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**CHEUNG KONG INFRASTRUCTURE  
HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited  
liability)*

**(Stock Code: 1038)**



**CHEUNG KONG (HOLDINGS)  
LIMITED**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 0001)**



**POWER ASSETS HOLDINGS LIMITED**

*(Incorporated in Hong Kong with limited  
liability)*

**(Stock Code: 0006)**

**Hutchison Whampoa Limited** 

**HUTCHISON WHAMPOA  
LIMITED**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 0013)**

**CONNECTED TRANSACTION  
FORMATION OF A JOINT VENTURE**

On 16 June 2013, CKI, CKH, PAH and LKSFL entered into the JV Agreement in relation to the formation of a joint venture, for the purpose of the Acquisition through the JV Companies.

On 16 June 2013, the Vendor as the vendor and the Guarantors as the guarantors to the Bidco entered into the Protocol, pursuant to which, the Guarantors confirmed the Bidco's final, binding and irrevocable offer to purchase the Sale Shares in accordance with and subject to the terms of the draft Share Purchase Agreement for the sale and purchase of the Sale Shares. The signing of the Share Purchase Agreement is subject to the receipt of written notification from the Vendor to the Bidco of the conclusion of the WOR and SER Merger Code Procedures. Acquisition Completion will be subject to the fulfillment of the conditions precedent as set out in the paragraph headed "Conditions precedent to the Acquisition" below.

Given that LKSFL may be regarded as an associate of Mr. Li Tzar Kuoi, Victor, a director of CKI, LKSFL is thus a connected person of CKI. Therefore, the JV Transaction constitutes a connected transaction for CKI under the Listing Rules. As the relevant percentage ratios for CKI in respect of the financial contribution to be provided by CKI to the Bidco under the JV Transaction exceed 0.1% but are less than 5%, the JV Transaction for CKI is subject to the reporting and announcement requirements of Chapter 14A of the Listing Rules but exempt from the independent shareholders' approval requirements.

Given that LKSFL may be regarded as an associate of each of Mr. Li Ka-shing and Mr. Li Tzar Kuoi, Victor, directors of CKH, LKSFL is thus a connected person of CKH. Therefore, the JV Transaction constitutes a connected transaction for CKH under the Listing Rules. As the relevant percentage ratios for CKH in respect of the financial contribution to be provided by CKH to the Bidco under the JV Transaction exceed 0.1% but are less than 5%, the JV Transaction for CKH is subject to the reporting and announcement requirements of Chapter 14A of the Listing Rules but exempt from the independent shareholders' approval requirements.

CKI currently holds approximately 38.87% of the issued share capital of PAH. By virtue of this shareholding interest, CKI is a substantial shareholder of PAH and accordingly, a connected person of PAH. Furthermore, given that LKSFL may be regarded as an associate of Mr. Li Tzar Kuoi, Victor, a director of PAH, LKSFL is thus also a connected person of PAH. Therefore, the JV Transaction constitutes a connected transaction for PAH under the Listing Rules. As the relevant percentage ratios for PAH in respect of the financial contribution to be provided by PAH to the Bidco under the JV Transaction exceed 0.1% but are less than 5%, the JV Transaction for PAH is subject to the reporting and announcement requirements of Chapter 14A of the Listing Rules but exempt from the independent shareholders' approval requirements.

Given that CKH is a connected person of HWL by virtue of it being a substantial shareholder of HWL at the issuer's level and that LKSFL may be regarded as an associate of each of Mr. Li Ka-shing (a director of HWL) and Mr. Li Tzar Kuoi, Victor (a director of each of HWL and CKI) and so a connected person of HWL, the entering into of the JV Transaction by CKI (a subsidiary of HWL) constitutes a connected transaction for HWL under the Listing Rules. As the relevant percentage ratios for HWL in respect of the financial contribution to be provided by CKI (a subsidiary of HWL) to the Bidco under the JV Transaction exceed 0.1% but are less than 5%, the JV Transaction for HWL is subject to the reporting and announcement requirements of Chapter 14A of the Listing Rules but exempt from the independent shareholders' approval requirements.

Further announcement(s) will be made by CKI, CKH, PAH and HWL, informing their respective shareholders as to the developments of the JV Transaction and/or the Acquisition as and when appropriate.

## **INTRODUCTION**

On 16 June 2013, CKI, CKH, PAH and LKSFL entered into the JV Agreement in relation to the formation of a joint venture for the purpose of the Acquisition through the JV Companies.

