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## DEFINITIONS

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In this prospectus, unless the context otherwise requires, the following expressions shall have the following meanings.

<b>“9M”</b>	the nine months ended 30 September
<b>“2004-2008 Development Plan”</b>	the Development Plan for the period from 1 January 2004 to 31 December 2008
<b>“2009-2013 Development Plan”</b>	the Development Plan for the period from 1 January 2009 to 31 December 2013
<b>“2014-2018 Development Plan”</b>	the Development Plan for the period from 1 January 2014 to 31 December 2018
<b>“2013 Profit Estimate”</b>	the estimated consolidated profit attributable to the equity shareholders of HEC for the financial year ended 31 December 2013, as set out in <i>“2013 Profit Estimate and 2014 Profit Forecast”</i>
<b>“2014 Profit Forecast”</b>	the forecast consolidated profit attributable to the Holders of Share Stapled Units for the period from the Listing Date to 31 December 2014, as set out in <i>“2013 Profit Estimate and 2014 Profit Forecast”</i>
<b>“Acquisition”</b>	the acquisition of HEC by Treasure Business pursuant to the Sale and Purchase Agreement, as further described in <i>“History and Reorganisation — The Reorganisation”</i>
<b>“Adjustments”</b>	the items in respect of which adjustments are to be made to the consolidated statement of profit or loss of the Group for the relevant financial year or the relevant distribution period, as further described in <i>“Distributions — Distribution Policy”</i>
<b>“Air Pollution Control Ordinance”</b>	the Air Pollution Control Ordinance (Chapter 311 of the Laws of Hong Kong), as amended or supplemented from time to time
<b>“Application Form(s)”</b>	the <b>WHITE</b> Application Form(s), <b>YELLOW</b> Application Form(s), <b>BLUE</b> Application Form(s) and <b>GREEN</b> Application Form(s) or, where the context so requires, any of them
<b>“Assured Entitlement”</b>	the entitlement of the Qualifying PAH Shareholders to apply for the Reserved Share Stapled Units on an assured basis pursuant to the Preferential Offering determined on the basis of their respective shareholdings in PAH on the Record Date
<b>“Authorised Business”</b>	the authorised business of HK Electric Investments as prescribed in the Trust Deed, being:  (a) investing in the Company (including, without limitation, investment in securities and other interests in the Company);

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	(b) the exercise of the Trustee-Manager’s powers, authorities and rights, and the performance of its duties and obligations, under the Trust Deed; and
	(c) any thing or activity which is necessary or desirable for or in connection with the activities referred to in paragraphs (a) and/or (b) above
<b>“Available Reserved Share Stapled Units”</b>	has the meaning ascribed to it in <i>“Structure of the Global Offering — The Preferential Offering — Basis of Allocation for Applications for Reserved Share Stapled Units”</i>
<b>“Average Net Fixed Assets”</b>	the average of the opening and closing balances of the Net Fixed Assets
<b>“Average Renewables Net Fixed Assets”</b>	the average of the opening and closing balances of the Renewables Net Fixed Assets
<b>“Basic Tariff Rate”</b>	for any year, the figure in cents per kWh obtained by dividing our total revenues from sales of electricity to our customers in Hong Kong (excluding rebates and Fuel Cost Account Adjustment) by the corresponding number of units (in kWh) sold
<b>“Beneficial PAH Shareholder”</b>	any beneficial owner of PAH Shares whose PAH Shares are registered, as shown in the register of members of PAH, in the name of a registered PAH Shareholder on the Record Date
<b>“BLUE Application Form(s)”</b>	the application form(s) to be sent to Qualifying PAH Shareholders to subscribe for Reserved Share Stapled Units pursuant to the Preferential Offering
<b>“Blue Form eIPO”</b>	the application for Reserved Share Stapled Units to be issued in a Qualifying PAH Shareholder’s own name by submitting applications online through the designated website of the <b>Blue Form eIPO</b> at <a href="http://www.eipo.com.hk">www.eipo.com.hk</a>
<b>“Board” or “Board of Directors”</b>	the Trustee-Manager Board and the Company Board
<b>“Buildings Department”</b>	the Buildings Department of the Hong Kong Government
<b>“business day”</b>	any day (other than a Saturday, Sunday or public holiday) on which banks in Hong Kong are generally open for normal banking business
<b>“BVI”</b>	the British Virgin Islands
<b>“Cayman Companies Law”</b>	the Companies Law, Cap. 22 (Law 3 of 1961) of the Cayman Islands, as amended or supplemented from time to time

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<b>“CCASS”</b>	the Central Clearing and Settlement System established and operated by HKSCC
<b>“CCASS Account”</b>	a securities account maintained by a CCASS Participant with CCASS
<b>“CCASS Clearing Participant”</b>	a person admitted to participate in CCASS as a direct clearing participant or general clearing participant
<b>“CCASS Custodian Participant”</b>	a person admitted to participate in CCASS as a custodian participant
<b>“CCASS Investor Participant”</b>	a person admitted to participate in CCASS as an investor participant who may be an individual or joint individuals or a corporation
<b>“CCASS Participant”</b>	a CCASS Clearing Participant, a CCASS Custodian Participant or a CCASS Investor Participant
<b>“CCASS Requirements”</b>	the General Rules of CCASS, the CCASS Operational Procedures and any other rules, procedures and/or requirements of CCASS
<b>“Century Rank”</b>	Century Rank Limited, a company incorporated in the BVI with limited liability on 30 August 2013 and a wholly-owned subsidiary of the Company
<b>“CKH”</b>	Cheung Kong (Holdings) Limited, a company incorporated in Hong Kong with limited liability, whose shares are listed on the Main Board of the Stock Exchange (stock code: 00001)
<b>“CKI”</b>	Cheung Kong Infrastructure Holdings Limited, a company incorporated in Bermuda with limited liability, whose shares are listed on the Main Board of the Stock Exchange (stock code: 01038)
<b>“CLP Holdings”</b>	CLP Holdings Limited, a company incorporated in Hong Kong with limited liability, whose shares are listed on the Main Board of the Stock Exchange (stock code: 00002) and an independent third party
<b>“CLP Power”</b>	CLP Power Hong Kong Limited, a company incorporated in Hong Kong with limited liability, which is a wholly-owned subsidiary of CLP Holdings and an independent third party
<b>“CNOOC Gas”</b>	CNOOC Gas & Power Group Limited (中海石油氣電集團有限公司), a company incorporated in the PRC with limited liability and an independent third party

