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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 adviser.

**If you have sold or transferred** all your shares in China Gas Holdings Limited, you should at once hand this circular, together with the accompanying 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.

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

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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)**

**MAJOR TRANSACTION  
CHARTERING OF TWO LNG VESSELS  
AND  
NOTICE OF SPECIAL GENERAL MEETING**

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A notice convening the SGM of the Company to be held at China Gas Building, 188 Meiyuan Road, Luohu District, Shenzhen, Guangdong Province, China at 10:00 a.m. on Tuesday, 23 April 2024 is set out on pages 20 to 21 of this circular. A form of proxy for use at the SGM is also enclosed. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.chinagasholdings.com.hk>).

Whether or not you intend to attend and vote at the SGM in person, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as practicable but in any event not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM should you so wish.

\* *For identification purposes only*

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## CONTENTS

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	<i>Page</i>
<b>Definitions</b> .....	1
<b>Letter from the Board</b> .....	4
<b>Appendix I — Financial Information of the Group</b> .....	10
<b>Appendix II — General Information</b> .....	13
<b>Notice of SGM</b> .....	20

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## DEFINITIONS

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

“2023 Announcement”	announcement of the Company dated 18 July 2023 in relation to, among other things, the formation of a joint venture and the 2023 Time Charterparties
“2023 Joint Venture Agreement”	the joint venture agreement dated 18 July 2023 entered into between China City Gas, Vantage Energy Holding Limited and Fortune Clean Energy in relation to the formation and management of a joint venture company
“2024 Joint Venture Agreement”	the joint venture agreement dated 12 March 2024 entered into between the JV Partners in relation to the formation and management of the 2024 Joint Venture Company
“2024 Joint Venture Company”	Ocean Jade Investment Limited, the 2024 Joint Venture Company to be established pursuant to the terms of the 2024 Joint Venture Agreement
“2024 LNG Vessel”	each of the two LNG carriers to be acquired, owned and chartered out by its respective 2024 Vessel Owner pursuant to the 2024 Joint Venture Agreement
“2023 Time Charterparties”	the LNG time charters entered into between the Charterer and the relevant vessel owner, in relation to the chartering of the two LNG vessels pursuant to the 2023 Joint Venture Agreement
“2024 Time Charterparties”	the LNG time charters to be entered into between the Charterer and the relevant 2024 Vessel Owner, in relation to the chartering of the two LNG Vessels pursuant to the 2024 Joint Venture Agreement
“2024 Vessel Owner”	each of the two special purpose vehicles to be incorporated by, and wholly-owned by, the 2024 Joint Venture Company for the purposes of acquiring, owning and chartering out the 2024 LNG Vessels
“Board”	the board of Directors
“Charterer”	China Gas Hongda Energy Trading Co., Ltd, a company incorporated in the PRC and a wholly-owned subsidiary of the Company

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## DEFINITIONS

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“China City Gas”	China City Gas Enterprises Limited, a company incorporated in the British Virgin Islands and a wholly-owned subsidiary 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 (stock code: 384)
“Director(s)”	the director(s) of the Company
“Fortune Clean Energy”	Fortune Clean Energy 2023 Holding Limited, a company incorporated in the Marshall Islands and a wholly-owned subsidiary of CSSC (Hong Kong) Shipping Company Limited
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“HKFRS 16”	Hong Kong Financial Reporting Standard 16 “Leases” which include standards and interpretations promulgated by the Hong Kong Institute of Certified Public Accountants
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“JV Partners”	collectively, China City Gas, Summit Energy and Fortune Clean Energy, and “JV Partner” shall mean any or each of them, as the context requires
“Latest Practicable Date”	22 March 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“LNG”	liquefied natural gas
“LPG”	liquefied petroleum gas
“PRC”	the People’s Republic of China
“SGM”	a special general meeting of the Company to be held at China Gas Building, 188 Meiyuan Road, Luohu District, Shenzhen, Guangdong Province, China at 10:00 a.m. on Tuesday, 23 April 2024 or at any adjournment thereof

