

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

## **THE HONG KONG AND CHINA GAS COMPANY LIMITED**

*(Incorporated in Hong Kong under the Companies Ordinance)*

(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 the Four Seasons Grand Ballroom, Four Seasons Hotel, 8 Finance Street, Central, Hong Kong on Friday, 3rd June 2011 at noon for the following purposes:

1. To receive and consider the statement of accounts for the financial year ended 31st December 2010 and the reports of the Directors and Auditors thereon.
2. To declare a final dividend.
3. To re-elect Directors.
4. To re-appoint PricewaterhouseCoopers as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorise the Directors of the Company to fix their remuneration.
5. As special business, to consider and, if thought fit, pass the following resolutions as ordinary resolutions and a special resolution respectively:-

#### **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 HK\$0.25 each in the capital of the Company to be issued pursuant to this Resolution (“Bonus Shares”), and upon the recommendation of the Directors of the Company, an amount standing to the credit of the share premium account of the Company which is equal to one-tenth of the aggregate nominal amount of the share capital of the Company in issue on 27th May 2011 be capitalised and the Directors of the Company be and are hereby authorised to apply such sum in paying up in full at par such number of Bonus Shares in the capital of the Company which is equal to one-tenth of the number of shares in the Company in issue on 27th May 2011 to be allotted and credited as fully paid to and among the shareholders of the Company whose names are on the register of members on 27th May 2011 on the basis of one Bonus Share for every ten Shares 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 declared or recommended by the Company in respect of the financial year ended 31st December 2010 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 purchase Shares be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Shares which may be purchased pursuant to the approval in paragraph (a) above shall not exceed 10 per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this Resolution, and the said approval shall be limited accordingly;
- (c) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier 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;

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

(III) **“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 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 aggregate nominal amount of share capital 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 aggregate nominal amount of the share capital of the Company in issue as at the date of passing this Resolution; 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 shares in the capital of the Company and to make, issue or grant offers, agreements, options and warrants which will or might require the exercise of such powers be and is hereby extended by the addition to the total nominal amount of share capital 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 nominal amount of shares in the capital of the Company purchased 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 purchase such shares, provided that such amount shall not exceed 10 per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this Resolution.”

### **Special Resolution**

- (V) **“THAT** the Articles of Association of the Company be and are hereby amended as follows:
- (a) by replacing the final sentence of the existing Article 16 with the following sentence:
- “The Board may either generally or in any particular case by resolution determine that the securities seal or any signatures or any of them may be affixed to any such certificates by some mechanical means or can be printed on them or that such certificates need not be signed by any person. ”

- (b) by replacing the first paragraph of the existing Article 56 with the following paragraph :

“An annual general meeting and an extraordinary general meeting convened for the passing of a special resolution shall be convened by not less than twenty-one clear days’ notice given in accordance with Article 147, subject to the requirements of the Companies Ordinance. All other extraordinary general meetings shall be convened by not less than fourteen clear days’ notice given in accordance with Article 147, subject to the requirements of the Companies Ordinance. The notice shall specify the place, day and time of meeting and the general nature of the business to be transacted. Notice of every general meeting shall be given to all Members other than any who, under the provisions of these Articles or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, and also to the auditors for the time being of the Company. ”

- (c) by deleting the existing Article 59 and substituting therefor the following new article :

“59. If the Board, in its absolute discretion, considers that it is impractical or unreasonable for any reason to hold a general meeting on the date or at the time or place specified in the notice calling the general meeting, it may postpone the general meeting to another date, time and place. When a meeting is so postponed, notice of the date, time and place of the postponed meeting shall be given in accordance with Article 147, subject to the requirements of the Companies Ordinance. Notice of the business to be transacted at such postponed meeting shall not be required. ”

- (d) by deleting the existing Article 62 and substituting therefor the following new article :

“62. If within thirty minutes (or such longer time not exceeding one hour as the chairman of the meeting may determine to wait) after the time appointed for the meeting a quorum is not present, the meeting shall stand adjourned to such other day (not being less than fourteen nor more than twenty-eight days thereafter) and at such other time or place as may have been specified for the purpose in the notice convening the meeting. Where no such arrangements have been so specified, the meeting shall stand adjourned to such other day (not being less than fourteen nor more than twenty-eight days later) and at such other time or place as the chairman of the meeting may decide, and, in this case, the Company shall give not less than seven clear days’ notice of the adjourned meeting in accordance with Article 147, subject to the requirements of the Companies Ordinance. At any adjourned meeting one Member present in person or by proxy (whatever the number of shares held by him) shall be a quorum and any notice of an adjourned meeting shall state that one Member present in person or by proxy (whatever the number of shares held by him) may constitute a meeting.”

