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港燈電力投資
HK Electric Investments

*(As constituted pursuant to a deed of trust on 1 January 2014 under the laws of Hong Kong,
the trustee of which is HK Electric Investments Manager Limited.)*

and

港燈電力投資有限公司
HK Electric Investments Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code : 2638)

APPOINTMENTS OF DIRECTORS

The boards of directors of the Trustee-Manager and the Company announce the following appointments to the Boards with effect from 6 January 2015:

- (1) Mr. SHAN Shewu has been appointed as an Executive Director of the Boards;
- (2) Mr. DU Zhigang and Mr. JIANG Xiaojun have been appointed as Non-executive Directors of the Boards; and
- (3) Mr. KWAN Kai Cheong has been appointed as an Independent Non-executive Director of the Boards.

Messrs. Shan, Du, Jiang and Kwan have also been appointed as Directors of HK Electric with effect from the same date.

Reference is made to the interim results announcement of HK Electric Investments (the “Trust”) and HK Electric Investments Limited (the “Company”) (the Trust and the Company together with its subsidiaries, the “Group”) dated 21 July 2014 and the Interim Report of the Group for the six months ended 30 June 2014, in which it was stated that the boards of directors (the “Boards”) of HK Electric Investments Manager Limited (the “Trustee-Manager”, in its capacity as the trustee-

manager of the Trust) and the Company have extended their invitation to State Grid Corporation of China (國家電網公司) (“State Grid”), which holds through its indirect wholly owned subsidiaries 20% interest in the share stapled units jointly issued by the Trust and the Company (“Share Stapled Units”), to join the Boards.

The Boards are now pleased to announce the following appointments to the Boards with effect from 6 January 2015:

- (1) Mr. SHAN Shewu has been appointed as an Executive Director of the Boards; and
- (2) Mr. DU Zhigang and Mr. JIANG Xiaojun have been appointed as Non-executive Directors of the Boards.

In addition to the above appointments, the Boards are also pleased to announce that Mr. KWAN Kai Cheong has been appointed as an Independent Non-executive Director of the Boards.

Messrs. Shan, Du, Jiang and Kwan have also been appointed as Directors of The Hongkong Electric Company, Limited (“HK Electric”), a wholly-owned subsidiary of the Company, with effect from the same date. In addition, Mr. Shan will also act as the Co-General Manager (Transmission & Distribution) of HK Electric upon his obtaining working visa permission from the Immigration Department of the Government of Hong Kong Special Administrative Region.

BIOGRAPHICAL PROFILES OF NEW DIRECTORS

Set out below are the biographical profiles for the new Directors of the Boards:

Mr. SHAN Shewu

Executive Director

Mr. Shan, aged 47, has around 25 years of experience in electrical technology development and management. Since 2008, Mr. Shan began involved in international operations of overseas power companies of State Grid and was arranged to act as Assistant Chief Technical Officer, Board Director and Chief Executive Adviser of National Grid Corporation of The Philippines, Deputy Director General of State Grid Representative Office in the Philippines, as well as Chief Technical Officer and Vice Chairman of the Strategic Partnership Committee in Redes Energéticas Nacionais, SGPS, S.A., the national electric and gas grid corporation of Portugal. Mr. Shan holds a Bachelor and a Master Degree in Electrical Engineering from Xi’an Jiaotong University.

Mr. Shan has not held in the last three years and is not holding any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas. Saved as disclosed above, Mr. Shan does not have any relationship with any other directors or senior management of the Trustee-Manager and the Company, or substantial or controlling holders of the Share Stapled Units for the purpose of Part XV of the Securities and Futures Ordinance (the “SFO”). He does not have any interest in the Share Stapled Units for the purpose of Part XV of the

SFO. There is a letter of appointment between the Company and Mr. Shan in respect of his directorship with the Company with effect from 6 January 2015 until 31 December 2015 which automatically renews for successive 12-month periods, subject to re-election at the next general meeting of holders of Share Stapled Units, and thereafter to retirement by rotation and re-election once every three years in accordance with the Company's restated and amended articles of association. As specified in the Letter of Appointment, Mr. Shan is entitled to a Company Director's fee of HK\$70,000 per annum (or a pro rata amount for the duration of his directorship for an incomplete year). There is a separate letter of appointment between the Trustee-Manager and Mr. Shan. Pursuant to the deed of trust constituting the Trust, the retirement by rotation provisions will also be applicable, indirectly, in relation to the Board of the Trustee-Manager. He is not entitled to receive any Director's fees from the Trustee-Manager. According to his service contract as the Co-General Manager (Transmission & Distribution) of HK Electric, he is entitled to an annual remuneration including benefits of HK\$2,400,000 and a discretionary bonus to be approved by the Remuneration Committee of the Company. 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. The service contract is conditional and will become effective upon Mr. Shan's obtaining working visa permission from the Immigration Department of the Government of Hong Kong Special Administrative Region.

