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香港中華煤氣有限公司

THE HONG KONG AND CHINA GAS COMPANY LIMITED

(Incorporated in Hong Kong under the Companies Ordinance with limited liability)

(Stock Code: 3)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of The Hong Kong and China Gas Company Limited (the “Company”) will be held at Meeting Room N101 (Expo Drive Entrance), Hong Kong Convention and Exhibition Centre, Wanchai, Hong Kong on Tuesday, 28th May 2019 at 12:00 noon for the following purposes:

1. To receive and consider the audited financial statements for the financial year ended 31st December 2018 and the reports of the Directors and Independent Auditor thereon.
2. To declare a final dividend.
3. To re-elect Directors.
4. To re-appoint PricewaterhouseCoopers as Auditor of the Company to hold office from the conclusion of this meeting until the conclusion of the next annual general meeting of the Company and to authorise the Directors of the Company to fix its remuneration.
5. As special business, to consider and, if thought fit, pass the following resolutions as ordinary resolutions:

Ordinary Resolutions

- (I) “**THAT** conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “Listing Committee”) granting listing of and permission to deal in the new shares of the Company to be issued pursuant to this Resolution, and upon the recommendation of the Directors of the Company, such number of shares of the Company (the “Bonus Share(s)”) which is equal to 10 per cent of the number of shares in the Company in issue on 5th June 2019 be allotted and issued without consideration to and among the shareholders of the Company whose names are on the register of members on 5th June 2019 on the basis of one Bonus Share for every ten shares in the Company held by such shareholders of the Company on such date and that the Bonus Shares to be allotted and issued pursuant to this Resolution shall rank *pari passu* in all respects with the existing issued shares in the Company except that they will not be entitled to participate in any dividend or distribution declared or recommended by the Company in respect of the financial year ended 31st December 2018 and that the Directors of the Company be and are hereby authorised to deal with any fractions arising from the distribution by the sale of the Bonus Shares representing such fractions and to retain the net proceeds for the benefit of the Company and further that the Directors of the Company be and are hereby authorised to do all acts and things as may be necessary and expedient in connection with the issue of the Bonus Shares.”

(II) **“THAT**

- (a) subject to paragraph (b) below, the exercise by the Directors of the Company during the Relevant Period of all the powers of the Company to buy back Shares on The Stock Exchange of Hong Kong Limited be and is hereby generally and unconditionally approved;
- (b) the total number of Shares which may be bought back pursuant to the approval in paragraph (a) above shall not exceed 10 per cent of the total number of Shares in issue as at the date of passing this Resolution (subject to adjustment in the case of subdivision and consolidation of Shares), and the said approval shall be limited accordingly; and
- (c) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or by law to be held; and
- (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

“Shares” means shares of all classes in the capital of the Company and warrants and other securities which carry a right to subscribe or buy back shares of the Company.”

(III) **“THAT**

- (a) subject to compliance with the prevailing requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and paragraph (b) below, the exercise by the Directors of the Company during the Relevant Period of all the powers of the Company to allot, issue and otherwise deal with additional Shares and to make, issue or grant offers, agreements, options and warrants which will or might require Shares to be allotted, issued or disposed of during or after the end of the Relevant Period be and is hereby generally and unconditionally approved;
- (b) the total number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue, or (ii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into Shares, shall not exceed, where the Shares are to be allotted wholly for cash, 10 per cent and in any event 20 per cent of the total number of Shares in issue as at the date of passing this Resolution (subject to adjustment in the case of subdivision and consolidation of Shares); and

- (c) for the purpose of this Resolution:

the expressions “Relevant Period” and “Shares” shall have the same meaning as assigned to them under Resolution 5(II) set out in the Notice of Annual General Meeting of which this Resolution forms part, with references to “this Resolution” in the definition of “Relevant Period” being construed as references to this Resolution 5(III); and

“Rights Issue” means the allotment, issue or grant of shares in the Company open for a period fixed by the Directors of the Company to holders of shares of the Company or any class thereof on the register of members on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

- (IV) “**THAT** conditional upon the passing of Resolutions 5(II) and 5(III) set out in the Notice of Annual General Meeting of which this Resolution forms part, the general mandate granted to the Directors of the Company pursuant to the said Resolution 5(III) for the time being in force to exercise the powers of the Company to allot, issue and otherwise deal with additional Shares and to make, issue or grant offers, agreements, options and warrants which will or might require Shares to be allotted, issued or disposed of during or after the end of the Relevant Period pursuant to the exercise of such powers be and is hereby extended by the addition to the total number of Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors of the Company pursuant to such general mandate an amount representing the total number of Shares bought back by the Company pursuant to the exercise by the Directors of the Company in accordance with the said Resolution 5(II) of the powers of the Company to buy back such Shares, provided that such amount shall not exceed 10 per cent of the total number of Shares in issue as at the date of passing this Resolution (subject to adjustment in the case of subdivision and consolidation of Shares).”

