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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 Wednesday, 7th June 2017 at 12:00 noon for the following purposes:

1. To receive and consider the audited financial statements for the financial year ended 31st December 2016 and the reports of the Directors and Independent Auditor thereon.
2. To declare a final dividend.
3. To re-elect Directors.
4. To approve the revised Director’s fee for each Director at the rate of HK\$250,000 per annum and in the case of the Chairman of the Board an additional fee at the rate of HK\$250,000 per annum effective from the financial year of 2017 until the Company in general meeting otherwise determines.
5. 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.
6. 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 15th June 2017 be allotted and issued without consideration to and among the shareholders of the Company whose names are on the register of members on 15th June 2017 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 declared or recommended by the Company in respect of the financial year ended 31st December 2016 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 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 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; 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 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 6(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 6(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 6(II) and 6(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 6(III) for the time being in force to exercise the powers of the Company to allot, issue and otherwise deal with additional shares 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 number of shares of the Company 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 of the Company bought back by the Company pursuant to the exercise by the Directors of the Company in accordance with the said Resolution 6(II) of the powers of the Company to buy back such shares of the Company, provided that such amount shall not exceed 10 per cent of the total number of shares of the Company in issue as at the date of passing this Resolution (subject to adjustment in the case of subdivision and consolidation of shares of the Company).”

By Order of the Board

**JOHN H.M. HO**

*Chief Financial Officer and Company Secretary*

Hong Kong, 20th April 2017

*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 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. 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 Friday, 2nd June 2017 to Wednesday, 7th June 2017, 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 Thursday, 1st June 2017.
5. For the purpose of determining shareholders who qualify for the proposed issue of Bonus Shares and final dividend, the register of members of the Company will be closed from Tuesday, 13th June 2017 to Thursday, 15th June 2017, 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 Monday, 12th June 2017.
6. If Resolutions 2 and 6(I) above are approved, the dividend will be payable on Friday, 23rd June 2017 and share certificates for the Bonus Shares will be despatched to the shareholders of the Company on the same day.

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:* Mr. Leung Hay Man, Dr. the Hon. Sir David Li Kwok Po and Professor Poon Chung Kwong

*Executive Directors:* Mr. Alfred Chan Wing Kin and Mr. Peter Wong Wai Yee

