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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Gas Holdings Limited (the “Company”), you should at once hand this circular, with the enclosed form of proxy, to the purchaser or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser.

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CHINA GAS HOLDINGS LIMITED

中國燃氣控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 384)

**(1) GENERAL MANDATES FOR THE ISSUE AND
REPURCHASE OF SHARES
(2) PROPOSED AMENDMENTS TO THE BYE-LAWS
AND
(3) RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice of the annual general meeting to be held at Level 5, Taishan Room, Island Shangri-La, Hong Kong of Two Pacific Place, Supreme Court Road, Central, Hong Kong, on Friday, 28 August 2009 at 10:00 a.m. is set out on page 27 to page 35 of this circular. A form of proxy for use by the Shareholders at the meeting is enclosed with the 2009 annual report of the Company which has been despatched to the Shareholders together with this circular. Whether or not you intend to attend and vote at the meeting in person, you are requested to complete the form of proxy enclosed with the 2009 annual report of the Company in accordance with the instructions printed thereon and return it to the Company's branch share registrar, Computershare Hong Kong Investor Services Limited at Rooms 1806-07, 18th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as practicable but in any event not later than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting should you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

29 July 2009

* For identification purposes only

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DEFINITIONS

In this circular, the following expressions shall have the following meanings unless the context indicates otherwise:

“Annual General Meeting”	the annual general meeting of the Company to be held at Level 5, Taishan Room, Island Shangri-La, Hong Kong of Two Pacific Place, Supreme Court Road, Central, Hong Kong on Friday, 28 August 2009 at 10:00 a.m. or at any adjournment thereof
“associate”	has the same meaning as ascribed to it under the Listing Rules
“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company
“Company”	China Gas Holdings Limited, a company incorporated in Bermuda with limited liability, and the issued Shares of which are listed on the main board of the Stock Exchange
“connected persons”	has the same meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“General Mandate”	the general mandate proposed to be granted to the Directors at the Annual General Meeting to issue further new Shares not exceeding 20% of the issued share capital of the Company as at the date of passing of the resolution
“Group”	the Company and all of its Subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Latest Practicable Date”	24 July 2009, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Option(s)”	the option(s) granted under the Share Option Scheme to subscribe for Share(s) in accordance with the Share Option Scheme

DEFINITIONS

“Repurchase Mandate”	the general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to repurchase shares in the capital of the Company up to 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholders”	the holders of the Shares
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Share Option Scheme”	the share option scheme adopted by the Company pursuant to an ordinary resolution passed by the Shareholders at the extraordinary general meeting of the Company held on 6 February 2003
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	a subsidiary for the time being of the Company within the meaning of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) whether incorporated in Hong Kong or elsewhere and “Subsidiaries” shall be construed accordingly
“Takeovers Code”	Hong Kong Code on Takeovers and Mergers
“%”	per cent.

LETTER FORM THE BOARD



CHINA GAS HOLDINGS LIMITED

中國燃氣控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 384)

Executive Directors:

Mr. Li XiaoYun (*Chairman*)
Mr. Xu Ying (*Vice Chairman*)
Mr. Liu Ming Hui (*Managing Director*)
Mr. Ma Jin Long
Mr. Zhu Wei Wei

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Non-executive Directors:

Mr. Feng Zhuo Zhi
Mr. Joe Yamagata
Mr. R.K. Goel
Mr. William Rackets
Mr. Kim Joong Ho

*Head office and principal place
of business in Hong Kong:*

Room 1601
16th Floor
AXA Centre
151 Gloucester Road
Wanchai
Hong Kong

Independent non-executive Directors:

Mr. Zhao Yu Hua
Dr. Mao Er Wan
Ms. Wong Sin Yue, Cynthia

29 July 2009

To the Shareholders

Dear Sir or Madam,

**(1) GENERAL MANDATES FOR THE ISSUE AND
REPURCHASE OF SHARES
(2) PROPOSED AMENDMENTS TO THE BYE-LAWS
AND
(3) RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to give you information regarding the resolutions to be proposed at the Annual General Meeting to enable the Shareholders to make an informed decision on whether to vote for or against the resolutions.

* For identification purposes only

LETTER FORM THE BOARD

The resolutions include (i) the granting to the Directors the Repurchase Mandate; (ii) the granting to the Directors the General Mandate; (iii) approving the proposed amendments of the Bye-laws; and (iv) the re-electing of Directors.

GENERAL MANDATE TO REPURCHASE SHARES

At the Annual General Meeting, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to exercise all powers of the Company to repurchase issued shares in the share capital of the Company subject to the criteria set out in this circular. In particular, Shareholders should note that the maximum number of shares that may be repurchased pursuant to the Repurchase Mandate will be such number which represents 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution subject to the Listing Rules. The Repurchase Mandate will end on the earliest of (i) the date of the next annual general meeting of the Company; (ii) the date by which the next annual general meeting of the Company is required to be held by law or the Bye-laws, or (iii) the date upon which such authority is revoked or varied by ordinary resolution of the Company in general meeting.

In accordance with the Listing Rules, the Company is required to send to the Shareholders an explanatory statement which is set out in the Appendix I of this circular.

GENERAL MANDATES TO ISSUE SHARES

At the Annual General Meeting, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to issue further shares representing up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution. On the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company would allow to allot and issue a maximum of 666,782,804 Shares.

Subject to the passing of the aforesaid ordinary resolutions of the Repurchase Mandate and General Mandate, an ordinary resolution will also be proposed to authorise the Directors to allot and issue Shares in the capital of the Company in an amount not exceeding the aggregate nominal amount of the shares in the capital of the Company purchased pursuant to the Repurchase Mandate.

PROPOSED AMENDMENTS TO THE BYE-LAWS

In light of the recent amendments to the Listing Rules which came into effect on 1 January 2009 and to bring the Bye-laws up to date, the Directors propose to amend the Bye-laws, in particular, to give effect of the following:

- (a) notice to the Shareholders shall be sent in the case of annual general meetings at least 20 clear business days before the meeting and to be sent at least 10 clear business days in the case of all other general meetings; and
- (b) all resolutions at general meetings of the Company shall be decided by poll.