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## DEFINITIONS

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“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	holder(s) of the shares of the Company
“Shares”	the ordinary shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Summit Energy”	Summit Energy Holding Limited, a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of Wah Kwong Maritime Transport Holdings Limited
“USD”	United States dollars, the lawful currency of the United States of America
“%”	per cent

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LETTER FROM THE BOARD

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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)**

*Executive Directors:*

Mr. LIU Ming Hui (*Chairman*)  
Mr. HUANG Yong  
Mr. ZHU Weiwei  
Ms. LI Ching  
Ms. LIU Chang  
Mr. ZHAO Kun

*Non-executive Directors:*

Mr. XIONG Bin (*Vice Chairman*)  
Mr. LIU Mingxing  
Mr. JIANG Xinhao  
Mr. Ayush GUPTA

*Independent Non-executive Directors:*

Mr. ZHAO Yuhua  
Dr. MAO Erwan  
Ms. CHEN Yanyan  
Mr. ZHANG Ling  
Dr. MA Weihua

*Registered Office:*

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

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

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

26 March 2024

*To the Shareholders*

Dear Sir or Madam,

**MAJOR TRANSACTION  
CHARTERING OF TWO LNG VESSELS  
AND  
NOTICE OF SPECIAL GENERAL MEETING**

**INTRODUCTION**

Reference is made to the announcement of the Company dated 12 March 2024 in relation to, among other things, the 2024 Time Charterparties (the “**Announcement**”).

\* *For identification purposes only*

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## LETTER FROM THE BOARD

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On 12 March 2024 (after trading hours), China City Gas, Summit Energy and Fortune Clean Energy entered into the 2024 Joint Venture Agreement, pursuant to which the 2024 Joint Venture Company will be established in relation to the acquisition, owning and chartering out of the two 2024 LNG Vessels. Pursuant to the 2024 Joint Venture Agreement, the Charterer shall time charter the two 2024 LNG Vessels for a term of 20 years.

The purpose of this circular is to provide you with, among other things, (i) further details of the 2024 Time Charterparties and the transactions contemplated thereunder; (ii) financial information of the Group; (iii) other information as required to be contained in the circular under the Listing Rules; and (iv) a notice of the SGM.

### **DETAILS OF THE 2024 TIME CHARTERPARTIES**

Pursuant to the 2024 Joint Venture Agreement, the Charterer shall, as soon as practicable and after the subscription, enter into the 2024 Time Charterparties for chartering the two 2024 LNG Vessels.

#### **Charter period**

The charter period shall be a period of 20 years commencing from the date of delivery of the two 2024 LNG Vessels.

#### **Charter hire**

The charter hire for each 2024 LNG Vessel shall be at a daily hire rate of approximately USD87,000 to USD100,000, payable on a monthly basis. The rate of the charter hire is determined after arm's length negotiation between the Charterer and the relevant 2024 Vessel Owner, and taking into account the current market rate of charter hire by reference to the type of the 2024 LNG Vessels. In accessing the rate of the charter hire with the current market rate, the Company has taken into account the following factors:

- (a) price records of LNG newbuilding prices sourced from a reputable independent shipbroker for at least the past three years, and to which LNG newbuilding price is expected to remain at an uptrend over the years;
- (b) price records of average daily hire rates on a long-term chartering basis and spot basis from a reputable independent shipbroker for at least the past three years, where it has also been observed that the spot chartering rate is more volatile than the long-term chartering rate whilst the long-term chartering rate remains at a stable uptrend over the years; and
- (c) market transactions involving the selling or building of LNG carriers of similar size to the 2024 LNG Vessels for comparison purpose in terms of contracting price.

Based on the above, the Company considers the rate of the charter hire under the terms of the 2024 Time Charterparties to be reasonable.

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## LETTER FROM THE BOARD

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Pursuant to HKFRS 16, the Company will recognise the estimated value of right-of-use asset on its consolidated statement of financial position in connection with the 2024 Time Charterparties. The estimated value of the right-of-use asset to be recognized by the Company under the terms of the 2024 Time Charterparties amounted to approximately HK\$6,721 million in aggregate, representing the present value of the aggregate charter hire payable thereunder in accordance with HKFRS 16 on the respective commencement dates of the charter hire.