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<b>“CNOOC Gas Supply Contract”</b>	the gas sales contract entered into between PAH and CNOOC Gas dated 18 August 2009 (as amended), which was novated by PAH to HEC pursuant to the deed of novation entered into between PAH, HEC and CNOOC Gas dated 22 November 2013 with effect from 8 December 2013
<b>“Companies Ordinance”</b>	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong), as amended or supplemented from time to time
<b>“Company”</b>	HK Electric Investments Limited (港燈電力投資有限公司), a company incorporated in the Cayman Islands as an exempted company with limited liability on 23 September 2013
<b>“Company Audit Committee”</b>	the audit committee of the Company
<b>“Company Board”</b>	the board of directors of the Company
<b>“Company Director”</b>	a director of the Company
<b>“Company Loan Facility”</b>	has the meaning ascribed to it in <i>“Financial Information — Indebtedness — Bank Loans”</i>
<b>“Company Loan Facility Agreement”</b>	has the meaning ascribed to it in <i>“Financial Information — Indebtedness — Bank Loans”</i>
<b>“Company’s Articles”</b>	the amended and restated articles of association of the Company adopted on 1 January 2014, as amended from time to time, a summary of which is set out in <i>“Appendix V — Summary of the Constitution of the Company and Cayman Companies Law”</i>
<b>“Completion Date”</b>	has the meaning ascribed to it in <i>“History and Reorganisation — The Reorganisation”</i>
<b>“Consideration Share Stapled Units”</b>	the aggregate of 4,409,299,999 Share Stapled Units to be jointly issued by HK Electric Investments and the Company to Quickview (at the direction of PAH) as partial settlement of the consideration for the Acquisition
<b>“Controlling Holder of Share Stapled Units”</b>	a holder of not less than 30% of the issued Share Stapled Units, and immediately following the completion of the Reorganisation and the Global Offering refers to PAH

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<b>“Convertible Instruments”</b>	any options, warrants or similar rights for the subscription or issue of Share Stapled Units issued by HK Electric Investments and the Company and any securities issued by the Company or any subsidiaries of the Company which are convertible into or exchangeable for Share Stapled Units; and references to an issue of Share Stapled Units <b>“pursuant to”</b> any Convertible Instruments means an issue of Share Stapled Units pursuant to exercise of any subscription (or similar), conversion or exchange rights under the terms and conditions of such Convertible Instruments
<b>“Dapeng Gas Supply Contract”</b>	the gas sales contract entered into between PAH and Guangdong Dapeng dated 30 April 2004 (as amended)
<b>“Depreciation”</b>	the depreciation on the Fixed Assets which is charged on a straight line basis in accordance with the Scheme of Control
<b>“Development Plan(s)”</b>	the development plan(s) prepared by HEC pursuant to the Scheme of Control, which relates to the provision and future expansion of our electricity supply system
<b>“Directors”</b>	collectively, the Trustee-Manager Directors and the Company Directors and <b>“Director”</b> shall be construed accordingly as a director of the Trustee-Manager and a director of the Company
<b>“DPU”</b>	distribution per Share Stapled Unit
<b>“Electricity Business”</b>	the business of generating, transmitting, distributing and supplying electricity in Hong Kong carried on by the Group
<b>“Electricity Related”</b>	directly or indirectly appertaining to the generation, transmission, distribution or sale of electricity, energy efficiency and conservation, or emissions reduction
<b>“Emission Performance Incentive” or “Emission Performance Penalty”</b>	the amount of incentive or penalty (where applicable) under the Scheme of Control, which is determined through an Emissions Performance Linkage Mechanism and is taken into account as an adjustment to the Net Return. The adjustment can be either an increase, reduction or no change to the Net Return depending on the level of the Total Permissible Emission for the full calendar year
<b>“Emissions Performance Linkage Mechanism”</b>	the mechanism used to calculate the Emission Performance Incentive or Emission Performance Penalty, which is based on HEC’s achievement of the Total Permissible Emission for the full calendar year in respect of the Pollutants and is calculated as a percentage of HEC’s Average Net Fixed Assets minus Average Renewables Net Fixed Assets for the applicable full calendar year

