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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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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 advisor.

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

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**港華燃氣有限公司**  
**Towngas China Company Limited**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1083)**

**PROPOSALS INVOLVING GENERAL MANDATES  
TO ISSUE AND REPURCHASE SHARES,  
DECLARATION OF DIVIDEND AND CLOSURE OF REGISTER OF  
MEMBERS, RE-ELECTION OF DIRECTORS,  
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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The notice convening an annual general meeting of the Company to be held at Concord Room, 8/F, Renaissance Harbour View Hotel, 1 Harbour Road, Wanchai, Hong Kong on Monday, 30 May 2011 at 11:00 a.m. is set out on pages 19 to 26 of this circular. Whether or not you are able to attend the meeting in person, please complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the office of the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the meeting (or any adjournment thereof). Completion and return of the form of proxy will not preclude you from attending and voting at the meeting (or any adjournment thereof) should you so wish.

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## DEFINITIONS

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*In this circular, the following expressions have the following meanings unless the context requires otherwise:*

“AGM”	the annual general meeting of the Company to be held at Concord Room, 8/F, Renaissance Harbour View Hotel, 1 Harbour Road, Wanchai, Hong Kong on Monday, 30 May 2011 at 11:00 a.m. and any adjournment thereof, notice of which is set out on pages 19 to 26 of this circular.
“AGM Notice”	the notice for convening the AGM set out on pages 19 to 26 of this circular
“Annual Report”	the annual report of the Company for the year ended 31 December 2010
“Articles”	the articles of association of the Company
“Board”	the board of Directors of the Company
“Companies Law”	the Companies Law (2010 Revision) of the Cayman Islands
“Company”	Towngas China Company Limited (Stock code: 1083), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Dividend”	the final dividend proposed to be paid out of the share premium account of the Company of three HK cents per Share in respect of the year ended 31 December 2010
“Group”	the Company and its subsidiaries
“HKCG”	The Hong Kong and China Gas Company Limited, a controlling shareholder of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the Peoples’ Republic of China
“Latest Practicable Date”	29 March 2011, 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

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## DEFINITIONS

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“Ordinary Resolution(s)”	the proposed ordinary resolution(s) as referred to in the AGM Notice
“Repurchase Mandate”	a general mandate to the Directors to exercise the power of the Company to repurchase Shares during the period as set out in Ordinary Resolution No. 4 in the AGM Notice up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of such resolution
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	fully paid-up share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Share Buy-Back Rules”	the relevant rules set out in the Listing Rules to regulate the repurchase by companies with primary listing on the Stock Exchange of their own securities
“Share Issue Mandate”	a general mandate to the Directors to exercise the powers of the Company to allot, issue and deal with the Shares during the period as set out in Ordinary Resolution No. 5 in the AGM Notice up to a maximum of 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of such resolution
“Special Resolution”	the proposed special resolution as referred to in the AGM Notice
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

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LETTER FROM THE BOARD

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**港華燃氣有限公司**  
**Towngas China Company Limited**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1083)**

*Executive Directors:*

Mr. Chan Wing Kin, Alfred (*Chairman*)  
Mr. Wong Wai Yee, Peter (*Chief Executive Officer*)  
Mr. Kwan Yuk Choi, James  
Mr. Ho Hon Ming, John (*Company Secretary*)  
Ms. Law Wai Fun, Margaret

*Registered office:*

P.O. Box 309  
Ugland House  
Grand Cayman  
KY1-1104  
Cayman Islands

*Independent Non-executive Directors:*

Dr. Chow Yei Ching  
Dr. Cheng Mo Chi, Moses  
Mr. Li Man Bun, Brian David

*Head Office and Principal Place of  
Business in Hong Kong:*

23rd Floor  
363 Java Road  
North Point  
Hong Kong

6 April 2011

*To the Shareholders*

Dear Sir or Madam,

**PROPOSALS INVOLVING GENERAL MANDATES  
TO ISSUE AND REPURCHASE SHARES,  
DECLARATION OF DIVIDEND AND CLOSURE OF REGISTER OF  
MEMBERS, RE-ELECTION OF DIRECTORS,  
PROPOSED AMENDMENTS TO THE  
ARTICLES OF ASSOCIATION  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

At the annual general meeting of the Company held on 29 April 2010, resolutions were passed by the Shareholders, amongst other things, to give general unconditional mandates to the Directors to exercise the powers of the Company to:

- (i) allot, issue and otherwise deal with Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of such resolution;

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## LETTER FROM THE BOARD

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- (ii) repurchase Shares up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of such resolution; and
- (iii) extend the general mandate for issuing Shares as mentioned in paragraph (i) above by an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the general mandate granted to the Directors to repurchase Shares as mentioned in paragraph (ii) above.

The above general mandates will lapse at the conclusion of the AGM. It is therefore proposed to seek your approval at the AGM to grant fresh general mandates to the Directors to exercise the above powers.

The Board announced in the results announcement of the Company dated 14 March 2011 that it was the intention of the Board to recommend the payment of the Dividend out of the share premium account of the Company of three HK cents per Share in respect of the year ended 31 December 2010. It is therefore proposed to seek your approval at the AGM for the payment of the Dividend.

