
WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES AND EXEMPTION FROM THE COMPANIES ORDINANCE

In preparation of the Global Offering, the Trustee-Manager and the Company have sought the following waivers and exemption from strict compliance with the relevant provisions of the Listing Rules and of the Companies Ordinance:

1. Waiver in Relation to Non-Exempt Continuing Connected Transactions

Certain members of the Group have entered into certain transactions which will constitute continuing connected transactions of HK Electric Investments and the Company under the Listing Rules following the completion of the Global Offering. The Trustee-Manager and the Company have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with the announcement and/or independent shareholders' approval requirements in respect of such continuing connected transactions under Chapter 14A of the Listing Rules. For further details of such continuing connected transactions and the waiver, see "*Connected Transactions*".

2. Permission for Allocation of Share Stapled Units to Directors

The Qualifying PAH Shareholders who are entitled to participate in the Preferential Offering include certain of the Directors and/or their associates. In the absence of a written consent from the Stock Exchange, participation by the Directors and/or their associates who are Qualifying PAH Shareholders in the Preferential Offering would be prohibited by paragraph 5(2) of Appendix 6 to the Listing Rules which restricts share allocations to directors of the listing applicant or their associates, whether in their own names or through nominees, unless the conditions set out in Rule 10.03 of the Listing Rules are fulfilled.

Rule 10.03 of the Listing Rules provides that directors of the listing applicant and their associates may only subscribe for or purchase securities for which listing is sought which are being marketed by or on behalf of a new applicant if no securities are offered to them on a preferential basis and no preferential treatment is given to them in the allocation of the securities. The Reserved Share Stapled Units offered to the Directors (and/or their associates) who are Qualifying PAH Shareholders are to be offered on a preferential basis pursuant to the Preferential Offering and therefore the condition set out in Rule 10.03(1) is not fulfilled. However, the Directors (and/or their associates) who are eligible to participate in the Preferential Offering will be participating in their capacity as Qualifying PAH Shareholders (rather than in their capacity as Directors or the associates of Directors), on the same terms as all other Qualifying PAH Shareholders, and not on a basis of preferential treatment given to them in their capacity as Directors (or associates of Directors).

In view of the above, the Trustee-Manager and the Company have sought the Stock Exchange's consent for, and the Stock Exchange has consented to, the inclusion of the Directors and/or their associates in the Preferential Offering notwithstanding the requirements under paragraph 5(2) of Appendix 6 to the Listing Rules and the requirements under Rule 10.03 of the Listing Rules, subject to the conditions that (a) no preferential treatment will be given to the Directors (and/or their associates) who are Qualifying PAH Shareholders in the allocation of the Reserved Share Stapled Units under the Preferential Offering and (b) the minimum public float requirement will be complied with.

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3. Waiver in Relation to the Clawback Mechanism

The Trustee-Manager and the Company have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with paragraph 4.2 of Practice Note 18 of the Listing Rules such that, in the event of over-applications in the Hong Kong Public Offering, the Joint Global Coordinators will apply a clawback mechanism following the closing of the application lists as further described in *"Structure of the Global Offering — The Hong Kong Public Offering — Reallocation"*.

4. Waiver in Relation to Public Offering Without Listing in Japan

As part of the International Offering, the Trustee-Manager and the Company are conducting a public offering without listing in Japan (the "POWL"). In this connection, the Trustee-Manager and the Company have applied to the Stock Exchange for, and the Stock Exchange has granted, waivers in relation to the requirement under Rule 9.11(35)(b) of and Paragraph 11 of Appendix 6 to the Listing Rules for each placing broker to provide a list setting out the names, addresses and identity card or passport numbers of placees and beneficial owners in the POWL and the amount of shares taken up by each of the placees in the POWL. The waiver was granted subject to the following:

- (i) each POWL syndicate member will submit to the Stock Exchange a list setting out details of all institutional placees and the number of Share Stapled Units taken by each of them as required under Rule 9.11(35)(b) of and Paragraph 11 of Appendix 6 to the Listing Rules;
- (ii) the POWL will be conducted in accordance with the laws and regulations of a public offering in Japan to ensure the independence of the investors;
- (iii) the Company, the Trustee-Manager, the International Underwriters and the POWL syndicate members will use all reasonable efforts to comply with the requirements under the Listing Rules in good faith; and
- (iv) the POWL syndicate members will confirm in writing to the Stock Exchange the independence of the POWL placees.