### **FINANCIAL IMPACT OF CHARTERING OF THE 2024 LNG VESSELS**

The payments of charter hire under the 2024 Time Charterparties are expected to be satisfied by the internal resources of the Group. Apart from the Group's expectation to recognise right-of-use asset of approximately HK\$6,721 million in aggregate and lease liabilities of approximately HK\$6,721 million in aggregate upon the commencement of the charter hire in February 2028 and May 2028 (being the approximate dates of delivery of the 2024 LNG Vessels) in the consolidated statement of financial position of the Group, the 2024 Time Charterparties and the transactions contemplated thereunder is not expected to result in a material impact on the earnings, assets and liabilities of the Company.

### **REASONS FOR AND BENEFITS OF CHARTERING OF THE 2024 LNG VESSELS**

The chartering of the 2024 LNG Vessels will allow the Group to secure a stable supply of LNG vessels for its LNG business development and diversified business models. The Group can use the 2024 LNG Vessels leased for a long term at a pre-determined rate with certainty despite price fluctuation in the vessel chartering market.

The Directors (including the independent non-executive Directors) are of the view that the chartering of the 2024 LNG Vessels is on normal commercial terms, which are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

As none of the Directors has a material interest in the transactions contemplated under the 2024 Joint Venture Agreement, none of them is required to abstain from voting on the relevant board resolutions of the Company.

### **INFORMATION OF THE JV PARTNERS**

#### **China City Gas and the Group**

China City Gas is one of the JV Partners. It is a company incorporated in the PRC and a wholly-owned subsidiary of the Company. Its principal business activity is investment holding.

The Group is one of the largest trans-regional, integrated energy suppliers and service providers in China. Focusing on China, it is primarily engaged in investing, constructing, and operating city and township gas pipelines, gas terminals, storage and transport facilities, and gas logistics systems; transmitting natural gas and LPG to residential, industrial and commercial users; constructing and operating compressed natural gas/liquefied natural gas fuelling stations; and developing and applying natural gas and LPG-related technologies.



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## LETTER FROM THE BOARD

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### **Summit Energy**

Summit Energy is one of the JV Partners. It is a company incorporated in British Virgin Islands and is principally engaged in ship owning and asset management in relation to shipbuilding consultancy, ship management and commercial management. Summit Energy is a wholly-owned subsidiary of Wah Kwong Maritime Transport Holdings Limited (“WKMT”). WKMT is well-known in shipping internationally and holds a large number of subsidiaries which own and operate a diversified fleet of ships in addition to offering a full range of technical and commercial management service to customer and owners. To the best knowledge, information and belief of the Directors and having made all reasonable enquiries, as at the date of this announcement, WKMT is ultimately beneficially owned by The New George S.K. Chao Trust whose trustee is Cantrust (Far East) Limited and the discretionary beneficiaries are members of the family of the late Mr. George S.K. Chao.

### **Fortune Clean Energy**

Fortune Clean Energy is one of the JV Partners. It is a company incorporated in the Marshall Islands and is principally engaged in the provision of ship leasing services. Fortune Clean Energy is a wholly-owned subsidiary of CSSC (Hong Kong) Shipping Company Limited (“CSSC”), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange (Stock Code: 3877). CSSC’s main business includes lease services, shipbroking services and financing services.

To the best of the Directors’ knowledge, information, and belief, having made all reasonable enquiries, Summit Energy, Fortune Clean Energy and their ultimate beneficial owners are independent third parties of the Company and its connected persons.

## **INFORMATION OF OTHER PARTIES**

### **The Charterer**

The Charterer is a company incorporated in the PRC and a wholly-owned subsidiary of the Company. Its principal business activity is to plan and implement LNG trading strategy of the Group.

### **The 2024 Vessel Owner**

The 2024 Vessel Owner is the special purpose vehicle, or each of the two special purpose vehicles (where applicable) to be incorporated by, and wholly-owned by, the 2024 Joint Venture Company for the purposes of acquiring, owning and chartering out the 2024 LNG Vessels.