The Board also proposes to make minor housekeeping amendments to the Articles and to amend the Articles in order to bring the Articles in line with the provisions of the Listing Rules relating to the use of electronic means or website for communication with shareholders. It is therefore proposed to seek your approval at the AGM for such amendments to the Articles.

The purpose of this circular is to, *inter alia*, provide you with information regarding the proposals for the grant of the Repurchase Mandate and the Share Issue Mandate, the declaration of the Dividend and closure of register of members, the re-election of retiring Directors and the proposed amendments to the Articles, and to seek your approval in connection with such matters at the AGM.

### **2. GENERAL MANDATE TO REPURCHASE SHARES**

An ordinary resolution will be proposed at the AGM to grant to the Directors the Repurchase Mandate, details of which are set out in Ordinary Resolution No. 4 in the AGM Notice. The Shares which may be repurchased by the Company pursuant to the Repurchase Mandate shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the Ordinary Resolution approving the Repurchase Mandate.

An explanatory statement as required under the Share Buy-Back Rules to be sent to the Shareholders, giving certain information regarding the Repurchase Mandate to enable the Shareholders to make an informed decision on whether to vote for or against Ordinary Resolution No. 4, is set out in Appendix I hereto.

### **3. GENERAL MANDATE TO ISSUE SHARES**

Two ordinary resolutions, namely Ordinary Resolutions Nos. 5 and 6 in the AGM Notice, will be proposed at the AGM to grant to the Directors (i) a general mandate to allot, issue and deal with new Shares not exceeding 20% of the issued share capital of the Company as at the date of passing of Ordinary Resolution No. 5 in the AGM Notice and (ii) an extension to such general mandate so granted

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## LETTER FROM THE BOARD

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to the Directors by adding thereto any Shares repurchased by the Company pursuant to the Repurchase Mandate up to 10% of the issued share capital of the Company as at the date of passing of Ordinary Resolution No. 6 in the AGM Notice.

Details of the Share Issue Mandate and the extension of the Share Issue Mandate are respectively set out in Ordinary Resolutions Nos. 5 and 6 in the AGM Notice.

#### **4. DECLARATION OF DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS**

As mentioned in the results announcement of the Company dated 14 March 2011, it was the intention of the Board to recommend the payment of the Dividend out of the share premium account of the Company of three HK cents per Share in respect of the year ended 31 December 2010 to Shareholders whose names appeared on the register of members of the Company on 30 May 2011, totaling not less than HK\$73,464,000, subject to the approval of the Shareholders at the AGM and compliance with the Companies Law.

Under Section 34(2) of the Companies Law, the share premium account may be applied by the company paying dividends to shareholders provided that no dividend may be paid to members out of the share premium account unless, immediately following the date on which the dividend is proposed to be paid, the company shall be able to pay its debts as they fall due in the ordinary course of business. The Board confirms that with respect to the Dividend, the Company meets the solvency test as laid down under the Companies Law and shall be able to pay its debts as they fall due in the ordinary course of business immediately following the date on which the Dividend is proposed to be paid.

The register of members will be closed from 25 May 2011 to 30 May 2011, both days inclusive. In order to qualify for the Dividend, all completed transfer forms accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on 24 May 2011.

#### **5. RE-ELECTION OF DIRECTORS**

The Board currently consists of eight Directors, namely Mr. Chan Wing Kin, Alfred (Chairman), Mr. Wong Wai Yee, Peter (Chief Executive Officer), Mr. Kwan Yuk Choi, James, Mr. Ho Hon Ming, John (Company Secretary) and Ms. Law Wai Fun, Margaret, being the executive Directors, and Dr. Chow Yei Ching, Dr. Cheng Mo Chi, Moses and Mr. Li Man Bun, Brian David, being the independent non-executive Directors.

Pursuant to Article 112 of the Articles, at each annual general meeting, one-third of the Directors, who have been longest in office since their last election, for the time being shall retire from office by rotation such that each Director will be subject to retirement by rotation at least once every three years at the annual general meeting.

In accordance with Article 112 of the Articles, Mr. Wong Wai Yee, Peter, Mr. Kwan Yuk Choi, James and Mr. Ho Hon Ming, John shall retire from office by rotation at the AGM and all of them, being eligible, would offer themselves for re-election at the AGM.

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## LETTER FROM THE BOARD

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Brief biographical details of the above-mentioned Directors who are proposed to be re-elected at the AGM are set out in Appendix II to this circular.

### 6. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Board proposes to make minor housekeeping amendments to the Articles. Further, in order to bring the Articles in line with the provisions of the Listing Rules relating to the use of electronic means or website for communication with shareholders, the Directors propose to amend the Articles to the effect that:

- (a) subject to the compliance with requirements under the Listing Rules, the Company may use the Company's website and other electronic means to send or make available notices or documents to the Shareholders; and
- (b) the application of Section 8 of the Electronic Transactions Law (2003 Revision) of the Cayman Islands (as amended) be excluded so that the Company can take advantage of delivery by electronic means to the fullest extent as allowed under the Listing Rules.

Please refer to Appendix III for details of the proposed amendments to the Articles.

