



[Press Release]

New Proposal for CKI and PAH Merger

(7 October, 2015 – Hong Kong) – Cheung Kong Infrastructure Holdings Limited (“CKI”) and Power Assets Holdings Limited (“PAH”) jointly announced today a new proposal for the merger.

After taking into account feedback received from a number of shareholders and after internal discussions and thorough consideration, the following is the new proposal:

1. New Proposed Exchange Ratio

The new proposed share exchange ratio is to be 1.066 CKI shares for each PAH shares subject to the merger proposal. This is based on the average closing prices of the CKI shares and the PAH shares on the Stock Exchange, for the period of 30 trading days up to (and including) 4 September 2015.

2. New Proposed Amount of CKI Special Dividend

The amount of the CKI Special Dividend to be declared by the CKI Board, on a conditional basis, to all CKI shareholders (including holders of CKI shares issued pursuant to the merger proposal) is proposed to be HK\$7.50 in cash for each CKI share held.

The payment of the CKI Special Dividend will remain conditional upon the satisfaction of both of the following conditions:

- a) the passing of an ordinary resolution by the PAH Shareholders at the PAH General Meeting to agree to the payment by CKI of the CKI Special Dividend;
and
- b) the merger having become effective.

Notwithstanding the proposed conditional special dividend of HK\$7.50, the merged company is expected to retain its current credit rating, subject to the confirmation of the rating agency.

No other changes are being made to the terms and conditions of the Proposal as set out in the first joint announcement dated 8 September 2015, which should be referred to for details.

- Ends -