## **IMPLICATIONS UNDER THE LISTING RULES**

Reference is made to the 2023 Announcement in relation to, among other things, the 2023 Time Charterparties for chartering two LNG vessels for a term of 20 years. As the 2024 Time Charterparties are of similar nature with the 2023 Time Charterparties and entered into by the

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## LETTER FROM THE BOARD

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Group with the same party or with parties connected or otherwise associated with one another within the past 12-month period, the 2024 Time Charterparties and 2023 Time Charterparties are aggregated as a single transaction pursuant to Chapter 14 of the Listing Rules. Upon aggregation of the 2024 Time Charterparties and 2023 Time Charterparties, one of the applicable percentage ratios (as defined under the Listing Rules) exceeds 25% but all such ratios are less than 100%. The 2024 Time Charterparties (when considered in aggregate with the 2023 Time Charterparties) and the transactions contemplated thereunder constitute a major transaction of the Company under Chapter 14 of the Listing Rules and are subject to the reporting, announcement and shareholders' approval requirements.

### SGM

The Company will convene a SGM for the Shareholders to consider and, if thought fit, to approve the resolutions in relation to the 2024 Time Charterparties and the transactions contemplated thereunder.

A notice convening the SGM to be held at China Gas Building, 188 Meiyuan Road, Luohu District, Shenzhen, Guangdong Province, China at 10:00 a.m. on Tuesday, 23 April 2024 is set out on pages 20 to 21 of this circular.

Shareholders whose names appear on the Company's register of members on Tuesday, 23 April 2024, will be eligible to attend and vote at the SGM. The transfer books and register of members will be closed from Thursday, 18 April 2024 to Tuesday, 23 April 2024, both days inclusive, during which period no transfer of Shares will be registered. In order to determine the identity of Shareholders who are entitled to attend and vote at the SGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 pm on Wednesday, 17 April 2024.

A form of proxy for use at the SGM is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.chinagasholdings.com.hk>). To be valid, the form of proxy must be completed and signed 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 notarially certified copy of that power of attorney or authority at the Company's 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 but in any event not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the SGM if you so wish.

Pursuant to Rule 13.39(4) of the Listing Rules, any resolution put to the vote of the Shareholders at a general meeting shall be decided on a poll except where the chairperson of the SGM, in good faith, decides to allow a resolution which relates purely to a procedural or

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## LETTER FROM THE BOARD

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administrative matter to be voted on by a show of hands. An announcement on the poll results will be published by the Company after the SGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

To the best knowledge, information and belief of the Board, as at the Latest Practicable Date, no Shareholder has a material interest in the 2024 Time Charterparties and the transactions contemplated thereunder and is required to abstain from voting on the resolution at the SGM.

### RECOMMENDATION

The Directors (including the independent non-executive Directors) consider that the 2024 Time Charterparties and the transactions contemplated thereunder are conducted as part of the ordinary course of business of the Group, and the on normal commercial terms and on a fair and reasonable basis, and in the interests of the Company and its Shareholders as a whole.

Accordingly, the Directors (including the independent non-executive Directors) recommend the Shareholders to vote in favour of the ordinary resolutions to be proposed at the SGM to approve the 2024 Time Charterparties and the transactions contemplated thereunder.

### ADDITIONAL INFORMATION

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

Yours faithfully,  
For and on behalf of  
**China Gas Holdings Limited**  
**LIU Ming Hui**  
*Chairman and President*

\* *For identification purposes only*

## 1. FINANCIAL INFORMATION OF THE GROUP

The Company is required to set out in this circular the information for the last three financial years with respect to the profits and losses, financial record and position, set out as a comparative table and the latest published audited balance sheet together with the notes on the annual accounts for the last financial year for the Group.