### 7. ANNUAL GENERAL MEETING

The AGM Notice, which contains, *inter alia*, the Ordinary Resolutions for the Repurchase Mandate, the Share Issue Mandate, the extension of the Share Issue Mandate, the declaration of the Dividend and closure of register of members and the re-election of retiring Directors, and the Special Resolution for the proposed amendments to the Articles, is set out on pages 19 to 26 of this circular.

### 8. ACTION TO BE TAKEN

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you are able to attend the AGM in person, please complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the office of the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the AGM or any adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjourned meeting (as the case may be).

### 9. RECOMMENDATION

The Directors are of the opinion that the proposals referred to in this circular are in the best interests of the Company and the Shareholders and therefore recommend you to vote in favour of all the relevant resolutions to be proposed at the AGM.



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## LETTER FROM THE BOARD

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### 10. DIRECTORS' RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein misleading.

Yours faithfully,  
By Order of the Board  
**Towngas China Company Limited**  
**Ho Hon Ming, John**  
*Executive Director and Company Secretary*

**1.    LISTING RULES**

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their own shares on the Stock Exchange subject to certain restrictions. This appendix serves as an explanatory statement as required by the Share Buy-Back Rules to be sent to the Shareholders in connection with the proposed Repurchase Mandate.

**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. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and/or earnings per Share of the Company and will only be made when the Directors believe that such a repurchase will benefit the Company and its Shareholders.

**3.    SHARE CAPITAL**

As at the Latest Practicable Date, the issued Share capital of the Company comprised 2,455,319,830 Shares.

Subject to the passing of Ordinary Resolution No. 4 in the AGM Notice and on the basis that no further Shares will be issued or repurchased by the Company prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 245,531,983 Shares (representing 10% of the aggregate nominal amount of the issued share capital of the Company as at the Latest Practicable Date) during the period from the date of passing of Ordinary Resolution No. 4 set out in the AGM Notice up to (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 or any applicable laws of the Cayman Islands to be held; or (iii) the revocation, variation or renewal of the Repurchase Mandate by ordinary resolution of the Shareholders in general meeting, whichever is the earliest.

**4.    FUNDING OF REPURCHASES**

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association, the Articles and the applicable laws and regulations of the Cayman Islands. The Company may not purchase securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

**5.    GENERAL**

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited consolidated financial statements contained in the Annual Report) in the event that the Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or on its gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

**6.    SHARE PRICES**

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the previous twelve months before the Latest Practicable Date were as follows:

	<b>Share Price</b>	
	<b>Highest</b>	<b>Lowest</b>
	<i>HK\$</i>	<i>HK\$</i>
April 2010	3.95	3.34
May 2010	3.42	3.04
June 2010	3.24	2.88
July 2010	3.17	2.91
August 2010	3.42	3.00
September 2010	3.75	3.32
October 2010	3.65	3.48
November 2010	3.95	3.49
December 2010	3.95	3.59
January 2011	4.17	3.72
February 2011	4.06	3.80
March 2011 (up to the Latest Practicable Date)	4.09	3.83

**7.    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 of the Company, the Articles and the applicable laws of the Cayman Islands.

None of the Directors nor, to the best of their knowledge, having made all reasonable enquiries, any of their associates (as defined in the Listing Rules), has any present intention to sell any Shares to the Company under the Repurchase Mandate if such is approved by the Shareholders and exercised by the Board.

No connected person (as defined in the Listing Rules) has notified the Company that it has a present intention to sell Shares to the Company, nor has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders and exercised by the Board.

**8.    TAKEOVERS CODE**

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of Rule 32 of the Takeovers Code. As a result, a Shareholder, or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interests, could obtain or consolidate control of the Company and become(s) obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

Save as mentioned above, the Directors are not aware of any consequences which would arise under the Takeovers Code as a result of an exercise of the general mandate to repurchase. The Directors have no intention to repurchase any Shares to the extent that it will cause the public float of the Company to fall below 25%.

**9.    SHARE REPURCHASES BY THE COMPANY**

No repurchases of Shares have been made by the Company in the six months preceding the Latest Practicable Date, whether on the Stock Exchange or otherwise.

*The particulars of the retiring Directors proposed to be re-elected at the AGM are set out as follows:*

**(1) MR. WONG WAI YEE, PETER**

Mr. Wong Wai Yee, Peter, *C.M.A., A.C.S., A.C.I.S., M.B.A.*, aged 59, has been an Executive Director and the Chief Executive Officer of the Company since 1 March 2007. Mr. Wong is the Head — Mainland Utilities of HKCG (a public listed company in Hong Kong and the controlling shareholder of the Company). Mr. Wong also holds directorships in various subsidiaries of HKCG. Mr. Wong is a professional accountant and a chartered company secretary. Mr. Wong was formerly a director of Certified Management Accountants Society of British Columbia, Canada and the president of its Hong Kong branch. He is a member of the Advisory Board of the Department of Accounting of Hong Kong Shue Yan University. Mr. Wong has over 34 years of experience in corporate finance, management and international working experience. Save as disclosed above, Mr. Wong did not hold any directorships in any other public listed companies, whether in Hong Kong or overseas, in the previous 3 years.