On 16 June 2013, the Vendor as the vendor and the Guarantors as the guarantors to the Bidco entered into the Protocol, pursuant to which, the Guarantors confirmed the Bidco's final, binding and irrevocable offer to purchase the Sale Shares in accordance with and subject to the terms of the draft Share Purchase Agreement for the sale and purchase of the Sale Shares. The signing of the Share Purchase Agreement is subject to the receipt of written notification from the Vendor to the Bidco of the conclusion of the WOR and SER Merger Code Procedures. Acquisition Completion will be subject to the fulfillment of the conditions precedent as set out in the paragraph headed "Conditions precedent to the Acquisition" below.

The major terms of the JV Transaction, the Protocol and the Share Purchase Agreement, and other information relating thereto are set out below.

## **MAJOR TERMS OF THE JV TRANSACTION**

The major terms of the JV Transaction as contemplated in the JV Agreement comprise the following:

### **Incorporation of JV Companies**

As soon as possible after the date of the JV Agreement, CKI, CKH, PAH and LKSFL will incorporate the Holdco and, following the incorporation of the Holdco, procure the Holdco to establish the Bidco.

### **Funding**

Funding to the JV Transaction will be by way of a combination of equity and/or shareholders' loans from each of CKI, CKH, PAH and LKSFL, acting through one or more of their respective subsidiaries on a 35:35:20:10 basis pro rata to their respective equity interests in the Holdco. For each of CKI, CKH and PAH, it is contemplated that the cash to be funded by each of them will be financed by internal resources.

### **Shareholding, shareholders' loans and aggregate funding**

CKI, CKH, PAH and LKSFL, through one or more of their respective subsidiaries, will subscribe for shares in the capital of the Holdco and/or advance shareholders' loan to the Holdco, and their respective proportions of the total issued share capital in the Holdco and of the shareholders' loans to be advanced to the Holdco will in each case be 35%, 35%, 20% and 10% respectively. Based on the Purchase Price, the estimated costs and expenses associated with the Transactions and the working capital requirements of the JV Companies, the aggregate subscription price and/or shareholders' loans to be paid by each of CKI, CKH and PAH, through one or more of their respective subsidiaries, will be up to approximately EUR332,500,000 (approximately HK\$3,443,868,750), EUR332,500,000 (approximately HK\$3,443,868,750) and EUR190,000,000 (approximately HK\$1,967,925,000) respectively. The aggregate funding of CKI, CKH, PAH and LKSFL under the JV Transaction will hence be up to EUR950,000,000 (approximately HK\$9,839,625,000).

To the extent the JV Companies obtain bank financing to partly fund the Acquisition, the cap for aggregate funding by each of CKI, CKH, PAH and LKSFL will be reduced by an amount equal to the aggregate amount to be drawn down under such bank financing multiplied by its percentage equity interests in the Holdco.

Subject to the completion of the JV Transaction, each of the Holdco and Bidco will be accounted for as an associate company of each of CKI, CKH and PAH in their respective consolidated financial statements.

## **Shareholders' agreement**

CKI, CKH, PAH and LKSFL shall after the incorporation of the JV Companies and on or prior to signing of the Share Purchase Agreement enter into, and shall procure that the shareholders of the Holdco and the JV Companies shall enter into, a shareholders' agreement which will reflect the matters agreed in the JV Agreement and contain such terms and conditions to give effect to such matters.

The shareholders' agreement will contain provisions regarding, amongst other things:

- (a) the composition of the board of directors of each of JV Companies; the procedure for appointing and removing directors of the JV Companies; and the procedure in relation to board meetings of each of the JV Companies, on the basis that each of the Guarantors shall for each complete 10% of the shares of the Holdco, which it, directly or indirectly through its subsidiaries, be entitled to nominate one director to the board of directors of the Holdco, and no business can be transacted by the board of the Holdco without the presence of at least one director nominated by each of the Guarantors who has the right to nominate a director and has so nominated;
- (b) the procedure in relation to shareholders' meetings of the JV Companies, on the basis that no business can be transacted at any shareholders' meeting without the presence of shareholders holding at least 85% or more of the shares of the Holdco;
- (c) reserved matters requiring approval from the Guarantors and reserved matters requiring approval from the board of directors of each of the JV Companies, on the basis that such reserved matters shall be decided by shareholders holding at least 85% or more of the shares of the Holdco;
- (d) restrictions on the transfer of the shares in the capital of the JV Companies;
- (e) pre-emption provisions in relation to the shares of the JV Companies;
- (f) circumstances in which a compulsory transfer of the shares in the JV Companies will arise;
- (g) obligations on the transferor following the transfer of the shares in the JV Companies; and
- (h) the shareholders' agreement prevailing over the articles of association of the JV Companies.

