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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)

RETIREMENT OF CHAIRMAN APPOINTMENT OF JOINT CHAIRMEN AND CHANGES OF MEMBERS OF BOARD COMMITTEES

Reference is made to the announcement of The Hong Kong and China Gas Company Limited (the “Company”) dated 20th March 2019. Dr. Lee Shau-kee has informed the Company that he has decided to step down from the position of Chairman of the Company due to his advanced age.

The board of directors (the “Board”) of the Company announces that the following will take effect from the conclusion of the annual general meeting of the Company to be held on 28th May 2019 (the “AGM”):

- 1) Dr. Lee Shau-kee will retire from the position of Chairman of the Company, Non-executive Director of the Company as well as the memberships of the Nomination Committee and the Remuneration Committee; and
- 2) subject to the passing of the special resolution to amend the Company’s Articles of Association (the “Special Resolution”) at the AGM, Dr. Lee Ka-kit and Mr. Lee Ka-shing, both Non-executive Directors of the Company, have been appointed as Joint Chairmen of the Company (respectively and individually called “Chairman of the Company”), joint chairmen of the Nomination Committee (respectively and individually called “chairman of the Nomination Committee”) and members of the Remuneration Committee.

The Company has been informed by Dr. Lee Shau-kee that companies controlled by Henderson Land Development Company Limited (“Henderson Land Development”) holding shares in the Company (“Shares”) will vote in favour of the Special Resolution at the AGM.

The biographical details of Dr. Lee Ka-kit and Mr. Lee Ka-shing are set out below:

Dr. Lee Ka-kit, G.B.S., J.P., D.B.A. (Hon.), aged 56, a Non-executive Director of the Company, was appointed to the Board in 1990. He was educated in the United Kingdom. He is a Vice Chairman of Henderson Land Development and Henderson Investment Limited. He is also a Non-executive Director of The Bank of East Asia, Limited and an Independent Non-executive Director of Xiaomi Corporation. All of the above companies are listed public companies. Save as disclosed herein, he did not hold any other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong and overseas. Dr. Lee is a Member of the Standing Committee of the 13th National Committee of the Chinese People’s Political Consultative Conference and a Member as well as the Chairman of the Board of Directors of One Country Two Systems Research Institute. He was appointed as a Justice of the Peace by

the Government of the Hong Kong Special Administrative Region (the “HKSAR”) in 2009, and was awarded the Gold Bauhinia Star by the Government of the HKSAR in 2015. Dr. Lee was awarded an Honorary University Fellowship by The University of Hong Kong in 2009, and was also awarded an Honorary Degree of Doctor of Business Administration by Edinburgh Napier University in 2014. He is the son of Dr. Lee Shau-kee and the brother of Mr. Lee Ka-shing.

Dr. Lee is also a Vice Chairman of Henderson Development Limited (“Henderson Development”) and a Director of Hopkins (Cayman) Limited (“Hopkins”), Rimmer (Cayman) Limited (“Rimmer”), Riddick (Cayman) Limited (“Riddick”). Henderson Land Development, Henderson Development, Hopkins, Rimmer and Riddick have discloseable interests in the Company under the provisions of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “SFO”).

As at the date hereof, Dr. Lee, as a discretionary beneficiary of discretionary trusts, was deemed to have an interest in 6,389,357,019 Shares (representing approximately 41.53% of the issued shares of the Company) within the meaning of Part XV of the SFO. He was also taken to be interested in 1,895,264,270 shares in Towngas China Company Limited (“Towngas China”) (representing approximately 67.45% of the issued shares of Towngas China), 9,500 shares in Lane Success Development Limited (“Lane Success”) (representing 95% of the issued shares of Lane Success) and 2 shares of Yieldway International Limited (“Yieldway”) (representing 100% of the issued shares of Yieldway), all of which are associated corporations of the Company. Save as disclosed herein, he has no relationship with any Directors, senior management or substantial or controlling shareholders of the Company.