5. Waiver in Relation to Rule 4.04(1) of the Listing Rules

Rule 4.04(1) of the Listing Rules requires that the accountants' report that is included in the prospectus must include the consolidated results of the company and its subsidiaries in respect of each of the three financial years immediately preceding the issue of the prospectus.

The Accountants' Report containing the audited consolidated results of the Operating Group for each of the three financial years ended 31 December 2010, 2011 and 2012 and the nine months ended 30 September 2013 is set out in *"Appendix I — Accountants' Report"*. However, strict compliance with Rule 4.04(1) of the Listing Rules would be unduly burdensome for the Trustee-Manager and the Company as there would not be sufficient time for the Trustee-Manager, the Company and the reporting accountants to finalise the audited financial statements of the Operating Group for the financial year ended 31 December 2013 for inclusion in this prospectus.

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The Trustee-Manager and the Company have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 4.04(1) of the Listing Rules in relation to the inclusion in this prospectus of the consolidated results of the Operating Group for the full financial year ended 31 December 2013 on the conditions that (a) the Listing will occur by 31 March 2014; (b) a certificate of exemption from the SFC from similar requirements under paragraphs 27 and 31 of the Third Schedule to the Companies Ordinance is obtained by the Company (see “— *Exemption from Paragraphs 27 and 31 of the Third Schedule to the Companies Ordinance*” below); (c) a profit estimate for the financial year ended 31 December 2013 which complies with Rules 11.17 to 11.19 of the Listing Rules will be included in this prospectus (see “*2013 Profit Estimate and 2014 Profit Forecast*”); and (d) a statement from the Directors that there is no material adverse change to the financial and trading positions or prospect of the Trust Group with specific reference to the trading results from 30 September 2013 to 31 December 2013 will be included in this prospectus (see “*Financial Information — No Material Adverse Change*”).

6. Exemption from Paragraphs 27 and 31 of the Third Schedule to the Companies Ordinance

Paragraphs 27 and 31 of the Third Schedule to the Companies Ordinance require, among other things, that a prospectus includes (i) a statement as to the gross trading income or sales turnover (as may be appropriate) and (ii) a report by the auditors of the company with respect to profits and losses and assets and liabilities of the company, for each of the three financial years immediately preceding the issue of the prospectus.

The Accountants’ Report containing the audited consolidated results of the Operating Group for each of the three financial years ended 31 December 2010, 2011 and 2012 and the nine months ended 30 September 2013 is set out in “*Appendix I — Accountants’ Report*”. However, strict compliance with paragraphs 27 and 31 of the Third Schedule to the Companies Ordinance would be unduly burdensome for the Trustee-Manager and the Company as there would not be sufficient time for the Trustee-Manager, the Company and the reporting accountants to finalise the audited financial statements of the Operating Group for the financial year ended 31 December 2013 for inclusion in this prospectus.

The Trustee-Manager and the Company have applied to the SFC for an exemption, and the SFC has issued a certificate for such exemption under section 342A of the Companies Ordinance, from strict compliance with the requirements of paragraphs 27 and 31 of the Third Schedule to the Companies Ordinance in relation to the inclusion in this prospectus of the financial information of the Operating Group for the full financial year ended 31 December 2013, on the condition that particulars of the exemption are set out in this prospectus and that this prospectus will be issued on or before 16 January 2014. The Directors consider that all information that is reasonably necessary for the potential investors to make an informed assessment of the activities or financial position of the Trust Group has been included in this prospectus and that the exemption from strict compliance as mentioned above would not prejudice the interests of the investing public.