Mr. Wong has not entered into any service agreement with the Company. There is no specific term of his appointment but he is subject to retirement and re-election in accordance with the provisions of the Articles of Association. Mr. Wong has received a director's fee of HK\$200,000 and other emoluments of approximately HK\$3,476,800 for the year ended 31 December 2010. His emoluments are determined by the Board from time to time with reference to his duties and responsibilities and the Company's performance and profitability.

Save as disclosed herein, as at the Latest Practicable Date, (a) Mr. Wong does not have any relationships with any Directors, senior management or substantial or controlling shareholders of the Company, and (b) so far as the Directors are aware, there are no other matters concerning Mr. Wong that need to be brought to the attention of the Shareholders nor any information to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Listing Rules. As at the Latest Practicable Date, Mr. Wong has 3,015,000 share options granted by the Company to subscribe for 3,015,000 Shares representing approximately 0.12% of the issued share capital of the Company as at the Latest Practicable Date, within the meaning of Part XV of the SFO.

**(2) MR. KWAN YUK CHOI, JAMES**

Mr. Kwan Yuk Choi, James, *J.P., C.Eng., F.H.K.I.E., F.I.G.E.M., F.I.Mech.E., F.E.I., F.C.I.B.S.E., B.Sc. (Eng), M.B.A.*, aged 59, has been an Executive Director of the Company since 1 March 2007. Mr. Kwan is an executive director and the chief operating officer of HKCG (a public listed company in Hong Kong and the controlling shareholder of the Company) and holds directorships in various subsidiaries of HKCG. He is currently a member of Construction Industry Council, a member of Transport Advisory Committee and a member of the Vocational Training Council of the Hong Kong Special Administrative Region and a member of the Twelfth Nanjing Committee of the Chinese People's Political Consultative Conference. He was President of The Institution of Gas Engineers UK (currently known as The Institution of Gas Engineers & Managers) in 2000/2001 and The Hong Kong Institution of Engineers in 2004/2005. Mr. Kwan is a Chartered Engineer and Fellow of The Hong Kong Institution of Engineers, Fellow of The Institution of Mechanical Engineers, Fellow of The Institution of Gas Engineers & Managers, Fellow of The Energy Institute and Fellow of Chartered Institution of Building Services Engineers. Save as disclosed above, Mr. Kwan did not hold any directorships in any other public listed companies, whether in Hong Kong or overseas, in the previous 3 years.

Mr. Kwan has not entered into any service agreement with the Company. There is no specific term of his appointment but he is subject to retirement and re-election in accordance with the provisions of the Articles of Association. Mr. Kwan has received a director's fee of HK\$200,000 for the year ended 31 December 2010. His emoluments are determined by the Board from time to time with reference to his duties and responsibilities and the Company's performance and profitability.

Save as disclosed herein, as at the Latest Practicable Date, (a) Mr. Kwan does not have any relationships with any Directors, senior management or substantial or controlling shareholders of the Company, and (b) so far as the Directors are aware, there are no other matters concerning Mr. Kwan that need to be brought to the attention of the Shareholders nor any information to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Listing Rules. As at the Latest Practicable Date, Mr. Kwan has personal and family interest in 48,315 and 54,741 shares respectively in HKCG (being an associated corporation of the Company) representing 0.00% of the issued share capital of HKCG as at the Latest Practicable Date and has 3,015,000 share options granted by the Company to subscribe for 3,015,000 Shares representing approximately 0.12% of the issued share capital of the Company as at the Latest Practicable Date, within the meaning of Part XV of the SFO.

**(3) MR. HO HON MING, JOHN**

Mr. Ho Hon Ming, John, *F.C.A., F.C.P.A., B.A. (Hons.)*, aged 54, has been an Executive Director and the Company Secretary of the Company since 1 March 2007. Mr. Ho is the chief financial officer and the company secretary of HKCG (a public listed company in Hong Kong and the controlling shareholder of the Company) and holds directorships in various subsidiaries of HKCG. Mr. Ho is a Fellow of the Institute of Chartered Accountants in England and Wales and also a Fellow of The Hong Kong Institute of Certified Public Accountants. Mr. Ho has over 32 years of experience in accounting, corporate finance and investment. Save as disclosed above, Mr. Ho did not hold any directorships in any other public listed companies, whether in Hong Kong or overseas, in the previous 3 years.

Mr. Ho has not entered into any service agreement with the Company. There is no specific term of his appointment but he is subject to retirement and re-election in accordance with the provisions of the Articles of Association. Mr. Ho has received a director's fee of HK\$200,000 and other emoluments of approximately HK\$2,576,800 for the year ended 31 December 2010. His emoluments are determined by the Board from time to time with reference to his duties and responsibilities and the Company's performance and profitability.

Save as disclosed herein, as at the Latest Practicable Date, (a) Mr. Ho does not have any relationships with any Directors, senior management or substantial or controlling shareholders of the Company, and (b) so far as the Directors are aware, there are no other matters concerning Mr. Ho that need to be brought to the attention of the Shareholders nor any information to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Listing Rules. As at the Latest Practicable Date, Mr. Ho has personal interest in 21,434 shares in HKCG (being an associated corporation of the Company) representing 0.00% of the issued share capital of HKCG as at the Latest Practicable Date and has 3,015,000 share options granted by the Company to subscribe for 3,015,000 Shares representing approximately 0.12% of the issued share capital of the Company as at the Latest Practicable Date, within the meaning of Part XV of the SFO.