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<b>“EMSD”</b>	the Electrical and Mechanical Services Department of the Hong Kong Government
<b>“EPD”</b>	the Environmental Protection Department of the Hong Kong Government
<b>“Excess Capacity Expenditure”</b>	has the meaning ascribed to it in section 2 of Schedule 7 to the Scheme of Control
<b>“Exchange Right”</b>	the right of the Registered Holders of Share Stapled Units under the Trust Deed, exercisable by passing an Extraordinary Resolution of Registered Holders of Units, to require all of the Share Stapled Units in issue to be exchanged for the Ordinary Shares held by the Trustee-Manager which are Linked to the Units which are components of the Share Stapled Units. If the Exchange Right were to be exercised, the Trust Deed would terminate, the Units and the Preference Shares would be exchanged and cancelled and the former Registered Holders of Share Stapled Units would hold listed and, subject to the prior approval of the Stock Exchange, tradeable Ordinary Shares
<b>“Executive Council”</b>	the Executive Council of the Hong Kong Government
<b>“Extraordinary Resolution of Registered Holders of Units”</b>	a resolution proposed and passed as such by a majority consisting of 75% or more of the total number of votes cast for and against such resolution at a meeting of Registered Holders of Units duly convened and held in accordance with the Trust Deed
<b>“Factories and Industrial Undertakings Ordinance”</b>	the Factories and Industrial Undertakings Ordinance (Chapter 59 of the Laws of Hong Kong), as amended or supplemented from time to time
<b>“Fixed Assets”</b>	HEC’s Electricity Related investments in land, buildings, plant, equipment and capitalised refurbishment and improvement works and, subject to the accounting policies as set out in the Scheme of Control, includes assets in the course of construction, payments on account, goods in transit and capital stores
<b>“Fuel Clause Charge”</b>	the charge passed on to our customers through the Fuel Clause Recovery Account
<b>“Fuel Clause Rebate”</b>	the rebate passed on to our customers through the Fuel Clause Recovery Account
<b>“Fuel Clause Recovery Account”</b>	the account maintained by us under the Scheme of Control through which the Fuel Cost Account Adjustment is captured and passed on to our customers by way of rebates or charges

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<b>“Fuel Cost Account Adjustment”</b>	the difference between the standard cost of fuel as agreed between the Hong Kong Government and us and the actual cost of fuel to us
<b>“FY”</b>	the financial year ended or ending 31 December
<b>“Gas On-sale Agreement”</b>	has the meaning ascribed to it in <i>“Connected Transactions — Non-exempt Continuing Connected Transactions — On-sale of Gas from PAH to HEC”</i>
<b>“Gas Supply Contracts”</b>	collectively, the CNOOC Gas Supply Contract and the Dapeng Gas Supply Contract and a <b>“Gas Supply Contract”</b> shall mean any of them
<b>“Global Offering”</b>	the Hong Kong Public Offering and the International Offering (including the Preferential Offering)
<b>“GREEN Application Form(s)”</b>	the application form(s) to be completed by the White Form eIPO Service Provider
<b>“Gross Tariff Revenue”</b>	for any year means the total of the following items:  (a) revenue of HEC from the sale of electricity to our customers in Hong Kong in that year including transfers from/to the Fuel Clause Recovery Account, but without taking into account rebates;  (b) the amounts benefiting our customers in Hong Kong in that year specified by and calculated in accordance with any agreement from time to time entered into between the Hong Kong Government and HEC in relation to the sale of electricity outside Hong Kong;  (c) Electricity Related fees and other revenue derived from the use of Fixed Assets; and  (d) unclaimed deposits from our customers
<b>“Group”, “we”, “our” or “us”</b>	the Company and its subsidiaries, as if the Reorganisation had been completed and, in relation to the Scheme of Control, refers to HEC
<b>“Group Distributable Income”</b>	has the meaning ascribed to it in <i>“Distributions — Distribution Policy”</i>
<b>“Guangdong Dapeng”</b>	Guangdong Dapeng LNG Company Limited (廣東大鵬液化天然氣有限公司), a company incorporated in the PRC with limited liability and an independent third party

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“Guangdong LNG Terminal”	Guangdong Liquefied Natural Gas Terminal in Dapeng Bay, Chengtoujiao, Shenzhen, the PRC, which is operated by Guangdong Dapeng
“HEC”	The Hongkong Electric Company, Limited, a company incorporated in Hong Kong with limited liability on 24 January 1889, which will be a wholly-owned subsidiary of the Company upon completion of the Acquisition
“HEC Loan Facility”	has the meaning ascribed to it in “ <i>Financial Information — Indebtedness — Bank Loans</i> ”
“HEC Loan Facility Agreement”	has the meaning ascribed to it in “ <i>Financial Information — Indebtedness — Bank Loans</i> ”
“HEFL”	Hongkong Electric Finance Limited, a company incorporated in the BVI with limited liability on 12 April 2000, which is a wholly-owned subsidiary of HEC
“HIBOR”	Hong Kong Interbank Offered Rate
“HK Electric Investments”	HK Electric Investments (港燈電力投資), as constituted pursuant to the Trust Deed and as if the Reorganisation had been completed
“HK\$” or “Hong Kong dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“HKFRS”	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
“HKSCC”	Hong Kong Securities Clearing Company Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
“HKSCC Nominees”	HKSCC Nominees Limited, a wholly-owned subsidiary of HKSCC, in its capacity as nominee for HKSCC (or any successor thereto) as operator of CCASS and any successor, replacement or assign of HKSCC Nominees Limited as nominee for the operator of CCASS
“Holders of Share Stapled Units”	persons registered in the Share Stapled Units Register as holders of Share Stapled Units and, where the registered holder of Share Stapled Units is HKSCC Nominees, shall also include, where the context so admits, the CCASS Participants whose CCASS Accounts are deposited with the Share Stapled Units. For the avoidance of doubt, references to “ <b>Registered Holders of Share Stapled Units</b> ” and “ <b>Joint Registered Holders of Share Stapled Units</b> ” shall not include CCASS Participants