LETTER FORM THE BOARD

Details of the proposed amendments to the Bye-laws are set out in Appendix III to this circular.

The Board is of the opinion that the proposed amendments to the Bye-laws are in the best interest of the Company and the Shareholders as a whole.

RE-ELECTION OF THE DIRECTORS

Pursuant to Bye-law 86(2) of the Bye-laws, the Directors shall have power from time to time and at any time to appoint any person as a Director either to fill a causal vacancy on the Board or as an addition to the Board. Any Director so appointed by the Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election at that meeting.

Pursuant to Bye-law 87 of the Bye-laws, at each annual general meeting, one-third of the Directors for the time being, or, if their number is not a multiple of three (3), the number nearest to but not less than one-third, shall retire from office by rotation, provide that every Director shall be subject to retirement at least once every three years. Any Director appointed pursuant to Bye-law 86(2) shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation.

Pursuant to Bye-law 86(2) of the Bye-laws, Mr. William Rackets was appointed as a non-executive Director on 20 March 2009 and he will retire and, being eligible, offer himself for re-election at the Annual General Meeting.

Pursuant to Bye-law 87 of the Bye-laws, Mr. Ma Jin Long, Dr. Mao Er Wan, Mr. Joe Yamagata and Mr. R.K. Goel will retire by rotation, and being eligible, will offer themselves for re-election at the Annual General Meeting.

Details of the Directors proposed to be re-elected in the Annual General Meeting is set out in Appendix II of this circular.

ANNUAL GENERAL MEETING

A notice of the Annual General Meeting is set out on pages 27 to 35 of this circular.

A form of proxy for use at the Annual General Meeting is enclosed herewith. To be valid, the form of proxy must be completed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of such power of attorney or authority at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Rooms 1806-07, 18th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting should you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

LETTER FORM THE BOARD

VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of Shareholders at the Annual General Meeting will be taken by poll and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

RECOMMENDATION

The Directors are of the opinion that the resolutions to be proposed at the Annual General Meeting as referred in this circular are in the best interests of the Company and the Shareholders as a whole and recommend you to vote in favour of the relevant ordinary resolutions to be proposed at the Annual General Meeting.

GENERAL INFORMATION

Your attention is also drawn to the additional information set out in the Appendices to this circular.

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

Yours faithfully,
On behalf of the Board
China Gas Holdings Limited
Liu Ming Hui
Managing Director

This is an explanatory statement given to all Shareholders relating to a resolution to be proposed at the Annual General Meeting for approving the Repurchase Mandate. This explanatory statement contains all the information required pursuant to Rule 10.06(1)(b) and other relevant provisions of the Listing Rules which is set out as follows:

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company was 3,333,914,020 Shares.

Subject to the passing of the ordinary resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 333,391,402 Shares, being 10% of the entire issued share capital of the Company.

2. REASONS FOR REPURCHASES

The Directors believe that the Repurchase Mandate is in the best interests of the Company and its Shareholders as a whole. Whilst it is not possible to anticipate in advance any specific circumstance in which the Directors might think it appropriate to repurchase Shares, they believe that an ability to do so would give the Company additional flexibility that would be beneficial to the Company and its Shareholders as such repurchases may, depending on market conditions and funding arrangements at that time, lead to an enhancement of the net asset value per Share and/or earnings per Share. Shareholders can be assured that the Directors would only make such purchases in circumstances where they consider to be in the best interests of the Company.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and Bye-laws and the laws of Bermuda. The laws of Bermuda provide that the amount of capital repaid in connection with a share repurchase may only be paid out of either the capital paid up on the relevant shares, or the funds of the company that would otherwise be available for distribution by way of dividend or distribution or the proceeds of a fresh issue of shares made for the purpose. The amount of premium payable on repurchase may only be paid out of either the funds of the company that would otherwise be available for distribution by way of dividend or distribution or out of the share premium account of the company. Should the Directors consider it desirable, they would be able to finance the purchase out of funds borrowed against any of the above-mentioned accounts. In addition, under the laws of Bermuda, no purchase by a company of its own shares may be effected if, on the date on which the purchase is to be effected, there are reasonable grounds for believing that the company is, or after the purchase would be, unable to pay its liabilities as they become due. In accordance with the laws of Bermuda, the shares so repurchased would be treated as cancelled but the aggregate amount of authorised share capital would not be reduced.

On the basis of the consolidated financial position of the Company as at 31 March 2009 (being the date to which the latest published audited financial statements of the Company have been made up) and in particular the working capital position of the Company at that time and the number of Shares now in issue, the Directors consider that there might be a material adverse impact on the working capital position or the gearing position of the Company in the event that purchases of all the Shares the subject of the Repurchase Mandate were to be carried out in full during the Repurchase Mandate period. No purchase would be made in circumstances that would have a material adverse impact on the working capital position or the gearing position of the Company (as compared with the position disclosed in its latest published audited financial statements).

4. SHARE PRICES

The highest and lowest prices at which the Shares traded on the Stock Exchange during each of the following months up to and including the Latest Practicable Date are as follows:

	Price per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
July 2008	2.11	1.75
August 2008	1.97	1.70
September 2008	1.93	1.00
October 2008	1.36	0.47
November 2008	0.88	0.55
December 2008	1.30	0.74
January 2009	1.27	1.00
February 2009	1.25	1.05
March 2009	1.28	1.04
April 2009	1.60	1.19
May 2009	2.00	1.42
June 2009	2.20	1.81
July 2009 (up to the Latest Practicable Date)	2.13	1.84

5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate and in accordance with the Listing Rules, the memorandum of association and Bye-laws and the laws of Bermuda.

None of the Directors nor, to the best of their knowledge and belief having made all reasonable enquiries, their associates have any present intention to sell any Shares to the Company in the event that the Repurchase Mandate is approved by the Shareholders.

No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company or its Subsidiaries, or have undertaken not to do so, in the event that the Repurchase Mandate is granted by the Shareholders.