6. As special business, to consider and, if thought fit, pass the following resolution as a special resolution:

Special Resolution

“**THAT** the Articles of Association of the Company be amended in the following manner:

- (a) **Article 2**

by inserting the following definitions of “chairman” and “chairman of the Board” immediately after the definition of “Board”:

““chairman” means the chairman presiding at any meeting of Members or of the Board;

“chairman of the Board” means the chairman of the Board, or where more than one chairman of the Board have been appointed, the joint chairmen of the Board;”

(b) **Article 64**

by deleting the existing Article 64 in its entirety and replacing therewith the following new Article 64:

“64. The chairman of the Board (if any) or, if he is absent or declines to take the chair at such meeting, the deputy chairman of the Board (if any) shall preside as chairman at every general meeting. If there is no chairman of the Board or deputy chairman of the Board or if at any meeting neither the chairman of the Board nor any deputy chairman of the Board is present within fifteen minutes after the time appointed for holding the meeting, or if neither the chairman of the Board nor the deputy chairman of the Board is willing to act as chairman of such meeting, the directors present shall choose one of their number to act, or if one director only is present he shall preside as chairman of such meeting if willing to act. If no director is present, or if each of the directors present declines to take the chair, the persons present and entitled to vote shall appoint one of their number to be chairman of such meeting. For the avoidance of doubt, only one person shall take the chair of such meeting at any one time.”

Chairman
of general
meeting

(c) **Article 103**

by deleting the existing Article 103 in its entirety and replacing therewith the following new Article 103:

“103. Unless otherwise determined by ordinary resolution of the Company, each of the directors (including the chairman of the Board) shall be entitled to be paid by the Company such fee or fees for each year during any part of which he holds office as such, as may be proposed by the Board and determined by the Members at an annual general meeting of the Company, except that any director (including the chairman of the Board) holding office for less than the whole of any year shall be entitled to a part of the relevant such sum in proportion to the time during such year for which he holds office.”

Directors’
fees

(d) **Article 120**

by deleting the existing Article 120 in its entirety and replacing therewith the following new Article 120:

- “120. (A) The Board may appoint a director to be the chairman of the Board or the deputy chairman of the Board and may at any time remove him from that office. Unless he is unwilling to do so, the chairman of the Board or failing him the deputy chairman of the Board shall act as chairman at every meeting of the Board. But if no chairman of the Board or deputy chairman of the Board is present within five minutes after the time appointed for holding the meeting and willing to act, the directors present may choose one of their number to be chairman of the meeting. For the avoidance of doubt, only one person shall take the chair of such meeting at any one time. Chairman of the Board
- (B) Whenever there is for the time being more than one director being elected or appointed to be chairman of the Board, the directors so elected or appointed shall together be joint chairmen of the Board. Each individual director elected or appointed to be chairman of the Board shall be referred to as joint chairman of the Board and entitled to discharge separately all the functions of the position to which he is appointed, and references in these Articles to “the chairman of the Board” shall, unless the context requires otherwise, be to each of the directors for the time being elected or appointed to that position.
- (C) The directors who are for the time being joint chairmen of the Board may agree between themselves which of them will take chair at any meeting of the Board or any general meeting if more than one of them are present at the relevant meeting. If only one of the joint chairmen of the Board is present, he shall take the chair at that relevant meeting. If the joint chairmen present at the relevant meeting are unable to agree between themselves which of them shall take the chair at such meeting, all of them shall be deemed to have declined to take the chair.””

By Order of the Board
John Ho Hon-ming
Chief Financial Officer and Company Secretary

Hong Kong, 23rd April 2019

Notes:

1. The Directors of the Company wish to state that they have no immediate plans to buy back any existing shares in the Company or to issue any new shares or warrants in the Company (other than the issue of Bonus Shares).
2. Any member entitled to attend and vote at the meeting may appoint more than one proxy to attend and to speak, and on a poll, to vote on his/her behalf. A proxy need not be a member of the Company. The proxy form and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of attorney or authority, must be delivered with the Company's share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. In calculating the period mentioned for depositing the form of proxy, no account is to be taken of any part of a day that is a public holiday.
3. At the Annual General Meeting, the Chairman of the meeting will exercise his power under Article 70 of the Articles of Association of the Company to put each of the resolutions set out in the Notice of Annual General Meeting to the vote by way of poll.
4. For the purpose of determining entitlement of shareholders to the right to attend and vote at the Annual General Meeting (or any adjournment thereof), the register of members of the Company will be closed from Thursday, 23rd May 2019 to Tuesday, 28th May 2019, both days inclusive, during which period no share transfer will be effected. All transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration no later than 4:30 p.m. on Wednesday, 22nd May 2019 in order for the transferee to be entitled to attend and vote at the Annual General Meeting (or any adjournment thereof).
5. For the purpose of determining shareholders who qualify for the proposed issue of Bonus Shares and the final dividend, the register of members of the Company will be closed from Monday, 3rd June 2019 to Wednesday, 5th June 2019, both days inclusive, during which period no share transfer will be effected. All transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration no later than 4:30 p.m. on Friday, 31st May 2019 in order for the transferee to be entitled to the proposed issue of Bonus Shares and the final dividend.
6. If Resolution 2 above is approved, the final dividend will be payable on Thursday, 13th June 2019 to the shareholders of the Company entitled thereto. If Resolution 5(I) above is approved, the share certificates for the Bonus Shares will be despatched on the same day to the shareholders of the Company entitled thereto.

As at the date of this notice, the Board of the Company comprises:

Non-executive Directors: Dr. the Hon. Lee Shau-kee (Chairman), Dr. Colin Lam Ko-yin, Dr. Lee Ka-kit and Mr. Lee Ka-shing

Independent Non-executive Directors: Dr. the Hon. Sir David Li Kwok-po, Prof. Poon Chung-kwong and Dr. Moses Cheng Mo-chi

Executive Directors: Mr. Alfred Chan Wing-kin and Mr. Peter Wong Wai-yee

