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**CHEUNG KONG INFRASTRUCTURE
HOLDINGS LIMITED**

(Incorporated in Bermuda with limited liability)
(Stock Code: 1038)

**DISCLOSEABLE TRANSACTION
SHAREHOLDER'S LOAN TO BE
PROVIDED TO AN ASSOCIATE**



**HONGKONG ELECTRIC
HOLDINGS LIMITED**

(Incorporated in Hong Kong with limited liability)
(Stock Code: 0006)

**CONNECTED TRANSACTION
SHAREHOLDER'S LOAN TO BE
PROVIDED TO AN ASSOCIATE**

On 27th November, 2008, HEIT, an indirect wholly-owned subsidiary of HEH, entered into the HEH Shareholder's Loan Agreement with Stanley Power, an associate owned as to 50% and 50% by HEH and CKI through their respective intermediate holding companies. Pursuant to the HEH Shareholder's Loan Agreement, HEIT will extend the HEH Shareholder's Loan of up to CAD\$213,333,333 (equivalent to approximately HK\$1,344,298,665) to Stanley Power on or before 31st December, 2008.

On the same day, NAP, an indirect wholly-owned subsidiary of CKI, entered into the CKI Shareholder's Loan Agreement with Stanley Power pursuant to which NAP will extend the CKI Shareholder's Loan of up to CAD\$213,333,333 (equivalent to approximately HK\$1,344,298,665) to Stanley Power on or before 31st December, 2008.

It is intended that whenever a drawdown is made under the HEH Shareholder's Loan Agreement and the CKI Shareholder's Loan Agreement, HEIT and NAP will inject further equity capital to Stanley Power by subscription of further shares in proportion to their respective shareholdings in Stanley Power. It is expected that the amount of each of the capital injections will be equivalent to approximately half of the amount of each loan drawdown. The respective percentages of shareholding of HEIT and NAP in Stanley Power will remain unchanged after such capital injections.

The HEH Shareholder's Loan constitutes a connected transaction of HEH under the Listing Rules. As each of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the HEH Shareholder's Loan is more than 0.1% but less than 2.5%, the HEH Shareholder's Loan is subject to the reporting and announcement requirements and is exempted from independent shareholders' approval requirement under Rule 14A.66(2)(a)(i) of the Listing Rules.

As one or more of the relevant percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the CKI Shareholder's Loan exceeds 5% but is less than 25%, the CKI Shareholder's Loan constitutes a discloseable transaction of CKI under the Listing Rules. Accordingly, the CKI Shareholder's Loan is subject to the disclosure requirements under Chapter 14 of the Listing Rules.

A circular containing further information on the CKI Shareholder's Loan and other relevant information will be despatched to the shareholders of CKI for their information as soon as possible.

THE HEH SHAREHOLDER'S LOAN

On 27th November, 2008, HEIT, an indirect wholly-owned subsidiary of HEH, entered into the HEH Shareholder's Loan Agreement with Stanley Power, an associate owned as to 50% and 50% by HEH and CKI through their respective intermediate holding companies.

Pursuant to the HEH Shareholder's Loan Agreement, HEIT will extend the HEH Shareholder's Loan of up to CAD\$213,333,333 (equivalent to approximately HK\$1,344,298,665) to Stanley Power on or before 31st December, 2008.

The principal terms of the HEH Shareholder's Loan are summarized as follows:-

Parties:	HEIT as lender; and Stanley Power as borrower
Date:	27th November, 2008
Maximum amount of the loan facility:	CAD\$213,333,333 (equivalent to approximately HK\$1,344,298,665)
Interest rate:	11% per annum
Term:	One or more requests for drawdown of advances may be made under the HEH Shareholder's Loan Agreement for advances to be made on or before 31st December, 2008
Maturity Date:	30th November, 2013

THE CKI SHAREHOLDER'S LOAN

On the same day, NAP, an indirect wholly-owned subsidiary of CKI, entered into the CKI Shareholder's Loan Agreement with Stanley Power pursuant to which NAP will extend the CKI Shareholder's Loan of up to CAD\$213,333,333 (equivalent to approximately HK\$1,344,298,665) to Stanley Power on or before 31st December, 2008.

