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Power Assets Holdings Ltd.
電能實業有限公司

於香港註冊成立的有限公司
Incorporated in Hong Kong with limited liability
股份代號 Stock Code: 6

CONTINUING CONNECTED TRANSACTIONS

OPERATING AND MANAGEMENT SERVICES TO GAS DISTRIBUTION NETWORKS AND PIPELINES

The Board announces that, following Completion on 30 November 2025, the Service Providers become indirect wholly-owned subsidiaries of CK William and the transactions under the O&M Service Agreements between the Service Providers and the AGN Group become continuing connected transactions of the Company pursuant to Rule 14A.60 of the Listing Rules.

As at the date of this announcement, CKI holds approximately 36.01% of the issued shares of the Company. CK William and AGN are major joint ventures of the Company and are considered non-wholly owned subsidiaries of the Company for the purpose of Chapter 14A of the Listing Rules. As (i) CKI is a substantial shareholder of the Company; and (ii) CKI holds 30% or more interest in each of CK William and AGN, the Service Providers and the relevant members of the AGN Group are each an associate of CKI and a connected person of the Company under Chapter 14A of the Listing Rules.

As one of the applicable percentage ratios in respect of the annual caps for the transactions under the O&M Service Agreements exceeds 0.1% but all of them are less than 5%, the O&M Service Agreements and the transactions contemplated thereunder are subject to the reporting, announcement and annual review requirements under Chapter 14A of the Listing Rules, but are exempt from the independent shareholders' approval requirement.

BACKGROUND

The Board announces that, following Completion on 30 November 2025, the Service Providers become indirect wholly-owned subsidiaries of CK William and the transactions under the O&M Service Agreements between the Service Providers and the AGN Group become continuing connected transactions of the Company pursuant to Rule 14A.60 of the Listing Rules.

O&M SERVICE AGREEMENTS

The principal terms of the O&M Service Agreements are summarised as follows:

Date:

2 July 2007 and 8 April 2011 respectively

Existing Parties:

- (a) Service Provider 1, Service Provider 2 or Service Provider 3 (as the case may be)
- (b) AGN, AGN Subsidiary 1 or AGN Subsidiary 2 (as the case may be)

Term:

Expiring on 30 June 2027

Scope of Services:

Pursuant to the O&M Service Agreements, the Service Providers agree to carry out the Operating and Management Services for the relevant members of the AGN Group in relation to its gas distribution networks and pipelines in New South Wales, Victoria, Queensland, Northern Territory and South Australia, in Australia, including but not limited to day to day management of its operations, engineering, construction and augmentation services, meter reading, revenue collection, customer management, and planning and budgeting.

Fees:

The service fees payable by the AGN Group to the Service Providers for the Operating and Management Services comprise a management fee based on a percentage of the total revenue of the relevant gas distribution network for the relevant period, and an incentive bonus if certain performance targets (including without limitation, in relation to capital expense, net revenue growth and cost reduction) in relation to the relevant gas distribution network are met.

The service fees were determined based on industry standards at the time of the entering into of the O&M Service Agreements, which was prior to the date of the Share Sale Agreement and at a time when the Service Providers (or their predecessors) were third parties independent of and not connected with the Company and its connected persons.

The AGN Group is also required to reimburse the Service Providers, on a cost basis, actual amounts of costs and disbursements reasonably incurred or outlaid on behalf of the AGN Group for providing the relevant services.

Historical Amounts:

The historical amount of service fees paid to the Service Providers under the O&M Service Agreements for the year ended 31 December 2024 was AUD22.6 million (equivalent to approximately HK\$115.2 million) and the amount of service fees incurred from 1 January 2025 up to 30 November 2025 was approximately AUD21.2 million (equivalent to approximately HK\$108.1 million).

Payment Terms:

The service fees (other than incentive bonuses) payable by the AGN Group to the Service Providers are paid in cash in arrears on a monthly basis. The incentive bonuses, if any, payable by the AGN Group to the Service Providers are paid in cash in arrears on an annual basis.