6. HONG KONG CODE ON TAKEOVERS AND MERGERS

A repurchase of Shares by the Company may result in an increase in the proportionate interests of substantial Shareholder of the Company in the voting rights of the Company, which may give rise to an obligation to make a mandatory offer in accordance with Rules 26 of the Takeovers Code. As at the Latest Practicable Date, the following Shareholders are taken to have 5% or more of the issued share capital of the Company:

Name of Shareholders	No. of Shares interested	Percentage of shareholding in the Company	
		As at the Latest Practicable Date	Exercise in full of the Repurchase Mandate
Hai Xia Finance Holdings Limited (<i>Notes 1 & 3</i>)	346,000,003	10.38	11.53
China Petroleum & Chemical Corporation	210,000,000	6.30	7.00
GAIL (India) Limited	210,000,000	6.30	7.00
Oman Oil Company S.A.O.C	237,567,060	7.13	7.92
Mr Liu (<i>Notes 2 & 3</i>)	273,124,000	8.19	9.10

Notes:

- (1) Hai Xia Finance Holdings Limited (“Hai Xia”) is a company incorporated in the British Virgin Islands and is a wholly owned subsidiary of Haixia Economy and Technology Cooperation Centre which in turn is a unit of the Taiwan Affairs Office of the State Council of China.

These 340,000,003 Shares represent 221,500,003 Shares beneficially owned by Hai Xia and 118,500,000 Shares agreed to be acquired by Hai Xia from Mr. Liu pursuant to note (3) below.

- (2) These 273,124,000 Shares are beneficially owned by Mr. Liu Ming Hui (“Mr. Liu”) and does not include the 118,500,000 Shares agreed to be sold to Hai Xia pursuant to note (3) below. Mr. Liu is also interested in 135,000,000 options granted by the Company.

- (3) On 8 March 2005 a sale and purchase agreement was entered into between Hai Xia and Mr. Liu. Pursuant to which Mr. Liu agreed to sell and Hai Xia agreed to purchase 190,000,000 Shares from Mr. Liu in five tranches for a cash consideration in the aggregate amount of HK\$330,000,000. Details of the transaction was set out in the announcement of the Company dated 9 March 2005. As at the Latest Practicable Date, the sale and purchase of 71,500,000 Shares had been completed.

On the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, in the event that the Directors exercise in full the Repurchase Mandate, the interests of the above Shareholders would be increased to such percentages of the issued share capital of the Company as set out in the fourth column of the above table and such increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

7. SHARE REPURCHASES MADE BY THE COMPANY

The Company had not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

Stated below is the details of the directors who will retire and be eligible for re-election at the Annual General Meeting in accordance with the Bye-laws:

Mr. William Rackets, aged 62, graduated from University of Southern California, USA. He has extensive experience in energy-related business. He is currently a senior advisor of Oman Oil Company, S.A.O.C (“OOC”). Prior joining OOC in 2008, Mr. Rackets has been working in various international energy companies in USA and Middle East for over 30 years.

Mr. Rackets has not held any other directorships in listed public companies in Hong Kong or any positions with the Company or any of its subsidiaries in the last three years. Saved for the fact that he is a senior advisor of OOC, a shareholder of the Company, holding 237,567,060 shares (the “OOC-Shares”), representing 7.13% of the issued share capital of the Company as of the date of the announcement, Mr. Rackets is not connected with any directors, chief executive or substantial shareholders (as defined in the Listing Rules of the Company and he does not have any interests in the shares of the Company within the meaning of Part XV of the SFO. Mr. Rackets does not hold any shares in OOC nor is he interested in the OOC-Shares.

There is no service agreement between the Company and Mr. Rackets in respect of his appointment but he is entitled to a director’s fee of HK\$10,000 per month with reference to his duties and responsibilities of the Company and the prevailing market conditions. He is not appointed for a specific term since he is subject to retirement by rotation and re-election in accordance with the bye-laws of the Company.

Save as disclose above, there is no information in relation to Mr. Rackets which is required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no other matter which needs to be brought to the attention of the shareholder of the Company.

Mr. Ma Jin Long, aged 42, appointed as an executive director of the Company in September 2002. Mr. Ma received his Degree in Economics from Hebei University and EMBA from University of International Business and Economics. He has substantial experiences in financial management. Mr. Ma is currently the President of Beijing Zhongran Xiangke Oil Gas Technology Company Limited.

Mr. Ma has not held any other directorships in listed public companies or any positions with the Company or any of its subsidiaries in the last three years and as at the Latest Practicable Date. Mr. Ma is not connected with any directors, chief executive or substantial shareholders and he has no family relationships with any Directors, senior management or substantial or controlling Shareholders of the Company (as defined in the Listing Rules).

There is no service contract between the Company and Mr. Ma but he is entitled to a director's fee as may be approved by the Board of the Company with reference to his roles and responsibilities and the prevailing market conditions. Currently, Mr. Ma, as an executive director, is entitled to a director's fee in the amount of HK\$240,000 annually and he does not entitle to any bonus payment. Mr. Ma has no designated length of service but he is subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Bye-laws of the Company.

As at the Latest Practicable Date, Mr. Ma had a derivate interest in 9,240,711 Shares in the Company within the meaning of Part XV of the SFO, which represents Mr. Ma's entitlement to subscribe for 9,240,711 shares upon exercise of the options granted to Mr. Ma under the Share Option Scheme.

Save as disclosed above, the Board is not aware of any other information to be disclosed pursuant to the requirement of the Rules 13.51(2)(h) and 13.51h(2)(v) of the Listing Rules and there is no other matters that needs to be brought to the attention of the Shareholders of the Company.

Dr. Mao Er Wan, aged 46, appointed as an independent non-executive Director of the Company in January 2003. Dr. Mao graduated from Mathematics and System Sciences, Chinese Academy of Sciences and holds a Doctor Degree. He was the Chief Economist of Da Cheng Fund Management Co. Ltd. He is currently a professor of School of International Business, Beijing Foreign Studies University and a committee member of China Institute of Finance, Financial Engineering.

Dr. Mao has not held any other directorships in listed public companies or any positions with the Company or any of its subsidiaries in the last three years and as at the Latest Practicable Date. Dr. Mao is not connected with any directors, chief executive or substantial shareholders and he has no family relationships with any Directors, senior management or substantial or controlling Shareholders of the Company (as defined in the Listing Rules).