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<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the People’s Republic of China
<b>“Hong Kong Government”</b>	the Government of the Hong Kong Special Administrative Region of the PRC
<b>“Hong Kong Offer Share Stapled Units”</b>	the 221,345,000 Share Stapled Units initially being jointly offered by HK Electric Investments and the Company pursuant to the Hong Kong Public Offering (subject to reallocation as described in <i>“Structure of the Global Offering”</i> )
<b>“Hong Kong Public Offering”</b>	the offer of the Hong Kong Offer Share Stapled Units to the public in Hong Kong for subscription at the Offer Price, on and subject to the terms and conditions set out in this prospectus and the Application Forms, as further described in <i>“Structure of the Global Offering”</i>
<b>“Hong Kong Register of Members”</b>	the branch register of members of the Company established and maintained by the Company in Hong Kong in accordance with the Company’s Articles and the Trust Deed
<b>“Hong Kong Underwriters”</b>	the underwriters listed in <i>“Underwriting — Hong Kong Underwriters”</i> , being the underwriters of the Hong Kong Public Offering
<b>“Hong Kong Underwriting Agreement”</b>	the underwriting agreement dated 14 January 2014 relating to the Hong Kong Public Offering entered into among the Trustee-Manager, the Company, PAH, Quickview, the Joint Global Coordinators, the Joint Sponsors and the Hong Kong Underwriters, as further described in <i>“Underwriting”</i>
<b>“HWL”</b>	Hutchison Whampoa Limited, a company incorporated in Hong Kong with limited liability, whose shares are listed on the Main Board of the Stock Exchange (stock code: 00013)
<b>“independent third party”</b>	any party who is not connected (within the meaning of the Listing Rules) with any director, chief executive or substantial unitholder or shareholder of HK Electric Investments, the Trustee-Manager, the Company, their respective subsidiaries or any of their respective associates
<b>“Inter-company Loans”</b>	the amounts which are owed by HEC to the PAH Group at the relevant time, including, without limitation, the outstanding loan capital, other outstanding loans from PAH and dividends declared by HEC but not yet paid to PAH

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<b>“International Offer Share Stapled Units”</b>	the 4,205,555,000 Share Stapled Units initially being jointly offered by HK Electric Investments and the Company pursuant to the International Offering (subject to reallocation as described in <i>“Structure of the Global Offering”</i> ) together with, where relevant, up to an additional 664,035,000 Share Stapled Units which may be sold by Quickview pursuant to any exercise of the Over-allotment Option
<b>“International Offering”</b>	the offer of the International Offer Share Stapled Units (a) in the United States solely to QIBs pursuant to an exemption from registration under the U.S. Securities Act or (b) outside the United States in offshore transactions in reliance on Regulation S, for subscription or purchase (as the case may be) at the Offer Price, in each case on and subject to the terms and conditions of the International Underwriting Agreement, as further described in <i>“Structure of the Global Offering”</i>
<b>“International Underwriters”</b>	the underwriters named in the International Underwriting Agreement, being the underwriters of the International Offering
<b>“International Underwriting Agreement”</b>	the underwriting agreement relating to the International Offering expected to be entered into among the Trustee-Manager, the Company, PAH, Quickview, the Joint Global Coordinators and the International Underwriters on or about the Price Determination Date, as further described in <i>“Underwriting”</i>
<b>“IRD”</b>	the Inland Revenue Department of the Hong Kong Government
<b>“Joint Bookrunners” or “Joint Global Coordinators”</b>	Goldman Sachs (Asia) L.L.C. and The Hongkong and Shanghai Banking Corporation Limited
<b>“Joint Registered Holders of Share Stapled Units”</b>	such persons for the time being entered in the Share Stapled Units Register as joint holders in respect of a Share Stapled Unit
<b>“Joint Registered Holders of Units”</b>	such persons for the time being entered in the Units Register as joint holders in respect of a Unit
<b>“Joint Sponsors”</b>	Goldman Sachs (Asia) L.L.C. and HSBC Corporate Finance (Hong Kong) Limited

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<b>“L10 Project”</b>	the proposed construction of a new gas-fired power plant unit (L10) at the Lamma Power Station, which is scheduled to commence in 2016. It is estimated that the capital expenditure for the L10 Project in respect of the period covered by the 2014-2018 Development Plan will be approximately HK\$3.0 billion. The L10 Project was included on a provisional basis in the 2014-2018 Development Plan as approved by the Executive Council, with the actual commencement of the L10 Project and actual inclusion in the 2014-2018 Development Plan of the estimated capital expenditure for it subject to written confirmation from the Hong Kong Government to HEC. For further details, see <i>“Scheme of Control and Regulatory Overview — Scheme of Control — Development Plan — 2014-2018 Development Plan”</i>
<b>“Lamma Extension”</b>	the extension to the Lamma Power Station which was developed on 22-hectares of reclaimed land adjoining to the Lamma Power Station, as further described in <i>“Business”</i>
<b>“Lamma Power Station”</b>	the Group’s power station located at Po Lo Tsui on Lamma Island in Hong Kong, as further described in <i>“Business”</i> and also includes the Lamma Extension and Lamma Winds
<b>“Lamma Winds”</b>	the Group’s wind turbine station located at Tai Ling on the northern part of Lamma Island in Hong Kong, as further described in <i>“Business”</i>
<b>“Latest Practicable Date”</b>	6 January 2014, being the latest practicable date for the purpose of ascertaining certain information contained in this prospectus prior to its publication
<b>“Legislative Council”</b>	the Legislative Council of Hong Kong
<b>“LIBOR”</b>	London Interbank Offered Rate
<b>“Linked”</b>	the matching and linking of each Unit with and to a specifically identified Ordinary Share held by the Trustee-Manager (in its capacity as trustee-manager of HK Electric Investments), so that the Registered Holder of the Unit has a beneficial interest in the specifically identified Ordinary Share and any transfer of the Unit also transfers the beneficial interest in the Ordinary Share, in accordance with the Trust Deed, and <b>“Linking”</b> shall be construed accordingly
<b>“Listing”</b>	the listing of the Share Stapled Units on the Main Board of the Stock Exchange
<b>“Listing Committee”</b>	the listing committee of the Stock Exchange