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## APPENDIX III PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

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Set out below are the proposed amendments to be made to the existing Articles pursuant to Special Resolution No. 8 set out in the AGM Notice:

### ARTICLE 2 — ADDITION OF THE FOLLOWING NEW DEFINITIONS

<b>Corporate Communication</b>	“Corporate Communication” shall mean any document issued or to be issued by the Company for the information or action of holders of any of its securities, including but not limited to: (a) the directors’ report, its annual accounts together with a copy of the auditor’s report, where applicable, its summary financial report; (b) the interim report and, where applicable, its summary interim report; (c) a notice of meeting; (d) a listing document; (e) a circular; and (f) a proxy form, within the meaning ascribed thereto under the Listing Rules;
<b>electronic means</b>	“electronic means” includes sending or otherwise making available to the intended recipients of the communication in the electronic format;
<b>Electronic Transactions Laws</b>	“Electronic Transactions Law” means the Electronic Transactions Law (2003 Revision) of the Cayman Islands and any amendment thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor;
<b>published on the Exchange’s website</b>	“published on the Exchange’s website” shall mean published in English and Chinese on the Exchange’s website in accordance with the Listing Rules;

### ARTICLE 2 — DEFINITION OF “THE COMPANIES LAW/THE LAW”

#### Existing version

“the Companies Law” or “the Law” shall mean the Companies Law (2004 Revision), Cap. 22 of the Cayman Islands and any amendments thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor;

#### Amended version

“the Companies Law” or “the Law” shall mean the Companies Law (2010 Revision), Cap. 22 of the Cayman Islands and any amendments thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor;



**ARTICLE 2 — DEFINITION OF “ELECTRONIC”**

**Existing version**

**electronic** “electronic” shall have the meaning given to it in the Electronic Transactions Law 2000 of the Cayman Islands and any amendment thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor;

**Amended version**

**electronic** shall have the meaning given to it in the Electronic Transactions Law;

**ARTICLE 2 — ADDITION OF THE FOLLOWING NEW PARAGRAPH IMMEDIATELY FOLLOWING THE PARAGRAPH “SINGULAR AND PLURAL”**

**Section 8 Electronic Transactions Law** Section 8 of the Electronic Transactions Law shall not apply to the Company;

**ARTICLE 15(c)**

**Existing version**

The register may, on 14 days’ notice being given by advertisement published in the newspapers, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided, be closed at such times and for such periods as the Board may from time to time determine, either generally or in respect of any class of shares, provided that the register shall not be closed for more than 30 days in any year (or such longer period as the members may by ordinary resolution determine provided that such period shall not be extended beyond 60 days in any year). The Company shall, on demand, furnish any person seeking to inspect the register or part thereof which is closed by virtue of this Article with a certificate under the hand of the Secretary stating the period for which, and by whose authority, it is closed.

**Amended version**

The register may, on the Company giving at least 14 days’ notice published on the Exchange’s website, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided or by advertisement published in the newspapers, be closed at such times and for such periods as the Board may from time to time determine, either generally or in respect of any class of shares, provided that the register shall not be closed for more than 30 days in any year (or such longer period as the members may by ordinary resolution determine provided that such period shall not be extended beyond 60 days in any year). The Company shall, on demand, furnish any person seeking to inspect the register or part thereof which is closed by virtue of this Article with a certificate under the hand of the Secretary stating the period for which, and by whose authority, it is closed.

**ARTICLE 28**

**Existing version**

In addition to the giving of notice in accordance with Article 26, notice of the person appointed to receive payment of every call and of the times and places appointed for payment may be given to the members affected by notice published in the newspapers or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided.

**Amended version**

In addition to the giving of notice in accordance with Article 26, notice of the person appointed to receive payment of every call and of the times and places appointed for payment may be given to the members affected by notice published on the Exchange's website, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided or by advertisement published in the newspapers.

**ARTICLE 44**

**Existing version**

The registration of transfers may, on 14 days' notice being given by advertisement published in the newspapers, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided, be suspended and the register closed at such times for such periods as the Board may from time to time determine, provided always that such registration shall not be suspended or the register closed for more than 30 days in any year (or such longer period as the members may by ordinary resolution determine provided that such period shall not be extended beyond 60 days in any year).

**Amended version**

The registration of transfers may, on the Company giving at least 14 days' notice by advertisement published on the Exchange's website, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided or by advertisement published in the newspapers, be suspended subject to the requirements in Article 15(c).

**ARTICLE 80**

**Existing version**

A resolution in writing (in one or more counterparts), including a special resolution, signed by all members for the time being entitled to receive notice of and to attend and vote at general meetings (or being corporations by their duly appointed representatives) shall be as valid and effective as if the same had been passed at a general meeting of the Company duly convened and held. Any such resolution shall be deemed to have been passed at a meeting held on the date on which it was signed by the last member to sign.