The principal terms of the CKI Shareholder's Loan are summarized as follows:-

Parties:	NAP as lender; and Stanley Power as borrower (To the best of the knowledge, information and belief of the directors of CKI, having made all reasonable enquiries, Stanley Power is not a connected person of CKI)
Date:	27th November, 2008
Maximum amount of the loan facility:	CAD\$213,333,333 (equivalent to approximately HK\$1,344,298,665)
Interest rate:	11% per annum

Term: One or more requests for drawdown of advances may be made under the CKI Shareholder's Loan Agreement for advances to be made on or before 31st December, 2008

Maturity Date: 30th November, 2013

THE CAPITAL INJECTIONS

It is intended that whenever a drawdown is made under the HEH Shareholder's Loan Agreement, a drawdown of the same amount will be made under the CKI Shareholder's Loan Agreement, and at the same time, HEIT and NAP will inject further equity capital by subscription of further shares of Stanley Power in proportion to their respective shareholdings in Stanley Power. It is expected that the amount of each of the capital injections will be equivalent to approximately half of the amount of each loan drawdown. The respective percentages of the shareholding of HEIT and NAP in Stanley Power will remain unchanged after such capital injections.

The first drawdown to be made under each of the HEH Shareholder's Loan Agreement and CKI Shareholder's Loan Agreement is expected to be CAD\$105,000,000 (equivalent to approximately HK\$661,647,000) and accordingly the corresponding capital injection by way of subscription amounts to CAD\$52,500,000 (equivalent to approximately HK\$330,823,500) for each of HEIT and NAP.

IMPLICATIONS UNDER THE LISTING RULES FOR HEH

CKI, which indirectly owns approximately 38.87% of the issued share capital of HEH, is a substantial shareholder and hence a connected person of HEH. As CKI indirectly owns more than 30% equity interest in Stanley Power, Stanley Power is an associate (as defined under the Listing Rules) of CKI. Accordingly, Stanley Power is a connected person of HEH within the meaning of the Listing Rules. Pursuant to Rule 14A.13(2)(a)(i) of the Listing Rules, the HEH Shareholder's Loan constitutes a connected transaction of HEH.

The directors of HEH (including the independent non-executive directors) are of the view that the terms of the HEH Shareholder's Loan are on normal commercial terms.

As each of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the HEH Shareholder's Loan is more than 0.1% but less than 2.5%, the HEH Shareholder's Loan is subject to the reporting and announcement requirements and is exempted from independent shareholders' approval requirement under Rule 14A.66(2)(a)(i) of the Listing Rules.

To the best of the knowledge, information and belief of the directors of HEH, having made all reasonable enquiries, there is no prior transaction between HEH and Stanley Power which requires aggregation for the purpose of determining the size tests pursuant to Rules 14A.25 and 14A.26 of the Listing Rules.

Details of the HEH Shareholder's Loan will be included in the annual report and accounts of HEH in accordance with Rule 14A.45 of the Listing Rules.

IMPLICATIONS UNDER THE LISTING RULES FOR CKI

As one or more of the relevant percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the CKI Shareholder's Loan exceeds 5% but is less than 25%, the CKI Shareholder's Loan constitutes a discloseable transaction of CKI under the Listing Rules. Accordingly, the CKI Shareholder's Loan is subject to the disclosure requirements under Chapter 14 of the Listing Rules.

To the best of the knowledge, information and belief of the directors of CKI, having made all reasonable enquiries, there is no prior transaction between CKI and Stanley Power which requires aggregation for the purpose of determining the size tests pursuant to Rules 14.22 and 14.23 of the Listing Rules.

A circular containing further information on the CKI Shareholder's Loan and other relevant information will be despatched to the shareholders of CKI for their information as soon as possible.

REASONS FOR AND BENEFITS OF THE PROVISION OF SHAREHOLDER'S LOANS

The respective board of directors of HEH and CKI considers that the HEH Shareholder's Loan and CKI Shareholder's Loan would be necessary to meet the financing requirement of Stanley Power.