The audited consolidated financial statements of the Group for the year ended 31 March 2023 are set out from pages 92 to 316 in the annual report of the Company for the year ended 31 March 2023, which was published on 20 July 2023:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0720/2023072000228.pdf>

The audited consolidated financial statements of the Group for the year ended 31 March 2022 are set out from pages 97 to 312 in the annual report of the Company for the year ended 31 March 2022, which was published on 18 July 2022:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0718/2022071801014.pdf>

The audited consolidated financial statements of the Group for the year ended 31 March 2021 are set out from pages 101 to 368 in the annual report of the Company for the year ended 31 March 2021, which was published on 15 July 2021:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0715/2021071500432.pdf>

## 2. STATEMENT OF INDEBTEDNESS

As at 31 January 2024, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this circular, the indebtedness of the Group comprises the following:

### **Indebtedness**

As at the close of business of 31 January 2024, the Group has outstanding indebtedness of approximately HK\$59,525.9 million, comprising (i) unguaranteed and secured bank and other borrowings of approximately HK\$9,669.2 million, (ii) unguaranteed and unsecured bank and other borrowings of approximately HK\$48,610.0 million and (iii) leases liabilities of approximately HK\$1,246.7 million.

As at the close of business of 31 January 2024, the Group has authorised but unissued debt securities amounting to approximately HK\$5,716.0 million which are unguaranteed and unsecured.

**Pledge of assets**

As at the close of business of 31 January 2024, the Group pledged bank deposits and pledged property, plant and equipment and investment properties and certain subsidiaries pledged their equity investments to banks to secure loan facilities.

**Financial guarantee**

As at the close of business of 31 January 2024, the aggregate amount of outstanding financial guarantees issued to banks in respect of bank facilities granted to and utilised by the Group's associates and joint ventures that the Group could be required to pay amounted to approximately HK\$11,256.5 million.

Save as aforesaid, and apart from intra-group liabilities and normal trade and other payables in the ordinary course of business, as at the close of business on 31 January 2024, the Group did not have any other debt securities issued and outstanding, and authorised or otherwise created but unissued, and other term loans, other borrowings or indebtedness in the nature of borrowing including liabilities under acceptance credits, bank overdrafts or loans, or other similar indebtedness, mortgages, charges, or guarantees or other material contingent liabilities.

**3. STATEMENT OF SUFFICIENCY OF WORKING CAPITAL**

The Directors, after due and careful consideration, are of the opinion that after taking into account the effects of the 2023 Time Charterparties and 2024 Time Charterparties and the transactions contemplated thereunder, and the financial resources available to the Group including the internally generated funds, the present bank facilities, the working capital available to the Group is sufficient for its requirements for at least 12 months from the date of this circular. The Company has obtained the relevant confirmation as required under Rule 14.66(12) of the Listing Rules.

**4. FINANCIAL AND TRADING PROSPECTS OF THE GROUP**

The Group is primarily engaged in investing, constructing, and operating city and township gas pipelines, gas terminals, storage and transport facilities, and gas logistics systems; transmitting natural gas and LPG to residential, industrial and commercial users; constructing and operating compressed natural gas/LNG fuelling stations; and developing and applying natural gas and LPG-related technologies.

The Group is one of China's largest trans-regional, integrated energy suppliers and service providers, serving more than 46,000,000 families, 23,000 industrial clients and 340,000 commercial clients in China.

As disclosed in the annual report of the Group for the year ended 31 March 2023, the Group's natural gas sales volume was 39.25 billion m<sup>3</sup>, representing a year-on-year increase of 6.9%, of which the sales through city and township gas projects increased by 5.0% year-on-year to 23.0

billion m<sup>3</sup>. Against the backdrop of the COVID-19 pandemic in various cities and the slowdown in real estate development, with numerous challenges in user connections, the Group newly connected 2,299,452 households during the year ended 31 March 2023.

For the year ended 31 March 2023, the Group's revenue amounted to HK\$91,988,445,000 (for the year ended 31 March 2022: HK\$88,225,193,000), representing a year-on-year increase of 4.3%, which was mainly due to the increase in revenue from sale of natural gas. Gross profit amounted to HK\$12,034,675,000 (for the year ended 31 March 2022: HK\$15,738,992,000), representing a year-on-year decrease of 23.5%. Profit attributable to owners of the Company amounted to HK\$4,293,484,000 (for the year ended 31 March 2022: HK\$7,662,036,000), representing a year-on-year decrease of 44.0%. The decrease in gross profit and profit attributable to owners of the Company was mainly due to further drop in gas connections and thinner gross profit margin of sale of natural gas.