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## APPENDIX III PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

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### **Amended version**

Subject to the Listing Rules, a resolution in writing (in one or more counterparts), including a special resolution, signed by all members for the time being entitled to receive notice of and to attend and vote at general meetings (or being corporations by their duly appointed representatives) shall be as valid and effective as if the same had been passed at a general meeting of the Company duly convened and held. Any such resolution shall be deemed to have been passed at a meeting held on the date on which it was signed by the last member to sign.

### **ARTICLE 163(a)**

#### **Existing version**

Except as otherwise provided in these Articles, any notice or document may be served by the Company and any notices may be served by the Board on any member either personally or by sending it through the post in a prepaid letter addressed to such member at his registered address as appearing in the register or, to the extent permitted by the Listing Rules and all applicable laws and regulations, by electronic means by transmitting it to any electronic number or address or website supplied by the member to the Company or by placing it on the Company's Website provided that the Company has obtained the member's prior express positive confirmation in writing to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by such electronic means, or (in the case of notice) by advertisement published in the newspapers. In the case of joint holders of a share, all notices shall be given to that holder for the time being whose name stands first in the register and notice so given shall be sufficient notice to all the joint holders.

#### **Amended version**

Except as otherwise provided in these Articles, any Corporate Communication and any notices or other documents (including a share certificate) may be served by the Company or by the Board on any member either personally or by sending it through the post in a prepaid letter addressed to such member at his registered address as appearing in the register or, to the extent permitted by the Listing Rules and all applicable laws and regulations, by electronic means, including but not limited to, by transmitting it to any electronic number or address or website supplied by the member to the Company or by placing it on the Company's Website provided that the Company has obtained either (a) the member's prior express positive confirmation in writing or (b) the member's deemed consent, in the manner specified by the Listing Rules to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by such electronic means, or (in the case of notice) by advertisement published in the manner prescribed under the Listing Rules. In the case of joint holders of a share, all notices shall be given to that holder for the time being whose name stands first in the register and notice so given shall be sufficient notice to all the joint holders.

**ARTICLE 164**

**Existing version**

A member shall be entitled to have notice served on him at any address within Hong Kong. Any member who has not given an express positive confirmation in writing to the Company to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by electronic means and whose registered address is outside Hong Kong may notify the Company in writing of an address in Hong Kong which for the purpose of service of notice shall be deemed to be his registered address. A member who has no registered address in Hong Kong shall be deemed to have received any notice which shall have been displayed at the transfer office and shall have remained there for a period of 24 hours and such notice shall be deemed to have been received by such member on the day following that on which it shall have been first so displayed, provided that, without prejudice to the other provisions of these Articles, nothing in this Article 164 shall be construed as prohibiting the Company from sending, or entitling the Company not to send, notices or other documents of the Company to any member whose registered address is outside Hong Kong.

**Amended version**

A member shall be entitled to have notice served on him at any address within Hong Kong. The Company shall give notice sufficient to enable members, whose registered addresses are in Hong Kong, to exercise their rights or comply with the terms of the notice. Any member who has not given an express positive confirmation in writing to the Company or is not deemed to have given an express confirmation in the manner specified in the Listing Rules to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by electronic means and whose registered address is outside Hong Kong may notify the Company in writing of an address in Hong Kong which for the purpose of service of notice shall be deemed to be his registered address. A member who has no registered address in Hong Kong shall be deemed to have received any notice which shall have been displayed at the transfer office and shall have remained there for a period of 24 hours and such notice shall be deemed to have been received by such member on the day following that on which it shall have been first so displayed, provided that, without prejudice to the other provisions of these Articles, nothing in this Article 164 shall be construed as prohibiting the Company from sending, or entitling the Company not to send, notices or other documents of the Company to any member whose registered address is outside Hong Kong.

*Note:* The Chinese translation of this appendix which contains details of the proposed amendments to the Articles is for reference only. In case of inconsistency, the English version shall prevail.

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## NOTICE OF ANNUAL GENERAL MEETING

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# 港華燃氣有限公司 Towngas China Company Limited

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1083)**

**NOTICE IS HEREBY GIVEN THAT** the annual general meeting (the “**Annual General Meeting**”) of TOWNGAS CHINA COMPANY LIMITED (the “**Company**”) will be held at Concord Room, 8/F, Renaissance Harbour View Hotel, 1 Harbour Road, Wanchai, Hong Kong, on Monday, 30 May 2011, at 11:00 a.m., for the following purposes:

1. To receive and consider the audited consolidated financial statements and the reports of the directors of the Company (the “**Directors**”) and auditors of the Company for the year ended 31 December 2010;
2. To re-elect Directors and to authorize the board of Directors (the “**Board**”) to fix the remuneration of the Directors;
3. To re-appoint auditors of the Company and to authorize the Board to fix the remuneration of the auditors of the Company;

### **ORDINARY RESOLUTIONS**

4. To consider and, if thought fit, pass (with or without modifications) the following resolution as an ordinary resolution of the Company:

“**THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase its shares of HK\$0.10 each in the share capital of the Company (the “**Shares**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or any other stock exchange on which the shares of the Company may be listed and recognized by The Securities and Futures Commission of Hong Kong (the “**Securities and Futures Commission**”) and the Stock Exchange for such purpose, subject to and in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange or of any other stock exchange as amended from time to time and all applicable laws in this regard, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Shares which the Directors are authorized to repurchase pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