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<b>“Listing Date”</b>	the date, expected to be on or about 29 January 2014, on which the Share Stapled Units are first listed and from which dealings in the Share Stapled Units are permitted to take place on the Main Board of the Stock Exchange
<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time
<b>“Loan Facilities”</b>	the HEC Loan Facility and the Company Loan Facility
<b>“Major JVs”</b>	(a) Guangdong Zhuhai Power Station Company Limited, (b) Guangdong Zhuhai Jinwan Power Company Limited, (c) UK Power Networks Holdings Limited, (d) Northern Gas Networks Holdings Limited, (e) West Gas Networks Limited and Western Gas Networks Limited, and (f) Wellington Electricity Distribution Network Holdings Limited
<b>“Maximum Offer Price”</b>	HK\$6.30 per Share Stapled Unit, being the maximum subscription price in the Offer Price Range
<b>“Minimum Offer Price”</b>	HK\$5.45 per Share Stapled Unit, being the minimum subscription price in the Offer Price Range
<b>“MTN(s)”</b>	medium term note(s) issued by HEFL pursuant to the medium term note programme
<b>“Net Fixed Assets”</b>	the cost of the Fixed Assets less Depreciation
<b>“Net Return”</b>	the net return of HEC under the Scheme of Control for each year in respect of its Electricity Related operations, the details of which are set out in <i>“Scheme of Control and Regulatory Overview — Scheme of Control”</i>
<b>“Non-Competition Deed”</b>	the deed of non-competition entered into between PAH and the Company dated 14 January 2014, the details of which are set out in <i>“Relationship with PAH — Non-Competition Deed”</i>
<b>“Non-Qualifying PAH Shareholders”</b>	PAH Shareholders whose names appeared in the register of members of PAH on the Record Date and whose addresses as shown in such register are in any of the Specified Territories and any PAH Shareholders or Beneficial PAH Shareholders at that time who are otherwise known by PAH to be resident in any of the Specified Territories

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<b>“Offer Price”</b>	the final offer price per Offer Share Stapled Unit (exclusive of brokerage of 1.0%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%) of not more than HK\$6.30 and expected to be not less than HK\$5.45, such price to be determined by agreement among the Joint Global Coordinators (on behalf of the Underwriters), Quickview, the Trustee-Manager and the Company on or before the Price Determination Date
<b>“Offer Price Range”</b>	HK\$5.45 to HK\$6.30 per Share Stapled Unit
<b>“Offer Share Stapled Units”</b>	the Hong Kong Offer Share Stapled Units and the International Offer Share Stapled Units (including the Reserved Share Stapled Units), together with, where relevant, any additional Share Stapled Units which may be sold by Quickview pursuant to any exercise of the Over-allotment Option
<b>“OIF”</b>	Oman Investment Fund, a sovereign wealth fund of the Government of Oman
<b>“OIF Agreement”</b>	the cornerstone investment agreement dated 11 January 2014 pursuant to which OIF has agreed to subscribe for such number of Share Stapled Units at the Offer Price for an aggregate subscription amount equal to HK\$387.5 million (rounded down to the nearest whole board lot of 500 Share Stapled Units), as further described in <i>“Cornerstone Investors”</i>
<b>“Operating Group”</b>	HEC and HEFL
<b>“Ordinary Resolution of Registered Holders of Units”</b>	a resolution proposed and passed as such by a majority being more than 50% of the total number of votes cast for and against such resolution at a meeting of Registered Holders of Units duly convened and held in accordance with the Trust Deed
<b>“Ordinary Shares”</b>	ordinary shares with a nominal value of HK\$0.0005 each in the share capital of the Company conferring the rights set out in the Company’s Articles
<b>“Over-allotment Option”</b>	the option expected to be granted by Quickview under the International Underwriting Agreement to the International Underwriters, exercisable by the Joint Global Coordinators (on behalf of the International Underwriters), pursuant to which Quickview may be required to sell up to 664,035,000 Share Stapled Units (representing not more than 15% of the number of Offer Share Stapled Units initially being offered under the Global Offering) at the Offer Price, to, among other things, cover over-allocations in the International Offering, if any, as further described in <i>“Structure of the Global Offering”</i>