There is no service contract between the Company and Dr. Mao but he is entitled to a director's fee as may be approved by the Board of the Company with reference to his roles and responsibilities and the prevailing market conditions. Currently, Dr. Mao, as an independent non-executive director, is entitled to a director's fee in the amount of HK\$240,000 annually and he does not entitle to any bonus payment. Dr. Mao has no designated length of service but he is subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Bye-laws of the Company.

As at the Latest Practicable Date, Dr. Mao had a derivate interest in 1,000,000 Shares in the Company within the meaning of Part XV of the SFO, which represents Dr. Mao's entitlement to subscribe for 1,000,000 shares upon exercise of the options granted to Dr. Mao under the Share Option Scheme.

Save as disclosed above, the Board is not aware of any other information to be disclosed pursuant to the requirement of the Rules 13.51(2)(h) and 13.51h(2)(v) of the Listing Rules and there is no other matters that needs to be brought to the attention of the Shareholders of the Company.

Mr. Joe Yamagata, aged 55, appointed as a non-executive director of the Company in October 2006. He holds a master degree in Management from Massachusetts Institute of Technology and is specialized in international management and finance and is currently a deputy director general of Private Sector Operations Department of Asian Development Bank (“ADB”). Prior joining ADB in 1994, Mr. Yamagata has been working in Toshiba Corporation, Tokyo, Japan for 15 years.

Mr. Yamagata has not held any other directorships in listed public companies in Hong Kong or any positions with the Company or any of its subsidiaries in the last three years and as at the Latest Practicable Date. Saved for the fact that he is a director of Private Sector Operations Department of ADB, a shareholder of the Company, holding 150,000,000 shares, representing 4.50% of the issued share capital of the Company as at the Latest Practicable Date, Mr. Yamagata is not connected with any directors, chief executive or substantial shareholders and he has no family relationships with any Directors, senior management or substantial or controlling Shareholders of the Company (as defined in the Listing Rules) and he does not have any interests in the shares of the Company within the meaning of Part XV of the SFO.

There is no service agreement between the Company and Mr. Yamagata in respect of his appointment but he is entitled to a director’s fee of HK\$120,000 annually which is determined by the Board with reference to his duties and responsibilities of the Company and the prevailing market conditions. He has no designated length of service but he is subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Bye-laws of the Company.

Save as disclose above, there is no information in relation to Mr. Yamagata which is required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no other matter which needs to be brought to the attention of the shareholder of the Company.

Mr. R.K. Goel, aged 58, possess over 30 years of experiences in financial management in major oil and gas companies in India. He obtained his Bachelor of Honours Degree in Commerce from Punjab University, India and is a fellow member of the Indian Institute of Chartered Accountants of India. He joined GAIL (India) Limited (“GAIL”) in 1988 and is currently the Director (Finance) of GAIL.

Mr. Goel has not held any other directorships in listed public companies in Hong Kong or any positions with the Company or any of its subsidiaries in the last three years. Saved for the fact that he is the Director (Finance) of GAIL, a shareholder of the Company, holding 210,000,000 shares, representing 6.30% of the issued share capital of the Company as of the date of the announcement, Mr. Goel is not connected with any directors, chief executive or substantial shareholders (as defined in the Listing Rules) of the Company and he does not have any interests in the shares of the Company within the meaning of Part XV of the SFO.

As at the date of this announcement, there is no service agreement between the Company and Mr. Goel in respect of his appointment but he is entitled to a director's fee of HK\$120,000 annually with reference to his duties and responsibilities of the Company and the prevailing market conditions. He is not appointed for a specific term since he is subject to retirement by rotation and re-election in accordance with the bye-laws of the Company.

Save as disclose above, there is no information in relation to Mr. Goel which is required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no other matter which needs to be brought to the attention of the shareholder of the Company.

APPENDIX III DETAILS OF PROPOSED AMENDMENTS TO THE BYE-LAWS

This Appendix sets out the existing Bye-Laws and the proposed amendments to the Bye-laws for ease of reference. Capitalised terms used in this Appendix have the same meanings as defined in the Bye-laws.

Bye-law no.	Existing bye-laws	Bye-law no.	Proposed amendments
	No such provision.	1	“business day” shall mean a day on which the Designated Stock Exchange generally is open for the business of dealing in securities in Hong Kong. For the avoidance of doubt, where the Designated Stock Exchange is closed for the business of dealing in securities in Hong Kong on a business day by reason of a Number 8 or higher typhoon signal, black rainstorm warning or other similar event, such day shall for the purposes of these Bye-laws be counted as a business day.”
2(h)	a resolution shall be a special resolution when it has been passed by a majority of not less than three-fourths of votes cast by such Members as, being entitled so to do, vote in person or, in the case of such Members as are corporations, by their respective duly authorized representative or, where proxies are allowed, by proxy at a general meeting of which not less than twenty-one (21) clear days’ notice, specifying (without prejudice to the power contained in these Bye-laws to amend the same) the intention to propose the resolution as a special resolution, has been duly given. Provided that, except in the case of an annual general meeting, if it is so agreed by a majority in number of the Members having the right to attend and vote at any such meeting, being a majority together holding not less than ninety-five (95) per cent. in nominal value of the shares giving that right, a resolution may be proposed and passed as a special resolution at a meeting of which less than twenty-one (21) clear day’s Notice has been given;	2(h)	a resolution shall be a special resolution when it has been passed by a majority of not less than three-fourths of votes cast by such Members as, being entitled so to do, vote in person or, in the case of such Members as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Bye-law 59;”