Save as disclosed above, Mr. Shan does not have any information to disclose pursuant to Rule 13.51(2)(h) to (v) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). There are no other matters of significance concerning Mr. Shan's appointment as an Executive Director that need to be brought to the attention of holders of Share Stapled Units.

Mr. DU Zhigang

Non-executive Director

Mr. Du, aged 57, is the Vice President of State Grid, Director General of International Cooperation Department of State Grid, Chairman of National Grid Corporation of Philippines and Chairman of SGSP (Australia) Assets Pty Ltd. Mr. Du oversees State Grid's overseas business. He previously held the positions of Chairman of State Grid International Development Co., Limited ("SGID"), Chief Economist and Director General of Department of Strategic Development and Planning of State Grid, and Deputy Chief Engineer, Chief Engineer and Vice President of Shandong Electric Power Company. He is Senior Member of The Institute of Electrical and Electronics Engineers of the United States.

Mr. Du has not held in the last three years and is not holding any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas. Mr. Du acts as the Vice President and Director General of International Cooperation Department of State Grid, a substantial holder of Share Stapled Units for the purpose of Part XV of the SFO. Saved as disclosed above, Mr. Du does not have any relationship with any other directors or senior management of the Trustee-Manager and the Company, or substantial or controlling holders of the Share Stapled Units for the purpose of Part XV of the SFO. He does not have any interest in the

Share Stapled Units for the purpose of Part XV of the SFO. There is a letter of appointment between the Company and Mr. Du in respect of his directorship with the Company with effect from 6 January 2015 until 31 December 2015 which automatically renews for successive 12-month periods, subject to re-election at the next general meeting of holders of Share Stapled Units, and thereafter to retirement by rotation and re-election once every three years in accordance with the Company's restated and amended articles of association. He is entitled to a Company Director's fee of HK\$70,000 per annum (or a pro rata amount for the duration of his directorship for an incomplete year). There is also a separate letter of appointment between the Trustee-Manager and Mr. Du. Pursuant to the deed of trust constituting the Trust, the retirement by rotation provisions will also be applicable, indirectly, in relation to the Board of the Trustee-Manager. He is not entitled to receive any Director's fees from the Trustee-Manager.

Save as disclosed above, Mr. Du does not have any information to disclose pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules. There are no other matters of significance concerning Mr. Du's appointment as a Non-executive Director that need to be brought to the attention of holders of Share Stapled Units.

Mr. JIANG Xiaojun

Non-executive Director

Mr. Jiang, aged 50, is the Senior-Vice President of SGID since 2008 and a Board Director of ElectraNet in South Australia since 2012. Mr. Jiang has almost 30 years of experience within the operation and corporate management of China power companies. Since 2000, Mr. Jiang has worked for State Power Corporation of China and subsidiaries of State Grid in charge of operation and corporate management and overseas asset acquisition and operation. Mr. Jiang holds an MBA degree from Shanghai University of Finance and Economics, and a Doctoral Degree in Business Management from Sun Yat-sen University.

Mr. Jiang has not held in the last three years and is not holding any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas. Mr. Jiang acts as the Senior Vice President of SGID, a substantial holder of Share Stapled Units for the purpose of Part XV of the SFO. Saved as disclosed above, Mr. Jiang does not have any relationship with any other directors or senior management of the Trustee-Manager and the Company, or substantial or controlling holders of the Share Stapled Units for the purpose of Part XV of the SFO. He does not have any interest in the Share Stapled Units for the purpose of Part XV of the SFO. There is a letter of appointment between the Company and Mr. Jiang in respect of his directorship with the Company with effect from 6 January 2015 until 31 December 2015 which automatically renews for successive 12-month periods, subject to re-election at the next general meeting of holders of Share Stapled Units, and thereafter to retirement by rotation and re-election once every three years in accordance with the Company's restated and amended articles of association. He is entitled to a Company Director's fee of HK\$70,000 per annum (or a pro rata amount for the duration of his directorship for an incomplete year). There is also a separate letter of appointment between the Trustee-Manager and Mr. Jiang. Pursuant to the deed of trust constituting the Trust, the retirement by rotation provisions will also be applicable, indirectly, in relation to the

Board of the Trustee-Manager. He is not entitled to receive any Director's fees from the Trustee-Manager.

Save as disclosed above, Mr. Jiang does not have any information to disclose pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules. There are no other matters of significance concerning Mr. Jiang's appointment as a Non-executive Director that need to be brought to the attention of holders of Share Stapled Units.