## **Condition precedent to the JV Agreement**

Completion of the obligations of the parties under the JV Agreement will be conditional on the entering into of the Share Purchase Agreement and the satisfaction of the conditions precedent contained therein as set out below in the paragraph entitled "Conditions precedent to the Acquisition" under the section "Major terms of the Share Purchase Agreement".

## **Termination**

The JV Agreement shall terminate and cease to have any further effect upon termination of the Share Purchase Agreement in accordance with its terms.

## **MAJOR TERMS OF THE PROTOCOL**

The Vendor as vendor and the Guarantors as guarantors to the Bidco have entered into the Protocol on 16 June 2013, pursuant to which, the Guarantors confirmed the Bidco's final, binding and irrevocable offer to purchase the Sale Shares in accordance with and subject to the terms of the draft Share Purchase Agreement for the sale and purchase of the Sale Shares and the Protocol. The Vendor shall, with respect to the transaction contemplated by the Share Purchase Agreement, comply with the applicable provisions of the WOR and SER Merger Code Procedures, and the signing of the Share Purchase Agreement is subject to the receipt of written notification from the Vendor to the Bidco of the conclusion of the WOR and SER Merger Code Procedures.

The Protocol shall terminate upon (i) the earlier of the signing of the Share Purchase Agreement and 12 December 2013; or (ii) if the WOR and SER Merger Code Procedures could not be concluded successfully, in which events the Protocol and all obligations for the parties thereto will terminate without any compensation for costs or damages as a result of such termination.

## **MAJOR TERMS OF SHARE PURCHASE AGREEMENT**

### **The Acquisition**

Pursuant to the Share Purchase Agreement, subject to fulfillment of the conditions precedent, the Vendor agrees to sell and the Bidco agrees to purchase the Sale Shares at the Purchase Price on the date of Acquisition Completion.

Acquisition Completion will be subject to the fulfillment of the conditions precedents as set out in the paragraph headed "Conditions precedent to the Acquisition" below.

### **Purchase Price**

The Purchase Price shall be EUR943,680,000 (approximately HK\$9,774,165,600).

The Purchase Price shall be subject to adjustment for the following: (i) the amount of difference of the current account between the Target Group and Vendor Group between the Effective Date and the date of Acquisition Completion, (ii) the bank loan repayments made by the Vendor Group and the Target Group between the Effective Date and the date of Acquisition Completion; (iii) the Effective Date Cash Settlement; (iv) the Leakage; and (v) the amount payable by the Bidco to the Vendor if condition (i) set out in paragraph entitled "Conditions precedent to the Acquisition" below is satisfied after 30 September 2013.

Subject to fulfillment of the conditions precedent in the following paragraph entitled “Conditions precedent to the Acquisition”, the Purchase Price (as adjusted) shall be paid in full and in cash on Acquisition Completion.

The Purchase Price was determined following a competitive auction process conducted by the Vendor and after arm’s length negotiations between the consortium comprising CKI, CKH, PAH and LKSFL, on the one hand, and the Vendor, on the other hand.

### **Conditions precedent to the Acquisition**

Acquisition Completion will be subject to the following conditions precedent being satisfied or waived in accordance with the terms of the Share Purchase Agreement:-

- (i) Competition Authority Clearance shall have been obtained;
- (ii) the Proposed Internal Restructuring shall have been taken effect; and
- (iii) the Vendor’s lenders shall have approved the Acquisition.

If any of the conditions precedent is not satisfied or waived on or before 13 December 2013, the Bidco and the Vendor shall each be entitled to terminate the Share Purchase Agreement.

### **Acquisition Completion**

Acquisition Completion shall take place on the 8<sup>th</sup> business day after fulfillment or waiver of the conditions precedent as set out above, or at such other time or date as may be agreed between the parties to the Share Purchase Agreement.

### **Guarantee**

Each of the Guarantors will severally, proportionately, unconditionally and irrevocably guarantee to the Vendor the due and punctual performance and observance by the Bidco of their payment obligations of the Purchase Price (as adjusted by the aforesaid adjustment mechanism) to the extent of any limit on liability of the Bidco in the Share Purchase Agreement, in each case in so far as such obligations of the Bidco fail to be satisfied on or before Acquisition Completion. The Guarantors’ guaranteed obligation shall cease upon Acquisition Completion.