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<b>“PAH”</b>	Power Assets Holdings Limited, a company incorporated in Hong Kong with limited liability on 9 April 1976, whose shares are listed on the Main Board of the Stock Exchange (stock code: 00006)
<b>“PAH Board”</b>	the board of directors of PAH
<b>“PAH Circular”</b>	the circular issued by PAH to PAH Shareholders dated 16 December 2013 relating to the Spin-off
<b>“PAH Group”</b>	PAH and its subsidiaries, joint ventures and associates (excluding the Trust Group)
<b>“PAH Shareholder(s)”</b>	holder(s) of PAH Shares
<b>“PAH Shares”</b>	ordinary shares with a nominal value of HK\$1.00 each in the share capital of PAH
<b>“Permissible Emissions”</b>	<p>in relation to each Pollutant, means the aggregate of:</p> <ul style="list-style-type: none"><li>(a) the maximum amount of a Pollutant expressed in tonnes which any power plant owned and operated by HEC is permitted to emit as set out in the Specified Process Licence;</li><li>(b) adjustment made by the Hong Kong Government pursuant to the Air Pollution Control Ordinance; and</li><li>(c) emission allowances or emission credits obtained by HEC from third parties through emissions trading as contemplated in the Legislative Council Panel on Environmental Affairs paper dated 17 December 2007 (reference: CB(1) 418/07-08(07))</li></ul>
<b>“Permitted Return”</b>	the permitted return of HEC under the Scheme of Control for each year in respect of its Electricity Related operations, the details of which are set out in <i>“Scheme of Control and Regulatory Overview — Scheme of Control”</i>
<b>“Pollutant(s)”</b>	sulphur dioxide, nitrogen oxides and respirable suspended particulates (as the case may be)
<b>“PRC” or “China”</b>	the People’s Republic of China, but for the purposes of this prospectus only, except where the context requires, references in this prospectus to PRC or China exclude Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
<b>“Preference Shareholder”</b>	a person registered at the relevant time in the Principal Register of Members or the Hong Kong Register of Members as the holder of a Preference Share

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<b>“Preference Shares”</b>	preference shares with a nominal value of HK\$0.0005 each in the share capital of the Company conferring the rights set out in the Company’s Articles
<b>“Preferential Offering”</b>	the preferential offering to the Qualifying PAH Shareholders of 533,565,500 Share Stapled Units (representing approximately 12.1% of the Share Stapled Units initially being offered under the Global Offering) as an Assured Entitlement out of the Share Stapled Units being offered under the International Offering at the Offer Price, on and subject to the terms and conditions set out in this prospectus and in the <b>BLUE</b> Application Form, as further described in “ <i>Structure of the Global Offering — The Preferential Offering</i> ”
<b>“Price Determination Date”</b>	the date, expected to be on or about 22 January 2014, on which the Offer Price will be determined and, in any event, not later than 28 January 2014
<b>“Principal Register of Members”</b>	the principal register of members of the Company maintained in the Cayman Islands
<b>“Promissory Note”</b>	the promissory note to be issued by Treasure Business to PAH on the Completion Date for the settlement of part of the consideration for the Acquisition
<b>“QIB”</b>	a qualified institutional buyer within the meaning of Rule 144A
<b>“Qualifying PAH Shareholders”</b>	PAH Shareholders, other than Non-Qualifying PAH Shareholders, whose names appeared in the register of members of PAH on the Record Date
<b>“Quickview”</b>	Quickview Limited, a company incorporated in the BVI with limited liability on 5 September 2013 and a wholly-owned subsidiary of PAH
<b>“Rate Reduction Rebate”</b>	the rebates from the balance of the Rate Reduction Reserve which are applied to the tariffs so as to effect tariff reductions or to minimise tariff increases
<b>“Rate Reduction Reserve”</b>	the account established under the Scheme of Control which relates to the payment in each year of a charge equal to the average one month HIBOR per annum multiplied by the average of the opening and closing balances of the Tariff Stabilisation Fund for that year
<b>“Record Date”</b>	Friday, 10 January 2014, being the record date for determining the Assured Entitlement of the Qualifying PAH Shareholders to the Reserved Share Stapled Units

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<b>“Register of Beneficial Interests”</b>	the register of beneficial interests in the Ordinary Shares which are registered in the Principal Register of Members in the name of the Trustee-Manager (in its capacity as trustee-manager of HK Electric Investments), required to be established and maintained by the Trustee-Manager under the Trust Deed, or by a Registrar appointed by the Trustee-Manager
<b>“Register of Members”</b>	the Principal Register of Members, the Hong Kong Register of Members and any other branch register of members of the Company
<b>“Registered Holders of Share Stapled Units”</b>	persons registered at the relevant time in the Share Stapled Units Register as holders of Share Stapled Units, including persons so registered as Joint Holders of Share Stapled Units; and the expression <b>“Registered Holder of a Share Stapled Unit”</b> and similar expressions shall be construed accordingly. For the avoidance of doubt, references to <b>“Registered Holders of Share Stapled Units”</b> and <b>“Joint Registered Holders of Share Stapled Units”</b> shall not include CCASS Participants
<b>“Registered Holders of Units”</b>	persons registered at the relevant time in the Units Register as holders of Units, including persons so registered as Joint Registered Holders of Units; and the expression <b>“Registered Holder of a Unit”</b> and similar expressions shall be construed accordingly
<b>“Registrar”</b>	such person as may from time to time be appointed by the Trustee-Manager and/or the Company to, among other things, keep and maintain the Share Stapled Units Register, the Units Register, the Register of Beneficial Interests, the Principal Register of Members and the Hong Kong Register of Members
<b>“Regulation S”</b>	Regulation S under the U.S. Securities Act
<b>“Relevant Persons”</b>	the Joint Global Coordinators, the Joint Bookrunners, the Joint Sponsors, the Underwriters, any of their or the Trustee-Manager’s or the Company’s respective directors, officers or representatives or any other person involved in the Global Offering
<b>“Renewable Energy Incentive”</b>	the amount of incentive under the Scheme of Control, which is determined by a percentage of the total value of the Average Net Fixed Assets for the full calendar year. The amount of the percentage is dependent on the level of the Renewable Energy Performance. The Renewable Energy Incentive shall be zero for any year which is not a full calendar year