ANNUAL CAPS

The annual aggregate amount of service fees payable by the AGN Group to the Service Providers under the O&M Service Agreements shall not exceed the following:

<u>Period</u>	<u>Annual cap</u>
From 1 December 2025 to 31 December 2025	AUD3.3 million (equivalent to approximately HK\$16.8 million)
For the financial year ending 31 December 2026	AUD25 million (equivalent to approximately HK\$127.5 million)
From 1 January 2027 to 30 June 2027	AUD13 million (equivalent to approximately HK\$66.3 million)

The above annual caps have been determined with reference to (i) the historical transaction amounts of service fees paid by the AGN Group to the Service Providers under the O&M Service Agreements; (ii) the estimated amounts of service fees that might be paid by the AGN Group to the Service Providers under the O&M Service Agreements, taking into account the estimated revenue growth of the relevant gas distribution networks for the purpose of computing the management fees, and the estimated incentive bonuses which might be payable under the O&M Service Agreements if all the relevant performance targets are met; and (iii) a buffer for the possible increment from the estimated amounts.

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, CKI holds approximately 36.01% of the issued shares of the Company. CK William and AGN are major joint ventures of the Company and are considered non-wholly owned subsidiaries of the Company for the purpose of Chapter 14A of the Listing Rules. As (i) CKI is a substantial shareholder of the Company; and (ii) CKI holds 30% or more interest in each of CK William and AGN, the Service Providers and the relevant members of the AGN Group are each an associate of CKI and a connected person of the Company under Chapter 14A of the Listing Rules.

Following Completion, the Service Providers become indirect wholly-owned subsidiaries of CK William and the transactions under the O&M Service Agreements become continuing connected transactions of the Company pursuant to Rule 14A.60 of the Listing Rules. As one of the applicable percentage ratios in respect of the annual caps for the transactions under the O&M Service Agreements exceeds 0.1% but all of them are less than 5%, the O&M Service Agreements and the transactions contemplated thereunder are subject to the reporting, announcement and annual review requirements under Chapter 14A of the Listing Rules, but are exempt from the independent shareholders' approval requirement.

REASONS FOR AND BENEFITS OF THE O&M SERVICE AGREEMENTS

On 19 August 2025, the Share Sale Agreement was entered into between, among others, AGI O&M Services (which is an indirect wholly-owned subsidiary of CK William) as purchaser and APA as vendor, pursuant to which the entire issued share capital of APT AM Holdings was acquired by AGI O&M Services on Completion which took place on 30 November 2025.

The Service Providers (or their predecessors who sold the operating and management service business and novated the relevant O&M Service Agreements to the Service Providers in 2007) have been providing certain operating and management services to the AGN Group in relation to its gas distribution networks and pipelines in Australia since 1997. Except for the expiry date of the O&M Service Agreements which was introduced in 2007, all other terms of the O&M Service Agreements have remained materially unchanged over the years, and will continue to be effective notwithstanding Completion. For the AGN Group, the provision of the Operating and Management Services by the Service Providers after Completion will ensure the continuity required to support the efficient and smooth operation of its gas distribution networks and pipelines. For the CK William Group, the Service Providers will continue to benefit from the income generated under the O&M Service Agreements.

The Directors (including the independent non-executive Directors) are of the view that the O&M Service Agreements and the transactions contemplated thereunder are on normal commercial terms, in the ordinary and usual course of business of the Group, and in the interests of the Company and its shareholders as a whole and that the terms thereunder are fair and reasonable. The Directors (including the independent non-executive Directors) also consider that the above annual caps for the transactions contemplated under the O&M Service Agreements are fair and reasonable and in the interests of the Company and its shareholders as a whole.

None of the Directors has any material interest in the transactions contemplated under the O&M Service Agreements and no Director was required to abstain from voting on the board resolutions of the Company approving such transactions.

INFORMATION ON THE PARTIES

CK William is an investment holding company which owns and operates energy businesses in electricity and gas distribution and sustainable distributed energy production. The Service Providers are principally engaged in the provision of operating and management services to gas distribution networks and pipelines.

The AGN Group owns strategic gas distribution networks and transmission pipelines that operate in South Australia, Victoria, Queensland, New South Wales and Northern Territory in Australia.

The principal activities of the Group are investment in energy and utility-related businesses in the United Kingdom, Hong Kong, Australia, New Zealand, Mainland China, Thailand, the Netherlands, Canada and the United States.