APPENDIX III DETAILS OF PROPOSED AMENDMENTS TO THE BYE-LAWS

Bye-law no.	Existing bye-laws	Bye-law no.	Proposed amendments
2(i)	a resolution shall be an ordinary resolution when it has been passed by a simple majority of votes cast by such Members as, being entitled so to do, vote in person or, in the case of any Member being a corporation, by its duly authorized representative or, where proxies are allowed, by proxy at a general meeting of which not less than fourteen (14) days' Notice has been duly given	2(i)	a resolution shall be an ordinary resolution when it has been passed by a simple majority of votes cast by such Members as, being entitled so to do, vote in person or, in the case of any Member being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Bye-law 59;
10	<p>(a) the necessary quorum (other than at an adjourned meeting) shall be two persons (or in the case of a Member being a corporation, its duly authorised representative) holding or representing by proxy not less than one-third in nominal value of the issued shares of that class and at any adjourned meeting of such holders, two holders present in person (or in the case of a Member being a corporation, its duly authorised representative) or by proxy (whatever the number of shares held by them) shall be a quorum;</p> <p>(b) every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him; and</p> <p>(c) any holder of shares of the class present in person or by proxy may demand a poll.</p>	10	<p>(a) the necessary quorum (other than at an adjourned meeting) shall be two persons (or in the case of a Member being a corporation, its duly authorised representative) holding or representing by proxy not less than one-third in nominal value of the issued shares of that class and at any adjourned meeting of such holders, two holders present in person (or in the case of a Member being a corporation, its duly authorised representative) or by proxy (whatever the number of shares held by them) shall be a quorum; and</p> <p>(b) every holder of shares of the class shall be entitled to one vote for every such share held by him.</p> <p>(c) Deleted.</p>

APPENDIX III DETAILS OF PROPOSED AMENDMENTS TO THE BYE-LAWS

Bye-law no.	Existing bye-laws	Bye-law no.	Proposed amendments
44	<p>The Register and branch register of Members, as the case may be, shall be open to inspection between 10 a.m. and 12 noon on every business day by Members without charge or by any other person, upon a maximum payment of five Bermuda dollars, at the Office or such other place in Bermuda at which the Register is kept in accordance with the Act or, if appropriate, upon a maximum payment of ten dollars at the Registration Office. The Register including any overseas or local or other branch register of Members may, after notice has been given by advertisement in an appointed newspaper and where applicable, any other newspapers in accordance with the requirements of any Designated Stock Exchange or by any means and in such manner as may be accepted by the Designated Stock Exchange to that effect, be closed at such times or for such periods not exceeding in the whole thirty (30) days in each year as the Board may determine and either generally or in respect of any class of shares.</p>	44	<p>The Register and branch register of Members, as the case may be, shall be open to inspection between 10 a.m. and 12 noon on every business day by members of the public without charge at the Office or such other place at which the Register is kept in accordance with the Act. The Register including any overseas or local or other branch register of Members may, after notice has been given by advertisement in an appointed newspaper and where applicable, any other newspapers in accordance with the requirements of any Designated Stock Exchange or by any means and in such manner as may be accepted by the Designated Stock Exchange to that effect, be closed at such times or for such periods not exceeding in the whole thirty (30) days in each year as the Board may determine and either generally or in respect of any class of shares.</p>

APPENDIX III DETAILS OF PROPOSED AMENDMENTS TO THE BYE-LAWS

Bye-law no.	Existing bye-laws	Bye-law no.	Proposed amendments
59	<p>(1) An annual general meeting and any special general meeting at which the passing of a special resolution is to be considered shall be called by not less than twenty-one (21) clear days' Notice. All other special general meetings may be called by not less than fourteen (14) clear days' Notice but a general meeting may be called by shorter notice if it is so agreed:</p> <p>(a) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and</p> <p>(b) in the case of any other meeting, by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent. (95%) in nominal value of the issued shares giving that right.</p>	59	<p>(1) An annual general meeting shall be called by Notice of not less than twenty-one (21) clear days and not less than twenty (20) clear business days and any special general meeting at which the passing of a special resolution is to be considered shall be called by Notice of not less than twenty-one (21) clear days and not less than ten (10) clear business days. All other special general meetings may be called by Notice of not less than fourteen (14) clear days and not less than ten (10) clear business days but if permitted by the rules of the Designated Stock Exchange, a general meeting may be called by shorter notice if it is so agreed:</p> <p>(a) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and</p> <p>(b) in the case of any other meeting, by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent. (95%) in nominal value of the issued shares giving that right.</p>

APPENDIX III DETAILS OF PROPOSED AMENDMENTS TO THE BYE-LAWS

Bye-law no.	Existing bye-laws	Bye-law no.	Proposed amendments
	<p>(2) The period of notice shall be exclusive of the day on which it is served or deemed to be served and exclusive of the day on which the meeting is to be held, and the notice shall specify the time and place of the meeting and, in case of special business, the general nature of the business. The notice convening an annual general meeting shall specify the meeting as such. Notice of every general meeting shall be given to all Members other than to such Members as, under the provisions of these Bye-laws or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, to all persons entitled to a share in consequence of the death or bankruptcy or winding-up of a Member and to each of the Directors and the Auditors.</p>		<p>(2) The period of notice shall be exclusive of the day on which it is served or deemed to be served and exclusive of the day on which the meeting is to be held, and the notice shall specify the time and place of the meeting and particulars of resolutions to be considered at the meeting and, in case of special business, the general nature of the business. The notice convening an annual general meeting shall specify the meeting as such. Notice of every general meeting shall be given to all Members other than to such Members as, under the provisions of these Bye-laws or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, to all persons entitled to a share in consequence of the death or bankruptcy or winding-up of a Member and to each of the Directors and the Auditors.</p>

APPENDIX III DETAILS OF PROPOSED AMENDMENTS TO THE BYE-LAWS

Bye-law no.	Existing bye-laws	Bye-law no.	Proposed amendments
66	<p>Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Bye-laws, at any general meeting on a show of hands every Member present in person (or being a corporation, is present by a representative duly authorised under Section 78 of the Act), or by proxy shall have one vote and on a poll every Member present in person or by proxy or, in the case of a Member being a corporation, by its duly authorised representative shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. Notwithstanding anything contained in these Bye-laws, where more than one proxy is appointed by a Member which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. A resolution put to the vote of a meeting shall be decided on a show of hands unless voting by way of a poll is required by the rules of the Designated Stock Exchange or (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:</p>	66	<p>Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Bye-laws, at any general meeting on a poll every Member present in person or by proxy or, in the case of a Member being a corporation, by its duly authorised representative shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. A resolution put to the vote of a meeting shall be decided by way of a poll.</p>

APPENDIX III DETAILS OF PROPOSED AMENDMENTS TO THE BYE-LAWS

Bye-law no.	Existing bye-laws	Bye-law no.	Proposed amendments
	(a) by the chairman of such meeting; or		
	(b) by at least three Members present in person (or in the case of a Member being a corporation by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or		
	(c) by a Member or Members present in person (or in the case of a Member being a corporation by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all Members having the right to vote at the meeting; or		
	(d) by a Member or Members present in person (or in the case of a Member being a corporation by its duly authorised representative) or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right; or		
	(e) if required by the rules of the Designated Stock Exchange, by any Director or Directors who, individually or collectively, hold proxies in respect of shares representing five per cent. (5%) or more of the total voting rights at such meeting.		

