platform should the shareholder so wish and in such event, the proxy form shall be deemed to be revoked.*
- (6) *For the purpose of ascertaining shareholders who are entitled to attend and vote at the Annual General Meeting (or any adjournment or postponement thereof), the register of shareholders of the Company will be closed from Friday, 13 May 2022 to Wednesday, 18 May 2022 (or to Friday, 20 May 2022 in the event that the Annual General Meeting is to be held on Friday, 20 May 2022 because a black rainstorm warning signal or a tropical cyclone warning signal no. 8 or above is in force in Hong Kong on 18 May 2022 (as detailed in Note (11) below)), both days inclusive. In order to qualify for the right to attend and vote at the Meeting (or any adjournment or postponement thereof) through the Online Platform, all transfers accompanied by the relevant share certificates should be lodged with the Company’s share registrar, Computershare Hong Kong Investor Services Limited, no later than 4:30 p.m. on Thursday, 12 May 2022.*

The record date for determination of entitlement to the final dividend will be on Tuesday, 24 May 2022. In order to qualify for the proposed final dividend, all transfers accompanied by the relevant share certificates should be lodged with Computershare Hong Kong Investor Services Limited, no later than 4:30 p.m. on Tuesday, 24 May 2022. In the event that the Annual General Meeting is held on a date later than Wednesday, 18 May 2022 because of bad weather or for other reason, the record date for determination of entitlement to the final dividend will be deferred accordingly, further details of which will be announced in such case.

The address of Computershare Hong Kong Investor Services Limited is Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong.

NOTICE OF ANNUAL GENERAL MEETING

- (7) *Regarding Resolution 3 above, particulars of the Directors proposed to be re-elected, as required to be disclosed by the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (the “Listing Rules”), are set out in Appendix II to the Circular.*
- (8) *With reference to Resolution 5 above, approval is being sought from shareholders for a general mandate to be granted to the Directors to issue and dispose of shares of the Company. The Directors wish to state that they have no immediate plans to issue any new shares in the Company. The general mandate is being sought from shareholders in compliance with the requirements under the Companies Ordinance and the Listing Rules.*
- (9) *With reference to Resolution 6 above, approval is being sought from shareholders for a general mandate to be granted to the Directors to repurchase shares issued by the Company. The Directors wish to state that they will exercise the powers conferred thereby in circumstances which they deem appropriate for the benefit of the shareholders. The explanatory statement containing the information relating to the repurchase of shares, as required by the Listing Rules, is set out in Appendix I to the Circular.*
- (10) *Due to the constantly evolving COVID-19 pandemic situation in Hong Kong and the potential changes in the legal restrictions or requirements under the Regulations, the Company may be required to change the Annual General Meeting arrangements at short notice. Accordingly, the Directors may, in their absolute discretion in accordance with the Company’s articles of association, change the place of the Meeting at the same time and on the same date by way of an announcement without the need to give a new notice of Annual General Meeting. Shareholders should check the website of the Company at www.powerassets.com for future announcements and updates on the Meeting arrangements.*
- (11) *If tropical cyclone warning signal no. 8 or above is hoisted or a black rainstorm warning signal is in force at 9:00 a.m. on Wednesday, 18 May 2022, the Annual General Meeting will not be held on that day but will automatically be postponed and, by virtue of this notice, be held at the same time and place on Friday, 20 May 2022. Shareholders may call the Company at (852) 2122 9122 during business hours from 9:00 a.m. to 5:00 p.m. on Monday to Friday, excluding public holidays or visit the website of the Company at www.powerassets.com for details of alternative meeting arrangements. The Annual General Meeting will be held as scheduled even when tropical cyclone warning signal no. 3 or below is hoisted, or an amber or red rainstorm warning signal is in force.*
- (12) *In the case of inconsistency between the Chinese translation and the English text of this notice of Annual General Meeting, the English text will prevail.*