CKA is a leading multinational conglomerate that has diverse capabilities with business activities presently encompassing property development and investment, hotel and serviced suite operation, property and project management, pub operation and investment in infrastructure and utility asset operation.

CKI is a global infrastructure company whose principal activities are development, investment and operation of infrastructure businesses in Hong Kong, Mainland China, the United Kingdom, Continental Europe, Australia, New Zealand, Canada and the United States.

DEFINITIONS

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

“Acquisition”	the acquisition of the entire share capital of APT AM Holdings, by AGI O&M Services from APA pursuant to the terms and conditions of the Share Sale Agreement
“AGI O&M Services”	AGI O&M Services Pty Ltd, a company incorporated in Australia with limited liability and an indirect wholly-owned subsidiary of CK William
“AGN”	Australian Gas Networks Limited, a company incorporated in Australia with limited liability
“AGN Group”	AGN and its subsidiaries
“AGN Subsidiary 1”	Australian Gas Networks (Vic 3) Pty Ltd, a company incorporated in Australia with limited liability and a wholly-owned subsidiary of AGN
“AGN Subsidiary 2”	Australian Gas Networks (NSW) Pty Ltd, a company incorporated in Australia with limited liability and a wholly-owned subsidiary of AGN
“APA”	APA Infrastructure Limited, a company incorporated in Australia with limited liability
“APT AM Holdings” or “Service Provider 1”	APT AM Holdings Pty Limited, a company incorporated in Australia with limited liability
“associate”	has the meaning ascribed to such term in the Listing Rules
“AUD”	Australian dollars, the official currency of Australia
“Board”	the board of directors of the Company
“CKA”	CK Asset Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1113)

“CKI”	CK 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) and the main market for listed securities of the London Stock Exchange plc (ticker symbol: CKI)
“CK William”	CK William UK Holdings Limited, a private limited liability company incorporated under the laws of England and Wales, the equity capital of which is indirectly held as to 40% by CKA, 40% by CKI and 20% by the Company
“CK William Group”	CK William and its subsidiaries
“Company”	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: 6)
“Completion”	completion of the Acquisition pursuant to the Share Sale Agreement which took place on 30 November 2025
“connected person”	has the meaning ascribed to such term in the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Operating and Management Services”	the operating and management services as further described in this announcement above
“O&M Service Agreements”	the agreements entered into between the Service Providers and the AGN Group for the provision of Operating and Management Services, details of which are described in this announcement above
“Service Provider 2”	APT AM (Stratus) Pty Limited, a company incorporated in Australia with limited liability and a wholly-owned subsidiary of APT AM Holdings
“Service Provider 3”	APT O&M Services Pty Ltd, a company incorporated in Australia with limited liability and a wholly-owned subsidiary of APT AM Holdings

“Service Providers”	collectively, Service Provider 1, Service Provider 2 and Service Provider 3, and each a “Service Provider”
“Share Sale Agreement”	the share sale agreement dated 19 August 2025 between, among others, AGI O&M Services as purchaser and APA as vendor in relation to the Acquisition
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

Note: The figures in “AUD” are converted into HK\$ at the rate of AUD1 : HK\$5.0983 throughout this announcement for illustrative purposes only, and should not be construed as a representation that any amount in AUD or HK\$ has been, could have been, or may be, exchanged at this or at any other rate.

By Order of the Board
Power Assets Holdings Limited
Alex Ng
Company Secretary

Hong Kong, 1 December 2025

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

- Executive directors* : Mr. Andrew John HUNTER (Chairman), Mr. TSAI Chao Chung, Charles (Chief Executive Officer), Mr. CHAN Loi Shun and Mr. CHENG Cho Ying, Francis
- Non-executive directors* : Mr. LEUNG Hong Shun, Alexander, Mr. LI Tzar Kuoi, Victor and Mr. Neil Douglas MCGEE
- Independent non-executive directors* : Mr. Stephen Edward BRADLEY, Mr. IP Yuk-keung, Albert, Ms. KOH Poh Wah, Mr. KWAN Chi Kin, Anthony and Mr. WU Ting Yuk, Anthony