As disclosed in the interim report of the Group for the period ended 30 September 2023, In the first half of the financial year, the Group's total sales of natural gas increased by 1.7% to 16.97 billion m<sup>3</sup>. The profound adjustment in the real estate market continued to weigh on new connections in the natural gas industry. During the period, new connections of residential users by the Group dropped significantly by 31.2% to 1,051,976, affecting the overall revenue and profit.

For the six months ended 30 September 2023, the Group's turnover amounted to HK\$36,049,154,000 (for the six months ended 30 September 2022: HK\$42,976,485,000), representing a year-on-year decrease of 16.1%, which was mainly due to the decrease in revenue from sale of natural gas, LPG and gas connections. The gross profit amounted to HK\$5,723,573,000 (for the six months ended 30 September 2022: HK\$6,971,860,000), representing a year-on-year decrease of 17.9%. Profit attributable to owners of the Company amounted to HK\$1,830,412,000 (for the six months ended 30 September 2022: HK\$3,260,039,000), representing a year-on-year decrease of 43.9%. The decrease in gross profit and profit attributable to owners of the Company was mainly due to the decrease in the number of newly connected households and decrease in gross profit margin of sale of natural gas.

The Group witnessed fast growth in customer connections before 2022 thanks to the fast expansion of China's property market. When China's property market drops, the Group's connection business slows down. On the other hand, fluctuations in gas prices become greater and greater in the previous two years as a result of geopolitical conflicts. When international gas price goes up, the Group's procurement cost goes up. Therefore, the Group needs to spend a lot of efforts in facilitating terminal sale price pass through to ensure profitability.

## **5. MATERIAL ADVERSE CHANGE**

The Directors are not aware of any material adverse changes in the financial or trading position of the Group since 31 March 2023, the date to which the latest audited consolidated financial statements of the Group were made up, up to and including the Latest Practicable Date.

## 1. 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 Group. The Directors, having made all reasonable enquiries, 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 or this circular misleading.

## 2. DISCLOSURE OF INTERESTS

### Directors' interests in the Company or its associated corporations

As at the Latest Practicable Date, save as disclosed below, none of the Directors or chief executive of the Company had interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered into the register maintained by the Company referred to therein; or (iii) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix C3 of the Listing Rules (the “**Model Code**”), to be notified to the Company and the Stock Exchange:

#### *Long positions in the Shares of the Company*

Name of Director	Personal interest	Corporate interest	Aggregate interest	Approximate percentage (%) <sup>(1)</sup>
Mr. LIU Ming Hui (“ <b>Mr. Liu</b> ”) <sup>(2)</sup>	338,471,228	639,262,200	977,733,428	17.99
Mr. HUANG Yong (“ <b>Mr. HUANG</b> ”) <sup>(3)</sup>	168,783,200	—	168,783,200	3.11
Mr. ZHU Weiwei	6,000,000	—	6,000,000	0.11
Ms. LI Ching	2,000,000	—	2,000,000	0.04
Mr. LIU Mingxing	800,000	—	800,000	0.01
Mr. ZHAO Yuhua	2,400,000	—	2,400,000	0.04
Dr. MAO Erwan	2,200,000	—	2,200,000	0.04

#### *Notes:*

- The percentage was calculated on the basis of 5,435,573,172 Shares in issue as at the Latest Practicable Date and is rounded to nearest 2 decimal places.

2. Mr. LIU was deemed to be interested in a total of 977,733,428 Shares, comprising:
  - (i) 338,471,228 Shares beneficially owned by Mr. LIU;
  - (ii) 70,000,000 Shares beneficially owned by Joint Coast Alliance Market Development Limited (“**Joint Coast**”), a company wholly-owned by Mr. LIU; and
  - (iii) 569,262,200 Shares beneficially owned by China Gas Group Limited (incorporated in Hong Kong) (“**CGGL**”), which was owned as to 50% by Joint Coast, which, in turn, is wholly-owned by Mr. LIU.
3. Mr. HUANG was deemed to be interested in a total of 168,783,200 Shares, comprising:
  - (i) 168,013,200 Shares beneficially owned by Mr. HUANG; and
  - (ii) 770,000 Shares held by Ms. ZHAO Xiaoyu, the spouse of Mr. HUANG.