A demand by a person as proxy for a Member or in the case of a Member being a corporation by its duly authorised representative shall be deemed to be the same as a demand by a Member.

APPENDIX III DETAILS OF PROPOSED AMENDMENTS TO THE BYE-LAWS

Bye-law no.	Existing bye-laws	Bye-law no.	Proposed amendments
67	Unless a poll is duly demanded and the demand is not withdrawn, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect made in the minute book of the Company, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against the resolution.	67	Intentionally deleted
68	If a poll is duly demanded the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the rules of the Designated Stock Exchange.	68	The results of the poll shall be deemed to be the resolution of the meeting. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the rules of the Designated Stock Exchange.
69	A poll demanded on the election of a chairman, or on a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken in such manner (including the use of ballot or voting papers or tickets) and either forthwith or at such time (being not later than thirty (30) days after the date of the demand) and place as the chairman directs. It shall not be necessary (unless the chairman otherwise directs) for notice to be given of a poll not taken immediately.	69	Intentionally deleted
70	The demand for a poll shall not prevent the continuance of a meeting or the transaction of any business other than the question on which the poll has been demanded, and, with the consent of the chairman, it may be withdrawn at any time before the close of the meeting or the taking of the poll, whichever is the earlier.	70	Intentionally deleted

APPENDIX III DETAILS OF PROPOSED AMENDMENTS TO THE BYE-LAWS

Bye-law no.	Existing bye-laws	Bye-law no.	Proposed amendments
73	In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of such meeting shall be entitled to a second or casting vote in addition to any other vote he may have.	73	In the case of an equality of votes, the chairman of such meeting shall be entitled to a second or casting vote in addition to any other vote he may have.
75(1)	A Member who is a patient for any purpose relating to mental health or in respect of whom an order has been made by any court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote, whether on a show of hands or on a poll, by his receiver, committee, curator bonis or other person in the nature of a receiver, committee or curator bonis appointed by such court, and such receiver, committee, curator bonis or other person may vote on a poll by proxy, and may otherwise act and be treated as if he were the registered holder of such shares for the purposes of general meetings, provided that such evidence as the Board may require of the authority of the person claiming to vote shall have been deposited at the Office, head office or Registration Office, as appropriate, not less than forty-eight (48) hours before the time appointed for holding the meeting, or adjourned meeting or poll, as the case may be.	75(1)	A Member who is a patient for any purpose relating to mental health or in respect of whom an order has been made by any court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote by his receiver, committee, curator bonis or other person in the nature of a receiver, committee or curator bonis appointed by such court, and such receiver, committee, curator bonis or other person may vote on a poll by proxy, and may otherwise act and be treated as if he were the registered holder of such shares for the purposes of general meetings, provided that such evidence as the Board may require of the authority of the person claiming to vote shall have been deposited at the Office, head office or Registration Office, as appropriate, not less than forty-eight (48) hours before the time appointed for holding the meeting, or adjourned meeting, as the case may be.

APPENDIX III DETAILS OF PROPOSED AMENDMENTS TO THE BYE-LAWS

Bye-law no.	Existing bye-laws	Bye-law no.	Proposed amendments
81	Instruments of proxy shall be in any common form or in such other form as the Board may approve (provided that this shall not preclude the use of the two-way form) and the Board may, if it thinks fit, send out with the notice of any meeting forms of instrument of proxy for use at the meeting. The instrument of proxy shall be deemed to confer authority to demand or join in demanding a poll and to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.	81	Instruments of proxy shall be in any common form or in such other form as the Board may approve (provided that this shall not preclude the use of the two-way form) and the Board may, if it thinks fit, send out with the notice of any meeting forms of instrument of proxy for use at the meeting. The instrument of proxy shall be deemed to confer authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.
82	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the instrument of proxy or of the authority under which it was executed, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Office or the Registration Office (or such other place as may be specified for the delivery of instruments of proxy in the notice convening the meeting or other document sent therewith) two (2) hours at least before the commencement of the meeting or adjourned meeting, or the taking of the poll, at which the instrument of proxy is used.	82	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the instrument of proxy or of the authority under which it was executed, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Office or the Registration Office (or such other place as may be specified for the delivery of instruments of proxy in the notice convening the meeting or other document sent therewith) two (2) hours at least before the commencement of the meeting or adjourned meeting, at which the instrument of proxy is used.

APPENDIX III DETAILS OF PROPOSED AMENDMENTS TO THE BYE-LAWS

Bye-law no.	Existing bye-laws	Bye-law no.	Proposed amendments
84(2)	Where a Member is a clearing house (or its nominee(s) and, in each case, being a corporation), it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of Members provided that the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Bye-law shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)) in respect of the number and class of shares specified in the relevant authorisation including the right to vote individually on a show of hands.	84(2)	Where a Member is a clearing house (or its nominee(s) and, in each case, being a corporation), it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of Members provided that the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Bye-law shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)) in respect of the number and class of shares specified in the relevant authorisation.
115	A meeting of the Board may be convened by the Secretary on request of a Director or by any Director. The Secretary shall convene a meeting of the Board of which notice may be given in writing or by telephone or in such other manner as the Board may from time to time determine whenever he shall be required so to do by the president or chairman, as the case may be, or any Director. Any Director may waive notice of any meeting either prospectively or retrospectively.	115	A meeting of the Board may be convened by the Secretary on request of a Director or by any Director. The Secretary shall convene a meeting of the Board. Notice of a meeting of the Board shall be deemed to be duly given to a Director if it is given to such Director in writing or verbally (including in person or by telephone) or via electronic mail or by telephone or in such other manner as the Board may from time to time determine whenever he shall be required so to do by any Director.