As at the date hereof, pursuant to the relevant letter of appointment, Dr. Lee has not entered into nor proposed to enter into any service contracts, which fall within the meanings of Rule 13.68 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) requiring the prior approval of shareholders of the Company (“Shareholders”) at general meetings, with the Company. The term of office of Dr. Lee will expire on 31st December 2020 and he is subject to retirement by rotation and re-appointment in accordance with the Company’s Articles of Association. The director’s fee payable to him is fixed at the rate of HK\$250,000 per annum until the Company in general meetings otherwise determines. He is also entitled to additional fees of HK\$250,000, HK\$100,000 and HK\$100,000 per annum for acting as Chairman of the Company and a member of each of the Nomination Committee and the Remuneration Committee respectively. The said director’s fee payable to him was and shall be reviewed by the Remuneration Committee on an annual basis. His director’s fee is determined with reference to his duties and responsibilities. For the financial year ended 31st December 2018, Dr. Lee received a fixed remuneration of HK\$250,000 as director’s fee from the Company as set out in the 2018 annual report of the Company.

Mr. Lee Ka-shing, *J.P.*, aged 48, a Non-executive Director of the Company, was appointed to the Board in 1999. He was educated in Canada. Mr. Lee is the Vice Chairman of Henderson Land Development, the Chairman and Managing Director of Henderson Investment Limited and the Chairman and Chief Executive Officer of Miramar Hotel and Investment Company, Limited, all of which are listed public companies. Save as disclosed herein, he did not hold any other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong and overseas. Mr. Lee was appointed as a Justice of the Peace by the Government of the HKSAR in 2017. He is a Member of The Court of The Hong Kong Polytechnic University. He is also a Committee Member of the 13th Beijing Committee of the Chinese People’s Political Consultative Conference. Mr. Lee is the son of Dr. Lee Shau-kee and the brother of Dr. Lee Ka-kit.

Mr. Lee is also a Vice Chairman of Henderson Development and a Director of Hopkins, Rimmer, Riddick, Disraei Investment Limited (“Disraei Investment”), Medley Investment Limited (“Medley Investment”), Faxson Investment Limited (“Faxson Investment”), Chelco Investment Limited (“Chelco Investment”) and Macrostar Investment Limited (“Macrostar Investment”). Henderson Land Development, Henderson Development, Hopkins, Rimmer, Riddick, Disraei Investment, Medley Investment, Faxson Investment, Chelco Investment and Macrostar Investment have discloseable interests in the Company under the provisions of the SFO.

As at the date hereof, Mr. Lee, as a discretionary beneficiary of discretionary trusts, was deemed to have an interest in 6,389,357,019 Shares (representing approximately 41.53% of the issued shares of the Company) within the meaning of Part XV of the SFO. He was also taken to be interested in 1,895,264,270 shares in Towngas China (representing approximately 67.45% of the issued shares of Towngas China), 9,500 shares in Lane Success (representing 95% of the issued shares of Lane Success) and 2 shares of Yieldway (representing 100% of the issued shares of Yieldway), all of which are associated corporations of the Company. Save as disclosed herein, he has no relationship with any Directors, senior management or substantial or controlling shareholders of the Company.

As at the date hereof, pursuant to the relevant letter of appointment, Mr. Lee has not entered into nor proposed to enter into any service contracts, which fall within the meanings of Rule 13.68 of the Listing Rules requiring the prior approval of Shareholders at general meetings, with the Company. The term of office of Mr. Lee will expire on 31st December 2020 and he is subject to retirement by rotation and re-appointment in accordance with the Company’s Articles of Association. The director’s fee payable to him is fixed at the rate of HK\$250,000 per annum until the Company in general meetings otherwise determines. He is also entitled to additional fees of HK\$250,000 and HK\$100,000 and HK\$100,000 per annum for acting as Chairman of the Company and a member of each of the Nomination Committee and the Remuneration Committee respectively. The said director’s fee payable to him was and shall be reviewed by the Remuneration Committee on an annual basis. His director’s fee is determined with reference to his duties and responsibilities. For the financial year ended 31st December 2018, Mr. Lee received a fixed remuneration of HK\$250,000 as director’s fee from the Company as set out in the 2018 annual report of the Company.

Dr. Lee Shau-kee has confirmed that he has no disagreement with the Board. Save as disclosed above, there are no other matters concerning the aforesaid retirement and appointments that need to be brought to the attention of Shareholders nor any information required to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

The Board would like to express its sincere gratitude to Dr. Lee Shau-kee for his invaluable contribution to the Company over the past 40 years and his outstanding leadership in building a solid foundation for the Company’s continuous growth in the future.

The Board would like to extend a warm welcome to the new leadership of Dr. Lee Ka-kit and Mr. Lee Ka-shing.

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

Hong Kong, 27th May 2019

As at the date of this announcement, the Board 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