Mr. KWAN Kai Cheong

Independent Non-executive Director

Mr. Kwan, aged 65, is president of Morrison & Company Limited, a business consultancy firm. He worked for Merrill Lynch & Co., Inc. for over 10 years during the period from 1982 to 1993, with his last position as president for its Asia Pacific region. He was formerly joint managing director of Pacific Concord Holding Limited ("Pacific Concord"). Mr. Kwan is an independent non-executive director of Greenland Hong Kong Holdings Limited, Henderson Sunlight Asset Management Limited (as manager of Sunlight Real Estate Investment Trust), United Photovoltaics Group Limited, Win Hanverky Holdings Limited and Dynagreen Environmental Protection Group Co., Ltd. and a non-executive director of China Properties Group Limited. He was previously an independent non-executive director of Galaxy Resources Limited (resigned on 30 June 2014) and an independent non-executive director and an alternate director of Hutchison Harbour Ring Limited (resigned on 19 December 2014). Mr. Kwan holds a Bachelor of Accountancy (Honours) degree and is a Fellow of the Hong Kong Institute of Certified Public Accountants, The Institute of Chartered Accountants in Australia and The Hong Kong Institute of Directors Limited. He completed the Stanford Executive Program in 1992.

Mr. Kwan does not have any relationship with any other directors or senior management of the Trustee-Manager and the Company, or substantial or controlling holders of the Share Stapled Units for the purpose of Part XV of the SFO. He does not have any interest in the Share Stapled Units for the purpose of Part XV of the SFO. There is a letter of appointment between the Company and Mr. Kwan in respect of his directorship with the Company with effect from 6 January 2015 until 31 December 2015 which automatically renews for successive 12-month periods, subject to re-election at the next general meeting of holders of Share Stapled Units, and thereafter to retirement by rotation and re-election once every three years in accordance with the Company's restated and amended articles of association. He is entitled to a Company Director's fee of HK\$70,000 per annum (or a pro rata amount for the duration of his directorship for an incomplete year). There is also a separate letter of appointment between the Trustee-Manager and Mr. Kwan. Pursuant to the deed of trust constituting the Trust, the retirement by rotation provisions will also be applicable, indirectly, in relation to the Board of the Trustee-Manager. He is not entitled to receive any Director's fees from the Trustee-Manager.

Mr. Kwan was appointed as a director of Yaohan International Holdings Limited ("Yaohan", whose shares were formerly listed on the Main Board of The Stock Exchange of Hong Kong Limited) in May 1997 while being an executive director of Pacific Concord, to represent the 19% equity

interests of Pacific Concord in Yaohan. Yaohan was incorporated in Bermuda and its principal activities were investment holding. Yaohan received winding up orders granted by the courts in Hong Kong and Bermuda on 26 February 1999 and 1 April 1999 respectively. The proceeding is still being finalised and the amount involved under this proceeding is not yet ascertained.

The Boards have considered Mr. Kwan's concurrent appointment as a director of HK Electric, and is satisfied with Mr. Kwan's independence having regard to all relevant factors including the fact that Mr. Kwan has not held and will not hold any executive or management function or position in the Company, the Trustee-Manager, and their respective subsidiaries and connected persons, and that his role on HK Electric's board will be the same as his role on the Boards.

Save as disclosed above, Mr. Kwan does not have any information to disclose pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules. There are no other matters of significance concerning Mr. Kwan's appointment as an Independent Non-executive Director that need to be brought to the attention of holders of Share Stapled Units.

The Boards would like to extend their warm welcome to Messrs. Shan, Du, Jiang and Kwan in joining the Group. The Boards consider that they would be strengthened by the presence of State Grid - their breadth of knowledge, global vision and internationally renowned expertise in the electricity business would make the Group better positioned to meet the challenges ahead.

By Order of the Board
HK Electric Investments Manager Limited
and
HK Electric Investments Limited
Alex Ng
Company Secretary

Hong Kong, 6 January 2015

As at the date of this announcement, the directors are:

- Executive directors* : *Mr. FOK Kin Ning, Canning (Chairman) (Mrs. CHOW WOO Mo Fong, Susan as his alternate), Mr. WAN Chi Tin (Chief Executive Officer), Mr. CHAN Loi Shun, Mr. CHENG Cho Ying, Francis, Mr. SHAN Shewu and Mr. YUEN Sui See*
- Non-executive directors* : *Mr. LI Tzar Kuoi, Victor (Deputy Chairman), Mr. Ronald Joseph ARCULLI, Mr. DU Zhigang and Mr. JIANG Xiaojun*
- Independent non-executive directors* : *Mr. FONG Chi Wai, Alex, Mr. KWAN Kai Cheong, Mr. LEE Lan Yee, Francis, Mr. George Colin MAGNUS and Mr. Donald Jeffrey ROBERTS*