APPENDIX III DETAILS OF PROPOSED AMENDMENTS TO THE BYE-LAWS

Bye-law no.	Existing bye-laws	Bye-law no.	Proposed amendments
127	<p>(1) The officers of the Company shall consist of a president and vice-president or chairman and deputy chairman, the Directors and Secretary and such additional officers (who may or may not be Directors) as the Board may from time to time determine, all of whom shall be deemed to be officers for the purposes of the Act and these Bye-laws.</p> <p>(2) The Directors shall, as soon as may be after each appointment or election of Directors, elect amongst the Directors a president and a vice-president or a chairman and a deputy chairman; and if more than one (1) Director is proposed for either of these offices, the election to such office shall take place in such manner as the Directors may determine.</p>	127	<p>(1) The officers of the Company shall consist of the Directors and Secretary and such additional officers (who may or may not be Directors) as the Board may from time to time determine, all of whom shall be deemed to be officers for the purposes of the Act and, subject to Bye-law 132(4), these Bye-laws.”</p> <p>(2) Intentionally deleted.</p>
157	<p>If the office of auditor becomes vacant by the resignation or death of the Auditor, or by his becoming incapable of acting by reason of illness or other disability at a time when his services are required, the Directors shall as soon as practicable convene a special general meeting to fill the vacancy.</p>	157	<p>If the office of auditor becomes vacant by the resignation or death of the Auditor, or by his becoming incapable of acting by reason of illness or other disability at a time when his services are required, the Directors shall fill the vacancy and fix the remuneration of the Auditor so appointed.</p>

NOTICE OF ANNUAL GENERAL MEETING



CHINA GAS HOLDINGS LIMITED

中國燃氣控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 384)

NOTICE IS HEREBY GIVEN that the annual general meeting of China Gas Holdings Limited (the “**Company**”) will be held at Level 5, Taishan Room, Island Shangri-La, Hong Kong of Two Pacific Place, Supreme Court Road, Central, Hong Kong on Friday, 28 August 2009 at 10:00 a.m. for the following purposes:

1. To receive and consider the audited financial statements and the reports of the directors and of the auditors of the Company for the year ended 31 March 2009;
2. To declare a final dividend of HK1.4 cents per share;
3. (a) To re-elect the following persons as the directors of the Company:
 - i. Mr. Ma Jin Long
 - ii. Dr. Mao Er Wan
 - iii. Mr. Joe Yamagata
 - iv. Mr. R.K. Goel
 - v. Mr. William Rackets
- (b) To authorize the board of directors of the Company to fix the directors’ remuneration;
4. To re-appoint the auditors of the Company and to authorise the board of directors of the Company to fix the auditors’ remuneration;

As special business, to consider and, if thought fit, pass with or without amendments, each of the following resolutions 5, 6 and 7 as an ordinary resolution of the Company:

* *For identification purpose only*

NOTICE OF ANNUAL GENERAL MEETING

5. **“THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (defined as below) of all powers of the Company to repurchase shares of the Company on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) or on any other stock exchange recognised, for this purpose by the Securities and Futures Commission and the Stock Exchange, subject to and in accordance with all applicable laws and requirements, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company which the Company is authorised to repurchase 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 at the date of passing this resolution 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 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 laws to be held; or
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

6. **“THAT:**

- (a) subject to paragraph (c) 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 approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period (as defined below) to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

- (c) 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) in addition, subject to the passing of Resolution No. 7 below, all those number of shares which may from time to time be purchased by the Company pursuant to the general mandate granted under Resolution No. 5 above, and the said approval shall be limited accordingly; and
- (d) for the purpose of this resolution:

“**Relevant Period**” means the period from the time of 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 laws to be held; or
- (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 the requirements of any recognised regulatory body of any stock exchange in, any territory outside Hong Kong).

7. “**THAT** conditional upon the passing of resolutions Nos. 5 and 6 above set out in the notice of the meeting of which this resolution forms part, the aggregate nominal amount of the shares which are repurchased by the Company pursuant to and in accordance with resolution No. 5 above shall be added to the aggregate nominal amount of the shares which

NOTICE OF ANNUAL GENERAL MEETING

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. 6 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.”

As special business, to consider and if thought fit, pass with or without amendments, the following resolution as a special resolution:

8.A **“THAT** the Bye-laws of the Company be and are hereby amended in the following manner:

(a) Bye-law 1

By inserting the following paragraph immediately after the definition of “Board or Directors”:

““business day” shall mean a day on which the Designated Stock Exchange generally is open for the business of dealing in securities in Hong Kong. For the avoidance of doubt, where the Designated Stock Exchange is closed for the business of dealing in securities in Hong Kong on a business day by reason of a Number 8 or higher typhoon signal, black rainstorm warning or other similar event, such day shall for the purposes of these Bye-laws be counted as a business day.”

(b) Bye-law 2

By deleting existing Bye-laws 2(h) and 2(i) in their entirety and replacing them with the following:

“(h) a resolution shall be a special resolution when it has been passed by a majority of not less than three-fourths of votes cast by such Members as, being entitled so to do, vote in person or, in the case of such Members as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Bye-law 59;”

“(i) a resolution shall be an ordinary resolution when it has been passed by a simple majority of votes cast by such Members as, being entitled so to do, vote in person or, in the case of any Member being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Bye-law 59;”

NOTICE OF ANNUAL GENERAL MEETING

(c) Bye-law 10

- (i) By inserting the word “and” after the semi-colon in Bye-law 10(a);
- (ii) By deleting the words “on a poll” and the words “; and” in Bye-law 10(b) and by putting a full stop at the end of Bye-law 10(b); and
- (iii) By deleting existing Bye-law 10(c) in its entirety.

(d) Bye-law 44

By deleting the first sentence from the existing Bye-law 44 and replacing therewith the following:

“The Register and branch register of Members, as the case may be, shall be open to inspection between 10 a.m. and 12 noon on every business day by members of the public without charge at the Office or such other place at which the Register is kept in accordance with the Act.”