- (e) by deleting the existing Article 74 and substituting therefor the following new article :
- “74. On a poll votes may be given either personally or by proxy. A Member may appoint not more than two proxies to attend on the same occasion.”
- (f) by deleting the existing Article 90 and substituting therefor the following new article :
- “90. Subject to the provisions of these Articles, the Company may by ordinary resolution appoint any person who is willing to act to be a director, either to fill a vacancy or as an addition to the existing Board, but so that the total number of directors shall not at any time exceed any maximum number fixed by or in accordance with these Articles.”
- (g) by deleting the existing Article 122 and substituting therefor the following new article :
- “122. The Board may delegate any of its powers, authorities and discretions (with power to sub-delegate) to any committee, consisting of such person or persons (whether a member or members of its body or not) as it thinks fit. Any committee so formed may exercise its powers to sub-delegate by sub-delegating to any person or persons (whether or not a member or members of the Board or of the committee).”
- (h) by deleting the existing Article 123 and substituting therefor the following new article :
- “123. Any committee so formed shall, in the exercise of the powers, authorities and discretions so delegated, conform to any regulations which may be imposed on it by the Board. The meetings and proceedings of any committee consisting of two or more members shall be governed by the provisions contained in these Articles for regulating the meetings and proceedings of the Board so far as the same are applicable and are not superseded by any regulations imposed by the Board.”
- (i) by deleting the existing Article 124 and substituting therefor the following new article :
- “124. All or any of the members of the Board or any committee of the Board may participate in a meeting of the Board or that committee by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or, if there is no such group, where the chairman of the meeting then is.”

- (j) by deleting the existing Article 125 and substituting therefor the following new article :
- “125. A resolution in writing executed by all the directors for the time being in Hong Kong (provided that their number is not less than three) or by all the members of a committee for the time being shall be as valid and effectual as a resolution passed at a meeting of the Board or, as the case may be, of such committee properly called and constituted. The resolution may be contained in one document or in several documents in like form each executed by one or more of the directors or members of the committee concerned.”
- (k) by deleting the existing Article 126 and substituting therefor the following new article :
- “126. All acts done by the Board or by any committee or by any person acting as a director or member of a committee shall, notwithstanding that it is afterwards discovered that there was a defect in the appointment of any member of the Board or committee or person so acting or that they or any of them were disqualified or had vacated office, be as valid as if every such member or person had been properly appointed and was qualified and had continued to be a director or member of the committee.”
- (l) by replacing the paragraph (A) of the existing Article 145 with the following paragraph :
- “(A) Subject to paragraph (B) of this Article, a copy of either (i) the relevant financial documents or (ii) the summary financial report shall, at least 21 days before the date of the general meeting, be sent to every Member in accordance with Article 147, subject to the requirements of the Companies Ordinance.”
- (m) by deleting the existing Article 147 and substituting therefor the following new article :
- “147. Any notice or document (including a share certificate and any “corporate communication” as defined in the Rules Governing the Listing of Securities on the Stock Exchange) may be served or delivered by the Company or by the Board on or to any Member in the following manner:
- (a) in hard copy form either (i) personally or (ii) by hand to, or by sending it through the post (airmail, if sent to an address outside Hong Kong) in a prepaid envelope or wrapper addressed to, the Member’s address as shown in the register;  
or