### **INFORMATION ON THE TARGET GROUP AND THE VENDOR**

The Target Company directly holds the entire issued share capital of RAV, and is principally engaged in the business of waste processing and production and supply of renewable energy from the incineration of waste in the Netherlands.

For the financial years ended 31 December 2012 and 31 December 2011, the audited consolidated net profit before tax and extraordinary items of the Target Group were approximately EUR56.80 million (approximately HK\$588.31 million) and EUR27.87 million (approximately HK\$288.66 million) respectively, and the audited consolidated net profit after tax and extraordinary items of the Target Group were approximately EUR42.30 million (approximately HK\$438.12 million) and EUR20.67 million (approximately HK\$214.09 million) respectively. The audited consolidated net asset value of the Target Group as at 31 December 2012 was approximately EUR383.35 million (approximately HK\$3,970.55 million). The audited accounts referred to above were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The Vendor is a private company with limited liability incorporated under the laws of the Netherlands and it is both a waste service provider and a supplier of raw materials and energy. The Vendor collects waste and treats and processes waste to produce raw materials and energy. Although its home market is the Benelux, the Vendor also operates in Germany, France, Portugal, the Czech Republic, Poland and Hungary.

To the best of the CKH Directors' knowledge, information and belief, having made all reasonable enquiry, the Vendor and its respective ultimate beneficial owners are third parties independent of the CKH Group and connected persons of CKH. To the best of the CKI Directors' knowledge, information and belief, having made all reasonable enquiry, the Vendor and its respective ultimate beneficial owners are third parties independent of the CKI Group and connected persons of CKI. To the best of the PAH Directors' knowledge, information and belief, having made all reasonable enquiry, the Vendor and its respective ultimate beneficial owners are third parties independent of the PAH Group and connected persons of PAH. To the best of the HWL Directors' knowledge, information and belief, having made all reasonable enquiry, the Vendor and its respective ultimate beneficial owners are third parties independent of the HWL Group and connected persons of HWL.

#### **INFORMATION ON THE CKI GROUP**

The principal activities of the CKI Group are development, investment and operation of infrastructure businesses in Hong Kong, Mainland China, the UK, Australia, New Zealand, and Canada.

#### **INFORMATION ON THE CKH GROUP**

The principal activities of the CKH Group are investment holding, property development and investment, hotel and serviced suite operation, property and project management, and investment in infrastructure business and securities.

#### **INFORMATION ON THE PAH GROUP**

The principal activities of the PAH Group are investment in power-related facilities outside Hong Kong and generation and supply of electricity to Hong Kong Island and Lamma Island.

## **INFORMATION ON THE HWL GROUP**

The HWL Group operates and invests in six core businesses: ports and related services, property and hotels, retail, infrastructure, energy, and telecommunications.

## **INFORMATION ON LKSFL**

LKSFL is a charitable organization established by Mr. Li Ka-shing to nurture a culture of giving and to co-ordinate donations towards educational, healthcare, cultural and community welfare projects. LKSFL makes selective investment in quality projects both in Hong Kong and overseas from time to time to increase capital return for its charitable objectives.

## **REASONS FOR AND BENEFITS OF THE JV TRANSACTION**

CKI, CKH and PAH have worked together on joint venture projects in the past and their previous experience of working together successfully makes each a suitable partner for the others for the JV Transaction. The consortium believes that the Target Company's businesses represent an attractive opportunity for infrastructure investors with the potential for appropriate growth opportunities. It is considered that Target Company is a compelling long-term investment opportunity for the consortium.

CKI is a diversified infrastructure investment company with a focus on the development, investment in and operation of infrastructure businesses in Hong Kong, Mainland China, the UK, Australia, New Zealand and Canada. The Acquisition reflects in particular CKI's strategy of embracing new growth opportunities through diversification, building on its experience in environmental waste management.

For CKH, the Acquisition is considered to be a quality investment which would provide long-term steady recurring income contribution to the CKH Group and reflects CKH's strategy to embrace new growth opportunities through diversification and globalisation.

For PAH, the investment represents a sizeable "energy from waste" portfolio in the Netherlands. The Acquisition allows PAH to further invest in existing power generation assets leveraging on its operational expertise, and broaden its overseas infrastructure platform in line with its stated strategy of investing outside Hong Kong.