(e) Bye-law 59

- (i) By deleting existing Bye-law 59(1) in its entirety and replacing it with the following:

“59. (1) An annual general meeting shall be called by Notice of not less than twenty-one (21) clear days and not less than twenty (20) clear business days and any special general meeting at which the passing of a special resolution is to be considered shall be called by Notice of not less than twenty-one (21) clear days and not less than ten (10) clear business days. All other special general meetings may be called by Notice of not less than fourteen (14) clear days and not less than ten (10) clear business days but if permitted by the rules of the Designated Stock Exchange, a general meeting may be called by shorter notice if it is so agreed:

- (a) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and
 - (b) in the case of any other meeting, by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent. (95%) in nominal value of the issued shares giving that right.”
- (ii) By inserting the words “and particulars of resolutions to be considered at the meeting” immediately after the words “place of the meeting” in the first line of Bye-law 59(2).

NOTICE OF ANNUAL GENERAL MEETING

(f) Bye-law 66

By deleting existing Bye-law 66 in its entirety and replacing it with the following:

“66. Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Bye-laws, at any general meeting on a poll every Member present in person or by proxy or, in the case of a Member being a corporation, by its duly authorised representative shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. A resolution put to the vote of a meeting shall be decided by way of a poll.

(g) Bye-law 67

By deleting existing Bye-law 67 in its entirety and replacing it with the following:

“67. Intentionally deleted.”

(h) Bye-law 68

By deleting the first sentence in Bye-law 68 and replacing it with the following:

“The results of the poll shall be deemed to be the resolution of the meeting.”

(i) Bye-law 69

By deleting existing Bye-law 69 in its entirety and replacing it with the following:

“69. Intentionally deleted.”

(j) Bye-law 70

By deleting existing Bye-law 70 in its entirety and replacing it with the following:

“70. Intentionally deleted.”

(k) Bye-law 73

By deleting the words “whether on a show of hands or on a poll,” from existing Bye-law 73.

NOTICE OF ANNUAL GENERAL MEETING

(l) Bye-law 75(1)

By deleting the words “whether on a show of hands or on a poll,” in the 4th line and the words “or poll” in the last line of existing Bye-law 75(1).

(m) Bye-law 81

By deleting the words “to demand or join in demanding a poll and” in the 5th line of existing Bye-law 81.

(n) Bye-law 82

By deleting the words “or the taking of the poll,” in the 7th line of existing Bye-law 82.

(o) Bye-law 84(2)

By deleting the words “including the right to vote individually on a show of hands” in the last line of existing Bye-law 84(2).

(p) Bye-law 115

By deleting the existing Bye-law 115 in its entirety and replacing therewith the following:

“115. A meeting of the Board may be convened by the Secretary on request of a Director or by any Director. The Secretary shall convene a meeting of the Board. Notice of a meeting of the Board shall be deemed to be duly given to a Director if it is given to such Director in writing or verbally (including in person or by telephone) or via electronic mail or by telephone or in such other manner as the Board may from time to time determine whenever he shall be required so to do by any Director.”

(q) Bye-law 127

(i) By deleting the existing Bye-law 127(1) in its entirety and replacing therewith the following:

“127. (1) The officers of the Company shall consist of the Directors and Secretary and such additional officers (who may or may not be Directors) as the Board may from time to time determine, all of whom shall be deemed to be officers for the purposes of the Act and, subject to Bye-law 132(4), these Bye-laws.”

NOTICE OF ANNUAL GENERAL MEETING

- (ii) By deleting the existing Bye-law 127(2) in its entirety and replacing therewith the following:

“(2) Intentionally deleted.”

(r) **Bye-law 157**

By deleting the words “as soon as practicable convene a special general meeting to fill the vacancy” at the end of the existing Bye-law 157 and replacing therewith the words “fill the vacancy and fix the remuneration of the Auditor so appointed”.

- 8.B “**THAT** the new bye-laws of the Company, in the form of the printed document marked “A” and produced to this meeting and for the purpose of identification signed by the Chairman of this meeting, which consolidates all of the proposed amendments referred to in resolution 8A and all previous amendments made pursuant to resolutions passed by the shareholders of the Company at general meetings be approved and adopted as the new bye-laws of the Company in substitution for and to the exclusion of the existing bye-laws of the Company with immediate effect.”

By Order of the Board of
China Gas Holdings Limited
Yang Yan Tung Doris
Company Secretary

Hong Kong, 29 July 2009

Principal Place of Business in Hong Kong:

Room 1601
16th Floor
AXA Centre
151 Gloucester Road
Wan Chai
Hong Kong

Registered Office:

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. Any member entitled to attend and vote at the meeting is entitled to appoint one or, if he is a holder of more than one Share, more proxies to attend and vote instead of him. A proxy need not be a member of the Company.
2. A form of proxy for use in connection with the annual general meeting is enclosed with the Company's 2009 annual report. To be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority must be deposited at the Company's branch share registrar, Computershare Hong Kong Investor Services Limited, Rooms 1806-07, 18th Floor, Hopwell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the meeting.
3. The register of members of the Company will be closed from 24 August 2009 to 28 August 2009 (both days inclusive) during which period no transfer of shares will be effected. In order to qualify for the proposed final dividends to be payable on or before 30 September 2009, all transfers, accompanied by the relevant share certificates should be lodged with the Company's branch share registrar, Computershare Hong Kong Investor Services Limited, Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on 21 August 2009.
4. Where there are joint holders of any shares, any one of such joint holders may vote at the meeting personally or by proxy in respect of such shares as if he was solely entitled thereto provided that if more than one of such joint holders be present at the meeting personally or by proxy, the person 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.
5. A circular containing the information regarding the retiring directors, the general mandates to issue and repurchase shares of the Company will be sent to the shareholders together with the Company's 2009 annual report.
6. As of the date hereof, Mr. Li Xiao Yun, Mr. Xu Ying, Mr. Liu Ming Hui, Mr. Zhu Wei Wei and Mr. Ma Jin Long are the executive directors, Mr. Feng Zhuo Zhi, Mr. Joe Yamagata, Mr. R.K. Goel, Mr. Kim Joong Ho and Mr. William Rackets are the non-executive directors and Mr. Zhao Yu Hua, Dr. Mao Er Wan and Ms. Wong Sin Yue Cynthia are the independent non-executive directors.