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<b>“Renewable Energy Performance”</b>	the proportion of the volume of electricity generated (in kWh) by HEC’s Renewable Energy Systems, which were approved by the Hong Kong Government, to the total volume of electricity generated (in kWh) by HEC for the full calendar year, and expressed as a percentage
<b>“Renewable Energy System(s)”</b>	an electricity generation system employing solar, wind, biomass, hydro, tidal, wave, geothermal, energy from waste (including landfill gas or sewage gas) or such other energy sources that are secure and inexhaustible (in the sense that there is no problem in the reserve being depleted) as may be mutually agreed by HEC and the Hong Kong Government
<b>“Renewables Net Fixed Assets”</b>	the Net Fixed Assets in so far as they are attributable to HEC’s renewable energy infrastructure investments within Hong Kong, including the Renewable Energy Systems and dedicated transmission and distribution assets that are used for connecting such Renewable Energy Systems to the main electricity grid
<b>“Reorganisation”</b>	the reorganisation of the Group (including the Acquisition) in preparation for the Listing, details of which are set out in <i>“History and Reorganisation — The Reorganisation”</i>
<b>“Reserved Share Stapled Units”</b>	the 533,565,500 Share Stapled Units being jointly offered by HK Electric Investments and the Company to Qualifying PAH Shareholders pursuant to the Preferential Offering as an Assured Entitlement, which are to be allocated out of the Share Stapled Units being offered under the International Offering
<b>“Rule 144A”</b>	Rule 144A under the U.S. Securities Act
<b>“Sale and Purchase Agreement”</b>	the conditional sale and purchase agreement dated 14 January 2014 entered into among PAH, Treasure Business, the Company and the Trustee-Manager in relation to the Acquisition
<b>“Scheme of Control”</b>	the scheme of control agreement entered into among HEC, PAH and the Hong Kong Government which regulates the generation, transmission, distribution and supply of electricity by us in Hong Kong, details of which are set out in <i>“Scheme of Control and Regulatory Overview — Scheme of Control”</i> and a current copy of which can be obtained from the website of the Environment Bureau of the Hong Kong Government at <a href="http://www.enb.gov.hk">www.enb.gov.hk</a> and the website of HEC at <a href="http://www.hkelectric.com">www.hkelectric.com</a>
<b>“SFC”</b>	the Securities and Futures Commission of Hong Kong

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<b>“SFO”</b>	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time
<b>“SGID”</b>	State Grid International Development Limited, a wholly-owned subsidiary of the State Grid Corporation of China
<b>“SGID Agreement”</b>	the cornerstone investment agreement dated 6 January 2014 pursuant to which SGID agreed to subscribe for the number of Share Stapled Units representing 18.0% of the Share Stapled Units in issue immediately following the completion of the Reorganisation and the Global Offering at the Offer Price, as further described in <i>“Cornerstone Investors”</i>
<b>“Share Stapled Units”</b>	<p>the combination of the following securities or interests in securities which, subject to the provisions in the Trust Deed, can only be dealt with together and may not be dealt with individually or one without the others:</p> <ul style="list-style-type: none"><li>(a) a Unit;</li><li>(b) the beneficial interest in a specifically identified Ordinary Share Linked to the Unit and held by the Trustee-Manager as legal owner (in its capacity as trustee-manager of HK Electric Investments); and</li><li>(c) a specifically identified Preference Share Stapled to the Unit</li></ul>
<b>“Share Stapled Units Borrowing Agreement”</b>	the Share Stapled Units borrowing agreement expected to be entered into on or about the Price Determination Date between the Stabilising Manager (or its affiliate) and Quickview
<b>“Share Stapled Units Register”</b>	the register of Registered Holders of Share Stapled Units
<b>“Share Stapled Units Registrar”</b>	Computershare Hong Kong Investor Services Limited
<b>“Shareholders”</b>	the persons registered at the relevant time in the Principal Register of Members or the Hong Kong Register of Members as the holders of an Ordinary Share and/or a Preference Share
<b>“Shares”</b>	the Ordinary Shares and the Preference Shares and a <b>“Share”</b> means any of them
<b>“Specified Process Licence”</b>	the specified process licence issued under the Air Pollution Control Ordinance in respect of a power plant owned and operated by HEC
<b>“Specified Territories”</b>	Australia, Germany, Indonesia, Ireland, Malaysia, Malta, the Netherlands, New Zealand, Pakistan, Panama, Portugal, Singapore, Thailand, the United Kingdom and the United States

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## DEFINITIONS

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<b>“Spin-off”</b>	the spin-off of the Electricity Business by PAH and the separate listing of the Share Stapled Units on the Main Board of the Stock Exchange
<b>“Stabilising Manager”</b>	Goldman Sachs (Asia) L.L.C.
<b>“Stapled”</b>	the means by which each Unit is attached to a specifically identified Preference Share so that one may not be dealt with without the other, in accordance with the Trust Deed, and <b>“Stapling”</b> shall be construed accordingly
<b>“Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited
<b>“Substantial Holder of Share Stapled Units”</b>	a holder of 10% or more of the issued Share Stapled Units
<b>“Support Services Agreement”</b>	the support services agreement entered into between PAH and the Company dated 14 January 2014, the details of which are set out in <i>“Connected Transactions — Exempt Continuing Connected transactions”</i>
<b>“Sure Grade”</b>	Sure Grade Limited, a company incorporated in the BVI with limited liability on 2 August 2013 and a wholly-owned subsidiary of PAH
<b>“Takeovers Code”</b>	the Hong Kong Code on Takeovers and Mergers
<b>“Tariff Stabilisation Adjustments”</b>	for the purposes of calculating amounts to be transferred to or from the Tariff Stabilisation Fund, means the aggregate of the total operating costs, Permitted Return (after taking into account deduction of certain interest on borrowed capital for the financing of Fixed Assets and certain other deductions and adjustments) and Scheme of Control taxation charges pursuant to the Scheme of Control
<b>“Tariff Stabilisation Fund”</b>	the fund established pursuant to the Scheme of Control to accumulate and provide funds to ameliorate tariff adjustments
<b>“Total Permissible Emissions”</b>	in relation to a Pollutant, means the aggregate of all Permissible Emissions for that Pollutant for all power plants owned and operated by HEC
<b>“Track Record Period”</b>	the three years ended 31 December 2012 and the nine months ended 30 September 2013
<b>“Treasure Business”</b>	Treasure Business Limited, a company incorporated in the BVI with limited liability on 10 July 2013 and a wholly-owned subsidiary of Century Rank