***Long positions in the Company’s associated corporations (within the meaning of Part XV of the SFO)***

Name of Director	Name of associated corporation	Nature of interest	Number of ordinary shares	Approximate percentage (%)
Mr. LIU <sup>(1)</sup>	China Gas Fortune Marine Transportation Limited	Interest of controlled corporation	189,356,089	60.00 <sup>(2)</sup>
Mr. LIU <sup>(3)</sup>	Electronic Business Development Company Limited	Personal	29	29 <sup>(4)</sup>

*Notes:*

1. Mr. LIU was deemed to be interested in 189,356,089 shares of China Gas Fortune Marine Transportation Limited beneficially owned by China Gas Group Limited (incorporated in Anguilla) which was owned as to 50% by Joint Coast, which, in turn, is wholly-owned by Mr. LIU.
2. The percentage was calculated based on 315,593,482 shares of China Gas Fortune Marine Transportation Limited in issue as at the Latest Practicable Date and is rounded to nearest 2 decimal places.
3. Mr. LIU held as to 29% interest in and a wholly-owned subsidiary of the Company, Yipin Smart Living (BVI) Company Limited, held as to 71% in Electronic Business Development Company Limited respectively. Among 29% interest held by Mr. LIU, 5.5% of which was intended to be allocated to the eligible individuals who contribute to the growth and development of Electronic Business Development Company Limited.
4. The percentage was calculated based on 100 shares of Electronic Business Development Company Limited in issue as at the Latest Practicable Date.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (as defined in Part XV of the SFO) which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7



and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or are required to be entered in the register maintained in accordance with Section 352 of the SFO, or are required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

### 3. INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, save as disclosed below, so far as is known to each Director or chief executive of the Company, no persons, other than a Director or a chief executive of the Company, had an interest or short position in the Shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

Name	Nature of interest	Number of Shares	Approximate percentage (%) <sup>(1)</sup>
Beijing Enterprises Group Company Limited (“ <b>BE Group</b> ”) <sup>(2)</sup>	Interest of controlled corporation	1,285,328,343	23.65
Beijing Enterprises Group (BVI) Company Limited (“ <b>BE Group BVI</b> ”) <sup>(2)</sup>	Interest of controlled corporation	1,285,328,343	23.59
Beijing Enterprises Holdings Limited (“ <b>Beijing Enterprises</b> ”) <sup>(2)</sup>	Beneficial owner and interest of controlled corporation	1,285,328,343	23.59
Hong Mao Developments Limited (“ <b>Hong Mao</b> ”) <sup>(2)</sup>	Beneficial owner	1,164,911,143	21.43
Joint Coast <sup>(3)</sup>	Interest of controlled corporation	639,262,200	11.76
CGGL <sup>(4)</sup>	Beneficial owner	569,262,200	10.47
Mr. CHIU Tat Jung Daniel (“ <b>Mr. CHIU</b> ”) <sup>(5)</sup>	Interest of controlled corporation	894,077,635	16.45
First Level Holdings Limited (“ <b>First Level</b> ”) <sup>(5)</sup>	Beneficial owner and interest of controlled corporation	894,077,635	16.45

Name	Nature of interest	Number of Shares	Approximate percentage (%) <sup>(1)</sup>
Fortune Dynasty Holdings Limited (“ <b>Fortune Dynasty</b> ”) <sup>(5)</sup>	Interest of controlled corporation	893,077,635	16.43
Fortune Oil Limited (“ <b>Fortune Oil</b> ”) <sup>(5)</sup>	Interest of controlled corporation	893,077,635	16.43
Fortune Oil PRC Holdings Limited (“ <b>Fortune Oil PRC</b> ”) <sup>(5)</sup>	Beneficial owner and interest of controlled corporation	825,763,744	15.19