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## NOTICE OF ANNUAL GENERAL MEETING

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- (c) for the purpose of this resolution, “**Relevant Period**” means the period from the date 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 the Articles of Association of the Company or any applicable law of the Cayman Islands to be held; and
  - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.”
- 5. To consider and, if thought fit, pass (with or without modifications) the following resolution as an ordinary resolution of the Company:

“**THAT:**

- (a) subject to paragraph (c) of this resolution, and pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as hereinafter defined) of all powers of the Company to allot, issue and deal with additional shares of HK\$0.10 each in the share capital of the Company (the “**Shares**”) and to make or grant offers, agreements and options (including bonds, warrants, debentures, notes and any securities which carry rights to subscribe for or are convertible into shares of the Company) which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorize the Directors during the Relevant Period to allot, issue and deal with additional Shares and to make or grant offers, agreements and options (including bonds, warrants, debentures, notes and any securities which carry rights to subscribe for or are convertible into shares of the Company) which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) of this resolution during the Relevant Period, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) any issue of Shares for the grant or exercise of any option under any share option scheme of the Company or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or (iii) any issue of Shares as scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Articles of Association of the Company in force from time to time; or (iv) any issue of Shares in the Company upon the exercise of rights of subscription or conversion under the terms of any existing warrants of the Company or any existing securities of the Company,

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## NOTICE OF ANNUAL GENERAL MEETING

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shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

- (d) for the purpose of this resolution, “**Relevant Period**” means the period from the date 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 the Articles of Association of the Company or any applicable law of the Cayman Islands to be held; and
  - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.

“**Rights Issue**” means an offer of shares in the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares open for a period fixed by the Directors to holders of shares in the Company whose names appear on the register on a fixed record date in proportion to their holdings of shares (subject to such exclusion or other arrangements as the Directors 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, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, or any recognized regulatory body or any stock exchange applicable to the Company).”

6. To consider and, if thought fit, pass (with or without modifications) the following resolution as an ordinary resolution of the Company:

“**THAT** conditional upon the passing of resolutions nos. 4 and 5 set out in the notice convening this meeting, the unconditional general mandate granted to the Directors to allot, issue and deal with additional shares and to make or grant offers, agreements and options which might require the exercise of such powers pursuant to resolution no. 5 set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to resolution no. 4 set out in the notice convening this meeting, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution.”

7. As special business, to consider and, if thought fit, pass (with or without modifications) the following resolution as an ordinary resolution of the Company:

“**THAT** the payment of a final dividend from the share premium account of the Company of three HK cents per share in respect of the year ended 31 December 2010 to the shareholders of the Company whose names appeared on the register of members of the Company on 30 May 2011 be and is hereby approved.”

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## NOTICE OF ANNUAL GENERAL MEETING

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### SPECIAL RESOLUTION

8. As special business, to consider and, if thought fit, to pass with or without modification the following resolution as a Special Resolution:

“**THAT** the existing articles of association of the Company be and are hereby amended in the following manner:

- (a) Article 2

By adding the new entries in the following form to Article 2:

**Corporate Communication** “Corporate Communication” shall mean any document issued or to be issued by the Company for the information or action of holders of any of its securities, including but not limited to: (a) the directors’ report, its annual accounts together with a copy of the auditor’s report, where applicable, its summary financial report; (b) the interim report and, where applicable, its summary interim report; (c) a notice of meeting; (d) a listing document; (e) a circular; and (f) a proxy form, within the meaning ascribed thereto under the Listing Rules;”

**electronic means** “electronic means” includes sending or otherwise making available to the intended recipients of the communication in the electronic format;”

**Electronic Transactions Laws** “Electronic Transactions Law” means the Electronic Transactions Law (2003 Revision) of the Cayman Islands and any amendment thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor;”

**published on the Exchange’s website** “published on the Exchange’s website” shall mean published in English and Chinese on the Exchange’s website in accordance with the Listing Rules;”

- (b) By deleting the phrase “(2004 Revision)” by substituting therefor with the phrase “(2010 Revision)” in the definition of “the Companies Law/the Law” in Article 2;

- (c) By deleting the definition of “electronic” in Article 2 by substituting therefor with the following paragraph:

“**electronic** shall have the meaning given to it in the Electronic Transactions Law;”



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## NOTICE OF ANNUAL GENERAL MEETING

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- (d) By adding the following immediate after the definition of “singular and plural” in Article 2:

**“Section 8 Electronic Transactions Law**                      Section 8 of the Electronic Transactions Law shall not apply to the Company;”

- (e) Article 15(c)

By deleting the existing Article 15(c) in its entirety and substituting therefor with the following:

“(c) The register may, on the Company giving at least 14 days’ notice published on the Exchange’s website, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided or by advertisement published in the newspapers, be closed at such times and for such periods as the Board may from time to time determine, either generally or in respect of any class of shares, provided that the register shall not be closed for more than 30 days in any year (or such longer period as the members may by ordinary resolution determine provided that such period shall not be extended beyond 60 days in any year). The Company shall, on demand, furnish any person seeking to inspect the register or part thereof which is closed by virtue of this Article with a certificate under the hand of the Secretary stating the period for which, and by whose authority, it is closed.”

