



CHINA GAS HOLDINGS LIMITED

中國燃氣控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 384)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an special general meeting of the shareholders of China Gas Holdings Limited (the “**Company**”) will be held at 16th Floor, AXA Centre, No. 151 Gloucester Road, Wanchai, Hong Kong, on Monday, 22 November 2004 at 10:00 a.m. for the purpose of considering and, if thought fit, passing with or without amendments, the following resolutions (which shall be taken by poll) as ordinary resolutions of the Company:

1. “**THAT**, to the extent not already exercised, the mandate to allot and issue shares of the Company given to the directors of the Company at the annual general meeting of the Company held on 12 August 2004 be and is hereby revoked and replaced by the mandate **THAT**:
 - (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares in the share capital of the Company and to make or grant offers, agreements and options which would or might require the exercise of such powers during or after the end of the Relevant Period, subject to and in accordance with all applicable laws, 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) and issued by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined below); (ii) an issue of shares upon the exercise of subscription rights or conversion rights under any warrants of the Company or any securities of the Company which are convertible into shares of the Company; (iii) an issue of shares as scrip dividends pursuant to the Bye-laws of the Company from time to time; or (iv) an issue of shares under any option scheme or similar arrangement for the time being adopted for the grant or issue to employees or directors of the Company and/or any of its subsidiaries of shares in the capital of the Company or rights, to acquire shares in the capital of the Company shall not exceed aggregate of (i) 20 per cent. of the nominal amount of the share capital of the Company in issue as at the date of this Resolution; plus (ii) subject to the passing of Resolution No. 2 below, all those number of shares which may from time to time be purchased by the Company pursuant to the general mandate granted to the directors of the Company at the annual general meeting of the Company held on 12 August 2004, and the said approval shall be limited accordingly; and

(c) for the purpose of this Resolution:

“Relevant Period” means the period from the time of passing 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 laws to be held; and
- (iii) the revocation or variation of this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means the allotment, issue or grant of shares pursuant to an offer open for a period fixed by the directors of the Company to holders of shares or any class thereof on the register of members of the Company on a fixed record date pro rata 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, or requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

- 2. “**THAT** conditional upon the passing of Resolution No. 1 above set out in the notice of meeting of which this Resolution forms part, the mandate to extend the general mandate to allot and issue shares of the Company granted to the directors of the Company at the annual general meeting of the Company held on 12 August 2004 be and is hereby revoked and replaced by the mandate **THAT** the aggregate nominal amount of the shares which are repurchased by the Company pursuant to and in accordance with the general mandate to repurchase shares of the Company granted to the directors of the Company at the annual general meeting of the Company held on 12 August 2004 shall be added to the aggregate nominal amount of shares which may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to and in accordance with Resolution No. 1 above, provided that such additional 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.”
- 3. “**THAT** subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting listing of, and permission to deal in, the shares of HK\$0.01 each in the share capital of the Company to be issued pursuant to the exercise of options which may be granted under Resolutions Nos. 4 and 5 below, the grant of options (the “**Grant**”) in excess of the 10% scheme mandate limit under the share option scheme of the Company approved and adopted by an ordinary resolution of the Shareholders at the special general meeting of the Company held on 6 February 2003, be and is hereby approved and any director of the Company be and is hereby authorised to do such act and execute such document to effect such Grant;”
- 4. (i) “**THAT** subject to the passing of the Resolution No. 3 above, the directors of the Company be and are hereby authorised to grant to Mr. Liu Ming Hui (“**Mr. Liu**”) options (the “**Liu Share Options**”) to subscribe for 130,000,000 ordinary shares of HK0.01 each in the capital of the Company at the subscription price of HK\$0.71 per share; and
- (ii) the directors of the Company or a duly authorised committee thereof be and are hereby authorised to do any act or thing to sign, seal, execute and/or deliver any documents for and on behalf of the Company as may be necessary, desirable or expedient in connection with the grant of the Liu Share Options to Mr. Liu.”

5. (i) “**THAT**, subject to the passing of Resolution No. 3 above, the directors of the Company be and are hereby authorised to grant to Mr. Xu Ying (“**Mr. Xu**”) options (the “**Xu Share Options**”) to subscribe for 90,000,000 ordinary shares of HK0.01 each in the capital of the Company at the subscription price of HK\$0.71 per share; and
- (ii) the directors of the Company or a duly authorised committee thereof be and are hereby authorised to do any act or thing to sign, seal, execute and/or deliver any documents for and on behalf of the Company as may be necessary, desirable or expedient in connection with the grant of the Xu Share Options to Mr. Xu.”

By order of the Board
China Gas Holdings Limited
Liu Ming Hui
Managing Director

Hong Kong, 6 November 2004

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head office and principal place of
business in Hong Kong:*
16th Floor
AXA Center
No. 151 Gloucester Road
Wanchai
Hong Kong

Notes:

1. A member entitled to attend and vote at the SGM is entitled to appoint one or more proxy to attend and, subject to the provisions of the bye-laws of the Company, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the SGM to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. In order to be valid, the form of proxy must be duly completed and signed in accordance with the instructions printed thereon and deposited together with a power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority, at the head office and principal place of business of the Company in Hong Kong at 16th Floor, AXA Centre, No. 151 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the SGM or any adjournment thereof, should he so wish.
3. In the case of joint holders of shares, any one of such holders may vote at the SGM, either personally or by proxy, in respect of such share as if he was solely entitled thereto, but if more than one of such joint holder are present at the SGM personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.

As at the date of this announcement, Mr. Li Xiaoyun, Mr. Xu Ying, Mr. Liu Ming Hui, Mr. Ma Jin Long and Mr. Zhu Wei Wei are the executive Directors, Mr. Wu Bangjie is the non-executive Director and Mr. Zhao Yu Hua, Dr. Mao Er Wan and Ms. Wong Sin Yue, Cynthia are the independent non-executive Directors.

** for identification purpose only*

Please also refer to the published version of this announcement in The Standard.