Each of CKI, CKH and PAH therefore considers that, subject to completion of the Acquisition, it would benefit from the co-operation with the others in the JV Transaction.

The CKI Directors (including the independent non-executive CKI Directors) consider that the terms of the JV Transaction are on normal commercial terms, fair and reasonable and in the interest of CKI and the CKI Shareholders as a whole. As none of the CKI Directors has any material interest in the connected transaction herein announced, no CKI Directors were required to abstain from voting on the board resolutions passed in connection with this announcement.

The CKH Directors (including the independent non-executive CKH Directors) consider that the terms of the JV Transaction are on normal commercial terms, fair and reasonable and in the interest of CKH and the CKH Shareholders as a whole. As none of the CKH Directors has any material interest in the connected transaction herein announced, no CKH Directors were required to abstain from voting on the board resolutions passed in connection with this announcement.



The PAH Directors (including the independent non-executive PAH Directors) consider that the terms of the JV Transaction are on normal commercial terms, fair and reasonable and in the interest of PAH and the PAH Shareholders as a whole. As none of the PAH Directors has any material interest in the connected transaction herein announced, no PAH Directors were required to abstain from voting on the board resolutions passed in connection with this announcement.

The HWL Directors (including the independent non-executive HWL Directors) consider, having regard to the views of the CKI Directors expressed above which the HWL Directors duly endorse, that the terms of the JV Transaction are on normal commercial terms, fair and reasonable and in the interest of HWL and the HWL Shareholders as a whole. As none of the HWL Directors has any material interest in the connected transaction herein announced, no HWL Directors were required to abstain from voting on the board resolutions passed in connection with this announcement.

## **IMPLICATIONS UNDER THE LISTING RULES**

### **For CKI**

Given that LKSFL may be regarded as an associate of Mr. Li Tzar Kuoi, Victor, a director of CKI, LKSFL is thus a connected person of CKI. Therefore, the JV Transaction constitutes a connected transaction for CKI under the Listing Rules. As the relevant percentage ratios for CKI in respect of the financial contribution to be provided by CKI to the Bidco under the JV Transaction exceed 0.1% but are less than 5%, the JV Transaction for CKI is subject to the reporting and announcement requirements of Chapter 14A of the Listing Rules but exempt from the independent shareholders' approval requirements.

### **For CKH**

Given that LKSFL may be regarded as an associate of each of Mr. Li Ka-shing and Mr. Li Tzar Kuoi, Victor, directors of CKH, LKSFL is thus a connected person of CKH. Therefore, the JV Transaction constitutes a connected transaction for CKH under the Listing Rules. As the relevant percentage ratios for CKH in respect of the financial contribution to be provided by CKH to the Bidco under the JV Transaction exceed 0.1% but are less than 5%, the JV Transaction for CKH is subject to the reporting and announcement requirements of Chapter 14A of the Listing Rules but exempt from the independent shareholders' approval requirements.

### **For PAH**

CKI currently holds approximately 38.87% of the issued share capital of PAH. By virtue of this shareholding interest, CKI is a substantial shareholder of PAH and accordingly, a connected person of PAH. Furthermore, given that LKSFL may be regarded as an associate of Mr. Li Tzar Kuoi, Victor, a director of PAH, LKSFL is thus also a connected person of PAH. Therefore, the JV Transaction constitutes a connected transaction for PAH under the Listing Rules. As the relevant percentage ratios for PAH in respect of the financial contribution to be provided by PAH to the Bidco under the JV Transaction exceed 0.1% but are less than 5%, the JV Transaction for PAH is subject to the reporting and announcement requirements of Chapter 14A of the Listing Rules but exempt from the independent shareholders' approval requirements.

## **For HWL**

Given that CKH is a connected person of HWL by virtue of it being a substantial shareholder of HWL at the issuer's level and that LKSFL may be regarded as an associate of each of Mr. Li Ka-shing (a director of HWL) and Mr. Li Tzar Kuoi, Victor (a director of each of HWL and CKI) and so a connected person of HWL, the entering into of the JV Transaction by CKI (a subsidiary of HWL) constitutes a connected transaction for HWL under the Listing Rules. As the relevant percentage ratios for HWL in respect of the financial contribution to be provided by CKI (a subsidiary of HWL) to the Bidco under the JV Transaction exceed 0.1% but are less than 5%, the JV Transaction for HWL is subject to the reporting and announcement requirements of Chapter 14A of the Listing Rules but exempt from the independent shareholders' approval requirements.