- (f) Article 28

By deleting the existing Article 28 in its entirety and substituting therefor with the following:

“In addition to the giving of notice in accordance with Article 26, notice of the person appointed to receive payment of every call and of the times and places appointed for payment may be given to the members affected by notice published on the Exchange’s website, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided or by advertisement published in the newspapers.”

- (g) Article 44

By deleting the existing Article 44 in its entirety and replacing by the following:

“The registration of transfers may, on the Company giving at least 14 days’ notice by advertisement published on the Exchange’s website, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided or by advertisement published in the newspapers, be suspended subject to the requirements in Article 15(c).”

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## NOTICE OF ANNUAL GENERAL MEETING

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(h) Article 80

By deleting “A” at the beginning and substituting therefor with “Subject to the Listing Rules, a” in Article 80.

(i) Article 163(a)

By deleting Article 163(a) in its entirety and substituting therefor with the following new paragraph:

“Except as otherwise provided in these Articles, any Corporate Communication and any notices or other documents (including a share certificate) may be served by the Company or by the Board on any member either personally or by sending it through the post in a prepaid letter addressed to such member at his registered address as appearing in the register or, to the extent permitted by the Listing Rules and all applicable laws and regulations, by electronic means, including but not limited to, by transmitting it to any electronic number or address or website supplied by the member to the Company or by placing it on the Company’s Website provided that the Company has obtained either (a) the member’s prior express positive confirmation in writing or (b) the member’s deemed consent, in the manner specified by the Listing Rules to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by such electronic means, or (in the case of notice) by advertisement published in the manner prescribed under the Listing Rules. In the case of joint holders of a share, all notices shall be given to that holder for the time being whose name stands first in the register and notice so given shall be sufficient notice to all the joint holders.”.

(j) Article 164

By deleting the existing Article 164 in its entirety and substituting therefor with the following:

“A member shall be entitled to have notice served on him at any address within Hong Kong. The Company shall give notice sufficient to enable members, whose registered addresses are in Hong Kong, to exercise their rights or comply with the terms of the notice. Any member who has not given an express positive confirmation in writing to the Company or is not deemed to have given an express confirmation in the manner specified in the Listing Rules to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by electronic means and whose registered address is outside Hong Kong may notify the Company in writing of an address in Hong Kong which for the purpose of service of notice shall be deemed to be his registered address. A member who has no registered address in Hong

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## NOTICE OF ANNUAL GENERAL MEETING

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Kong shall be deemed to have received any notice which shall have been displayed at the transfer office and shall have remained there for a period of 24 hours and such notice shall be deemed to have been received by such member on the day following that on which it shall have been first so displayed, provided that, without prejudice to the other provisions of these Articles, nothing in this Article 164 shall be construed as prohibiting the Company from sending, or entitling the Company not to send, notices or other documents of the Company to any member whose registered address is outside Hong Kong.”

By Order of the Board  
**Towngas China Company Limited**  
**Ho Hon Ming, John**  
*Executive Director and Company Secretary*

Hong Kong, 6 April 2011

*Registered office:*

P.O. Box 309  
Ugland House  
Grand Cayman  
KY1-1104  
Cayman Islands

*Principal Place of business in Hong Kong:*

23rd Floor,  
363 Java Road,  
North Point,  
Hong Kong

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## NOTICE OF ANNUAL GENERAL MEETING

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*Notes:*

1. A member of the Company entitled to attend and vote at the Annual General Meeting convened by the above notice is entitled to appoint one or more proxies to attend and vote instead of such member. A proxy need not be a member of the Company.
2. Completion and delivery of the form of proxy will not preclude a shareholder from attending and voting at the meeting if the member so desires.
3. At the Annual General Meeting, in compliance with Rule 13.39(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Chairman of the meeting will exercise his power under Article 76 of the Articles of Association to put each of the resolutions set out in the Notice of Annual General Meeting to vote by way of poll.
4. In order to be valid, the form of proxy together with a power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority must be deposited with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof.
5. With regard to item no. 2 in this notice, the Board proposes that the retiring Directors namely, Mr. Wong Wai Yee, Peter, Mr. Kwan Yuk Choi, James and Mr. Ho Hon Ming, John be re-elected as Directors of the Company. Biographical details of these Directors are set out in Appendix II to the circular dispatched to shareholders of the Company dated 6 April 2011.
6. As at the date of this notice, the executive Directors of the Company are Mr. Chan Wing Kin, Alfred (Chairman), Mr. Wong Wai Yee, Peter (Chief Executive Officer), Mr. Kwan Yuk Choi, James, Mr. Ho Hon Ming, John (Company Secretary), and Ms. Law Wai Fun, Margaret, and the independent non-executive Directors are Dr. Chow Yei Ching, Dr. Cheng Mo Chi, Moses and Mr. Li Man Bun, Brian David.

*Note:* The Chinese translation of this notice which contains details of the proposed amendments to the Articles of the Company is for reference only. In case of inconsistency, the English version shall prevail.