- (b) in electronic form:
  - (i) personally; or
  - (ii) by hand to, or by sending it through the post (airmail, if sent to an address outside Hong Kong) in a prepaid envelope or wrapper addressed to, the Member's address as shown in the register; or
  - (iii) by sending or transmitting it through electronic means to such Member at any electronic number or electronic address or computer network or website supplied by the Member to the Company for the giving of notice or document from the Company to him,

provided that the Company must first have received from the relevant Member his written agreement, generally or specifically, that the notice or document may be sent or supplied to him in electronic form and no notice of revocation has been received by the Company from the Member in accordance with the Companies Ordinance, and all other relevant requirements of the Companies Ordinance have been complied with; or

- (c) by posting it on the Company's website, provided that the Company must first have received from the relevant Member either (i) the Member's written agreement, generally or specifically, or (ii) the Member's deemed agreement in the manner prescribed in the Companies Ordinance, to have made available to him such notice or document on the Company's website and no notice of revocation has been received by the Company from the Member in accordance with the Companies Ordinance, and all other relevant requirements of the Companies Ordinance have been complied with; or
- (d) by advertisement in English in at least one English language newspaper and in Chinese in at least one Chinese language newspaper being in each case a newspaper circulating generally in Hong Kong."

- (n) by deleting the existing Article 150 and substituting therefor the following new article :

“150. Any notice or document :

- (a) if served or delivered in person or by hand, shall be deemed to have been served or delivered at the time of personal service or delivery, and in proving such service or delivery, a certificate in writing signed by the secretary or other person appointed by the Board that the notice or document was so served or delivered shall be conclusive evidence thereof;
- (b) if served or delivered by post, shall be deemed to have been served or delivered on the next working day following that on which the envelope or wrapper containing the same is put into a post office situated within Hong Kong, and in proving such service or delivery, it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly prepaid, addressed and put into such post office, and a certificate in writing signed by the secretary or other person appointed by the Board that the envelope or wrapper containing the notice or document was so addressed and put into such post office shall be conclusive evidence thereof;
- (c) if sent or transmitted by electronic means, shall be deemed to have been served or delivered at the expiration of 48 hours after it was transmitted from the server of the Company or its agent;
- (d) if posted on the Company’s website, shall be deemed to have been served and delivered at the expiration of 48 hours after the later of (i) the time when the Member receives notification of posting in such form as to contain the information prescribed by the Companies Ordinance and (ii) the time when the notice or document is first made available on the Company’s website. In calculating a period of hours mentioned in paragraphs (c) and (d) of this Article 150, any part of a day that is not a business day (as such term is defined in Section 168BAA of the Companies Ordinance) is to be disregarded; and
- (e) if served by advertisement in newspapers, shall be deemed to have been served on the day on which such notice or document is first published in the newspaper.”

By Order of the Board

**JOHN H.M. HO**

*Chief Financial Officer and Company Secretary*

Hong Kong, 26th April 2011



Notes:

1. The Directors of the Company wish to state that they have no immediate plans to repurchase 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 one or more than one proxy to attend, and on a poll, to vote on his 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 deposited 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, at least 48 hours before the time appointed for holding the meeting or any adjournment thereof.
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. The register of members will be closed from Wednesday, 25th May 2011 to Friday, 27th May 2011, both days inclusive, during which period no share transfer will be effected. In order to be entitled to attend and vote at the Annual General Meeting (or any adjournment thereof), and to qualify for the proposed issue of Bonus Shares and final dividend, 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 not later than 4:30 p.m. on Tuesday, 24th May 2011.
5. If approved, the dividend will be payable on Tuesday, 7th June 2011. Share certificates for the Bonus Shares will be dispatched to shareholders of the Company on the same day.
6. The Articles of Association of the Company are written in English. The Chinese version of Resolution 5(V) above on amendments of the Articles of Association is a translation for reference only. Should there be any discrepancies, the English version will prevail.

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

*Non-executive Directors:* Dr. the Hon. Lee Shau Kee (Chairman), Mr. Colin Lam Ko Yin, Mr. Lee Ka Kit and Mr. Lee Ka Shing

*Independent Non-executive Directors:* Mr. Leung Hay Man, Dr. the Hon. David Li Kwok Po and Professor Poon Chung Kwong

*Executive Directors:* Mr. Alfred Chan Wing Kin and Mr. James Kwan Yuk Choi