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## DEFINITIONS

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<b>“Trust Deed”</b>	the trust deed dated 1 January 2014 constituting HK Electric Investments, entered into between the Trustee-Manager and the Company
<b>“Trust Distributable Income”</b>	has the meaning ascribed to it in <i>“Distributions — Distribution Policy”</i>
<b>“Trust Group”</b>	HK Electric Investments and the Group
<b>“Trust Property”</b>	<p>all property and rights of any kind whatsoever which are held on trust for the Registered Holders of Units, in accordance with the terms of the Trust Deed, including:</p> <ul style="list-style-type: none"><li>(a) securities and other rights and interests in the Company acquired by HK Electric Investments;</li><li>(b) contributions of money to HK Electric Investments and subscription monies for the issuance of Units;</li><li>(c) the rights in respect of any contract, agreement or arrangement relating to the Authorised Business entered into by and on behalf of the Trustee-Manager (in its capacity as trustee-manager of HK Electric Investments); and</li><li>(d) profits, interest, income and property derived from the securities, money and other rights and interests referred to in paragraphs (a) to (c) above</li></ul>
<b>“Trustee-Manager”</b>	HK Electric Investments Manager Limited (港燈電力投資管理人有限公司), a company incorporated in Hong Kong with limited liability on 25 September 2013 and an indirect wholly-owned subsidiary of PAH, in its capacity as trustee-manager of HK Electric Investments
<b>“Trustee-Manager’s Articles”</b>	the articles of association of the Trustee-Manager, as amended from time to time
<b>“Trustee-Manager Audit Committee”</b>	the audit committee of the Trustee-Manager
<b>“Trustee-Manager Board”</b>	the board of directors of the Trustee-Manager
<b>“Trustee-Manager Director”</b>	a director of the Trustee-Manager
<b>“Trustee Ordinance”</b>	the Trustee Ordinance (Chapter 29 of the Laws of Hong Kong), as amended or supplemented from time to time
<b>“Underwriters”</b>	the Hong Kong Underwriters and the International Underwriters

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<b>“Underwriting Agreements”</b>	the Hong Kong Underwriting Agreement and the International Underwriting Agreement
<b>“Unit”</b>	an undivided interest in HK Electric Investments, which confers the rights stated in the Trust Deed as being conferred by a Unit (whether in its own right or as a component of a Share Stapled Unit)
<b>“Unitholders”</b>	(a) persons registered in the Units Register as holders of Units and includes, for the avoidance of doubt, persons holding Units as components of Share Stapled Units and registered in the Share Stapled Units Register as holders of the Share Stapled Units which include the Units; and  (b) where the registered holder of Units is HKSCC Nominees, shall also include, where the context so admits, the CCASS Participants whose CCASS Accounts are deposited with the Units registered in the name of HKSCC Nominees. For the avoidance of doubt, references to <b>“Registered Holders of Units”</b> and <b>“Joint Registered Holders of Units”</b> shall not include CCASS Participants
<b>“Units Register”</b>	the register of Registered Holders of Units required to be established and maintained by the Trustee-Manager under the Trust Deed, or by a registrar appointed by the Trustee-Manager
<b>“U.S.” or “United States”</b>	the United States of America, its territories and possessions, any state of the United States and the District of Columbia
<b>“U.S. Securities Act”</b>	the United States Securities Act of 1933, as amended
<b>“US\$” or “United States dollars”</b>	United States dollars, the lawful currency of the United States
<b>“White Form eIPO”</b>	the application for Hong Kong Offer Share Stapled Units to be issued in the applicant’s own name by submitting applications online through the designated website of White Form eIPO at <a href="http://www.eipo.com.hk">www.eipo.com.hk</a>
<b>“White Form eIPO Service Provider”</b>	Computershare Hong Kong Investor Services Limited

In this prospectus, unless the context otherwise requires, the terms **“associate”**, **“connected person”**, **“connected transaction”**, **“controlling shareholder”**, **“subsidiary”** and **“substantial shareholder”** shall have the meanings given to such terms in the Listing Rules, as modified by the listing agreement entered into between the Trustee-Manager (in its capacity as trustee-manager of HK Electric Investments), the Company and the Stock Exchange. Pursuant to such listing agreement, the Listing Rules are modified to provide, among other things, that the definition of **“connected person”** is extended to include the Trustee-Manager, its directors and controlling shareholder, and any of their associates.

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Certain amounts and percentage figures included in this prospectus have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them.

Unless otherwise specified, all references to any holdings of Share Stapled Units following the completion of the Reorganisation and the Global Offering assume that the Over-allotment Option is not exercised.