## **FURTHER INFORMATION**

The signing of the Share Purchase Agreement is subject to the receipt of written notification from the Vendor to the Bidco of the conclusion of the WOR and SER Merger Code Procedures. Further announcement(s) will be made by CKI, CKH, PAH and HWL informing their respective shareholders as to the developments of the JV Transaction and/or the Acquisition as and when appropriate.

## **DEFINITIONS**

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Acquisition”	the acquisition of the Sale Shares by the Bidco from the Vendor pursuant to the Share Purchase Agreement
“Acquisition Completion”	completion of the Acquisition
“associate”	has the meaning ascribed to such term in the Listing Rules
“Bidco”	a private limited liability company, which will be incorporated under the laws of the Netherlands pursuant to the JV Agreement and a wholly-owned subsidiary of the Holdco
“business day”	a day which is not a Saturday, Sunday or public holiday and on which banks in London, the Netherlands and Hong Kong are open for business
“CKH”	Cheung Kong (Holdings) Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 0001)
“CKH Board”	the board of CKH Directors
“CKH Director(s)”	the director(s) of CKH
“CKH Group”	CKH and its subsidiaries

“CKH Share(s)”	ordinary share(s) of HK\$0.50 each in the issued share capital of CKH
“CKH Shareholder(s)”	holder(s) of the CKH Share(s)
“CKI”	Cheung Kong Infrastructure Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1038)
“CKI Board”	the board of CKI Directors
“CKI Director(s)”	the director(s) of CKI
“CKI Group”	CKI and its subsidiaries
“CKI Share(s)”	ordinary share(s) of HK\$1 each in the issued share capital of CKI
“CKI Shareholder(s)”	holder(s) of the CKI Share(s)
“Competition Authority”	European Commission
“Competition Authority Clearance”	means the Competition Authority shall either have (a) given the approvals, consents or clearances required permitting the performance of the Share Purchase Agreement under the relevant competition laws, either unconditionally or subject to such condition, obligation or other requirement; or (b) rendered a decision stating that no clearance is required under the relevant competition laws for the performance of the Share Purchase Agreement; or (c) not rendered a decision within the waiting period applicable under the relevant competition laws, where the failure to render a decision within such period is equivalent to the grant of clearance under the relevant laws for the performance of the Share Purchase Agreement; or (d) referred the matter to any other competent authority in accordance with the relevant laws and clearance subsequently shall have been given by that other competent authority
“connected person”	has the meaning ascribed to such term in the Listing Rules
“Effective Date”	1 January 2013

“Effective Date Cash Settlement”	means a cash settlement amount of EUR12,233,000 (approximately HK\$126,703,298), which represents the difference between the effective assumption of the bank loans by the Vendor as at the Effective Date and the offset of the following payables by the Vendor to the Target Company: (i) the current account between the Target Group and Vendor Group; (ii) the adjustments as a result of transfer of various capital items from the Target Group Company to the Vendor and changes in various pricing arrangements between the Vendor and the Target Group; and (iii) the intercompany loans between the Vendor and the Target Group, as at the Effective Date
“EUR”	Euro, the official currency of Eurozone
“Guarantors”	CKI, CKH, PAH and LKSFL, and each of them a “Guarantor”
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Holdco”	a private limited liability company, which will be incorporated under the laws of the Netherlands pursuant to the JV Agreement
“HWL”	Hutchison Whampoa Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 0013)
“HWL Board”	the board of HWL Directors
“HWL Director(s)”	the director(s) of HWL
“HWL Group”	HWL and its subsidiaries
“HWL Share(s)”	ordinary share(s) of par value HK\$0.25 each in the share capital of HWL
“HWL Shareholder(s)”	holder(s) of the HWL Share(s)
“JV Agreement”	the joint venture agreement entered into by the Guarantors on 16 June 2013
“JV Companies”	Bidco and Holdco
“JV Transaction”	the entering into of the JV Agreement by the Guarantors in relation to the JV Companies