The respective board of directors of HEH and CKI expects that the exact amount that would be extended to Stanley Power under the HEH Shareholder's Loan Agreement and the CKI Shareholder's Loan Agreement will be determined around early December 2008 when the on-going negotiations between Stanley Power and various banks in respect of external banking facilities are finalized.

Since the HEH Shareholder's Loan is to be provided on a pro-rata basis according to HEH's equity interest in Stanley Power and is on the same terms with the CKI Shareholder's Loan, the directors of HEH (including the independent non-executive directors) are of the view that the terms of the HEH Shareholder's Loan are fair and reasonable and are in the interest of the shareholders of HEH as a whole.

Since the CKI Shareholder's Loan is to be provided on a pro-rata basis according to CKI's equity interest in Stanley Power and is on the same terms with the HEH Shareholder's Loan, the directors of CKI (including the independent non-executive directors) are of the view that the terms of the CKI Shareholder's Loan are fair and reasonable and are in the interest of the shareholders of CKI as a whole.

GENERAL INFORMATION

The principal business of the HEH Group is the generation of electricity and its transmission and distribution to Hong Kong Island and Lamma Island. HEH is also a joint partner with CKI in several power-related businesses in Australia, New Zealand and Canada and a gas distribution network business in the United Kingdom.

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

Stanley Power is a limited liability company incorporated in British Columbia, Canada. It is an investment holding company holding 49.99% equity interest in TransAlta Cogeneration.

TransAlta Cogeneration owns interests in five gas-fired cogeneration facilities in Alberta, Ontario and Saskatchewan and in a coal-fired, mine-mouth generation facilities in Alberta.

DEFINITIONS

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

"CAD\$" data-bbox="85 167 158 182">	Canadian dollars, the lawful currency of Canada
"CKI" data-bbox="85 198 138 213">	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 Group" data-bbox="85 273 198 288">	CKI and its subsidiaries
"CKI Shareholder's Loan" data-bbox="85 304 301 319">	a shareholder's loan of up to CAD\$213,333,333 (equivalent to approximately HK\$1,344,298,665) to be extended by NAP to Stanley Power on or before 31st December, 2008 pursuant to the CKI Shareholder's Loan Agreement
"CKI Shareholder's Loan Agreement" data-bbox="85 393 396 408">	a shareholder's loan agreement dated 27th November, 2008 entered into between NAP and Stanley Power
"connected person" data-bbox="85 451 246 466">	has the meaning ascribed to it under the Listing Rules
"HEH" data-bbox="85 496 144 511">	Hongkong Electric Holdings Limited, a company incorporated under the laws of Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 0006)
"HEH Group" data-bbox="85 585 201 600">	HEH and its subsidiaries
"HEH Shareholder's Loan" data-bbox="85 616 308 631">	a shareholder's loan of up to CAD\$213,333,333 (equivalent to approximately HK\$1,344,298,665) to be extended by HEIT to Stanley Power on or before 31st December, 2008 pursuant to the HEH Shareholder's Loan Agreement
"HEH Shareholder's Loan Agreement" data-bbox="85 705 401 720">	a shareholder's loan agreement dated 27th November, 2008 entered into between HEIT and Stanley Power
"HEIT" data-bbox="85 763 148 778">	HEI Tap Limited, a company incorporated under the laws of Belgium with limited liability
"HK\$" data-bbox="85 808 144 823">	Hong Kong dollars, the lawful currency of Hong Kong

"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"NAP"	North America Power Inc., a company incorporated under the laws of Belgium
"Stanley Power"	Stanley Power Inc., a company incorporated in British Columbia, Canada with limited liability
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"TransAlta Cogeneration"	TransAlta Cogeneration, L.P., a limited partnership established pursuant to the laws of the Province of Ontario, Canada

Note: The figures in CAD\$ are converted into HK\$ at the rate of CAD\$1 : HK\$6.3014 throughout this announcement for indication purposes only.

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

By Order of the Board
**HONGKONG ELECTRIC
HOLDINGS LIMITED**
Lillian Wong
Company Secretary

Hong Kong, 27th November, 2008

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