“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“LKSFL”	Li Ka Shing Foundation Limited, a company limited by guarantee and incorporated in Hong Kong
“Leakage”	unless permitted under the Share Purchase Agreement, any of the following to the extent having occurred in the period commencing on the Effective Date and ending at Acquisition Completion including, inter alia: (i) any dividend or other distribution of profits or assets declared, paid or made by any Target Group Company other than to another Target Group Company; (ii) any waiver of any claims by any Target Group Company in respect of any agreement or arrangement with a member of the Vendor Group or with any of the Vendor’s shareholders, (iii) any redemption, cancellation or purchase of shares or return of capital by any Target Group Company; (iv) any payments or transfers made or agreed to be made to or on behalf of any member of the Vendor Group or any of the Vendor’s shareholders by or on behalf of any Target Group Company (whether at an overvalue, at a value below its net book value as stated in the Accounts or otherwise); (v) any encumbrance created over any of the assets of the Target Group to or for the benefit of the Vendor or the Vendor Group (other than another Target Group Company), etc.
“PAH”	Power Assets Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 0006)
“PAH Board”	the board of PAH Directors
“PAH Director(s)”	the director(s) of PAH
“PAH Group”	PAH and its subsidiaries
“PAH Share(s)”	ordinary share(s) of HK\$1 each in the issued share capital of PAH
“PAH Shareholder(s)”	holder(s) of PAH Share(s)
“percentage ratios”	shall have the meaning ascribed to such term in Chapter 14 of the Listing Rules

“Proposed Internal Restructuring”	the proposed split-off of assets and liabilities of the Target Company and RAV to a new subsidiary of the Target Company and RAV respectively and upon completion of which, the assets and liabilities of the Target Company and RAV will be maintained in the Target Group
“Protocol”	the signing protocol dated 16 June 2013 entered into between the Vendor and the Guarantors in respect of the Acquisition
“Purchase Price”	as described under the paragraph headed “Purchase Price” in this announcement
“RAV”	RAV Water Treatment I B.V., a private company with limited liability (besloten vennootschap met beperkte aansprakelijkheid), incorporated under the laws of the Netherlands, having its official seat in Rotterdam, the Netherlands, and a wholly-owned subsidiary of the Target Company
“Sale Shares”	46,308 ordinary shares with a nominal value of EUR1 each in the capital of the Target Company, constituting 100% of the issued share capital of the Target Company
“Share Purchase Agreement”	the share purchase agreement proposed to be entered into between the Vendor, the Bidco and the Guarantors in relation to the Acquisition pursuant to the Protocol
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the meaning ascribed to such term in the Listing Rules
“Target Company”	AVR-Afvalverwerking B.V., a private company with limited liability (besloten vennootschap met beperkte aansprakelijkheid), incorporated under the laws of the Netherlands, having its official seat in Rotterdam, the Netherlands
“Target Group”	the Target Company and its subsidiaries, including the newly incorporated subsidiaries of the Target Company and RAV for the implementation of the Proposed Internal Restructuring and “Target Group Company” means any one of them
“Transactions”	the JV Transaction and the Acquisition
“UK”	the United Kingdom

“Vendor”	VAN GANSEWINKEL GROEP B.V., an independent third party
“Vendor Group”	the Vendor and its subsidiaries, as the case may be, including the Target Group
“WOR and SER Merger Code Procedures”	Dutch Works Council Act (Wet op de ondernemingsraden) and the SER Merger Code 2000 (Fusie gedragsregels 2000)
“%”	per cent

Note: The figures in “EUR” are converted into HK\$ at the rate of EUR1.00 : HK\$10.3575 as at 16 June 2013 throughout this announcement for indicative purpose only.

By order of the CKI Board  
**CHEUNG KONG INFRASTRUCTURE  
HOLDINGS LIMITED**  
**Eirene Yeung**  
*Company Secretary*

By order of the CKH Board  
**CHEUNG KONG (HOLDINGS)  
LIMITED**  
**Eirene Yeung**  
*Company Secretary*

By order of the PAH Board  
**POWER ASSETS HOLDINGS  
LIMITED**  
**Alex Ng**  
*Company Secretary*

By order of the HWL Board  
**HUTCHISON WHAMPOA  
LIMITED**  
**Edith Shih**  
*Company Secretary*

Hong Kong, 16 June 2013

*The Directors (Note) of CKH as at the date of this announcement are Mr. LI Ka-shing (Chairman), Mr. LI Tzar Kuoi, Victor (Managing Director and Deputy Chairman), Mr. KAM Hing Lam (Deputy Managing Director), Mr. IP Tak Chuen, Edmond (Deputy Managing Director), Mr. CHUNG Sun Keung, Davy, Ms. PAU Yee Wan, Ezra, Ms. WOO Chia Ching, Grace and Mr. CHIU Kwok Hung, Justin as Executive Directors; Mr. LEUNG Siu Hon, Mr. FOK Kin Ning, Canning, Mr. Frank John SIXT, Mr. CHOW Kun Chee, Roland, Mr. George Colin MAGNUS and Mr. LEE Yeh Kwong, Charles as Non-executive Directors; and Mr. KWOK Tun-li, Stanley, Mr. YEH Yuan Chang, Anthony, Mr. Simon MURRAY, Mr. CHOW Nin Mow, Albert, Ms. HUNG Siu-lin, Katherine, Dr. WONG Yick-ming, Rosanna (also Alternate Director to Mr. Simon MURRAY) and Mr. CHEONG Ying Chew, Henry as Independent Non-executive Directors.*

*As at the date of this announcement, the Executive Directors of CKI are Mr. LI Tzar Kuoi, Victor (Chairman), Mr. KAM Hing Lam (Group Managing Director), Mr. IP Tak Chuen, Edmond (Deputy Chairman), Mr. FOK Kin Ning, Canning (Deputy Chairman), Mr. Andrew John HUNTER (Deputy Managing Director), Mr. CHAN Loi Shun (Chief Financial Officer), Mrs. CHOW WOO Mo Fong, Susan (also Alternate Director to Mr. FOK Kin Ning, Canning and Mr. Frank John SIXT) and Mr. Frank John SIXT; the Non-executive Directors are Mr. CHEONG Ying Chew, Henry (Independent Non-executive Director), Mrs. KWOK Eva Lee (Independent Non-executive Director), Mrs. SNG Sow-mei alias POON Sow Mei (Independent Non-executive Director), Mr. Colin Stevens RUSSEL (Independent Non-executive Director), Mr. LAN Hong Tsung, David (Independent Non-executive Director), Mr. Barrie COOK (Independent Non-executive Director), Mrs. LEE Pui Ling, Angelina, Mr. George Colin MAGNUS and Mr. TSO Kai Sum; and the Alternate Directors are Mr. MAN Ka Keung, Simon (Alternate Director to Mr. IP Tak Chuen, Edmond) and Ms. Eirene YEUNG (Alternate Director to Mr. KAM Hing Lam).*

*As at the date of this announcement, the Executive Directors of PAH are Mr. FOK Kin Ning, Canning (Chairman), Mr. WAN Chi Tin (Group Managing Director), Mr. CHAN Loi Shun (also Alternate Director to Mr. KAM Hing Lam), Mrs. CHOW WOO Mo Fong, Susan (also Alternate Director to Mr. FOK Kin Ning, Canning and Mr. Frank John SIXT), Mr. Andrew John HUNTER, Mr. KAM Hing Lam, Mr. LI Tzar Kuoi, Victor, Mr. Frank John SIXT and Mr. YUEN Sui See; the Non-executive Directors are Mr. TSO Kai Sum (Deputy Chairman), Mr. FONG Chi Wai, Alex (Independent Non-executive Director), Mr. Holger KLUGE (Independent Non-executive Director), Mr. LEE Lan Yee, Francis (Independent Non-executive Director), Mr. George Colin MAGNUS (Independent Non-executive Director), Mr. Ralph Raymond SHEA (Independent Non-executive Director), Mr. WONG Chung Hin (Independent Non-executive Director), Mr. Ronald Joseph ARCULLI and Mr. Neil Douglas MCGEE.*

*As at the date of this announcement, the Executive Directors of HWL are Mr. LI Ka-shing (Chairman), Mr. LI Tzar Kuoi, Victor (Deputy Chairman), Mr. FOK Kin Ning, Canning, Mrs. CHOW WOO Mo Fong, Susan, Mr. Frank John SIXT, Mr. LAI Kai Ming, Dominic and Mr. KAM Hing Lam; the Non-executive Directors are The Hon Sir Michael David KADOORIE (Independent Non-executive Director), Mr. Holger KLUGE (Independent Non-executive Director), Ms. LEE Wai Mun, Rose (Independent Non-executive Director), Mr. LEE Yeh Kwong, Charles, Mr. George Colin MAGNUS, Mr. William SHURNIAK (Independent Non-executive Director) and Mr. WONG Chung Hin (Independent Non-executive Director); and the Alternate Director is Mr. William Elkin MOCATTA (Alternate to The Hon Sir Michael David KADOORIE).*

*Note: Other than Chairman, Managing Director and Deputy Managing Directors, order by date of appointment, and in the case of Non-executive Directors (“NED”) / Independent Non-executive Directors (“INED”), order by date of appointment as NED / INED.*