*Notes:*

1. The percentage was calculated on the basis of 5,435,573,172 Shares in issue as at the Latest Practicable Date and is rounded to nearest 2 decimal places.
2. BE Group was deemed to be interested in 1,285,328,343 Shares, 2,970,000 of which were directly and beneficially owned by Beijing Holdings Limited, 1,285,328,343 of which were beneficially owned by Beijing Enterprises, and of which 1,164,911,143 Shares were directly and beneficially owned by Hong Mao. Hong Mao was wholly-owned by Beijing Enterprises which was owned as to 0.36% by Beijing Holdings Limited, 41.12% by BE Group BVI, 7.94% by Modern Orient Limited (“**Modern Orient**”) and 12.99% by Beijing Enterprises Investments Limited (“**Beijing Enterprises Investments**”). Modern Orient was wholly-owned by Beijing Enterprises Investments which is owned as to 72.72% by BE Group BVI. BE Group BVI and Beijing Holdings Limited were both wholly-owned by BE Group.
3. Joint Coast was deemed to be interested in a total of 639,262,200 Shares, 70,000,000 Shares of which were directly and beneficially owned and 569,262,200 Shares were directly and beneficially owned by CGGL which was owned as to 50% by Joint Coast which, in turn, was wholly-owned by Mr. LIU.
4. 569,262,200 Shares were beneficially owned by CGGL. CGGL was owned as to 50% by Joint Coast which, in turn, was wholly-owned by Mr. LIU.
5. Each of Mr. CHIU and First Level was deemed to be interested in a total of 894,077,635 Shares, comprising:
  - (i) 569,262,200 Shares beneficially owned by CGGL. CGGL was owned as to 50% by Fortune Oil PRC;
  - (ii) 825,763,744 Shares beneficially owned by Fortune Oil PRC, 569,262,200 of which were deemed to be interested through CGGL and 256,501,544 Shares were beneficially owned. Fortune Oil PRC is a wholly-owned subsidiary of Fortune Oil. Fortune Oil is a wholly-owned subsidiary of Fortune Dynasty which is owned as to 70% by First Level;
  - (iii) 27,617,919 Shares beneficially owned by First Marvel Investment Limited which is a wholly-owned subsidiary of Fortune Oil;

- (iv) 39,695,972 Shares beneficially owned by Fortune Oil Holdings Limited which is a wholly-owned subsidiary of Fortune Oil; and
- (v) 1,000,000 Shares beneficially owned by First Level which, in turn, is owned as to 99% by Mr. CHIU.

As at the Latest Practicable Date, (i) Mr. LIU and Ms. LIU Chang were the directors of CGGL; (ii) Mr. LIU was a director of Joint Coast; and (iii) Ms. LI Ching was a director of Fortune Oil PRC and Fortune Oil Holdings. Save as disclosed in this circular, as at the Latest Practicable Date, none of the Directors or proposed Directors was a director or employee of a company which had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

#### 4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, other than Mr. LIU Ming Hui, Mr. HUANG Yong and Mr. ZHU Weiwei, none of the Directors has entered into any service contract with the Group which is not determinable by the Group within one year without payment of compensation (other than statutory compensation). Each of Mr. LIU Ming Hui, Mr. HUANG Yong and Mr. ZHU Weiwei has entered into a term of 10-year senior executive employment contract with the Company. The employment contracts of Mr. LIU Ming Hui and Mr. HUANG Yong were approved by shareholders in the 2018 annual general meeting and the employment contract of Mr. ZHU Weiwei was approved by shareholders in the 2017 annual general meeting. The details were disclosed in the circulars of the Company dated 11 July 2017 and 20 July 2018.

#### 5. COMPETING INTERESTS

As at the Latest Practicable Date, the following Directors had interests in the following businesses (apart from the businesses of the Company or its subsidiaries) conducted through the companies named below, which were considered to compete or be likely to compete, either directly or indirectly, with the principal businesses of the Company or its subsidiaries conducted required to be disclosed pursuant to Rule 8.10(2) of the Listing Rules:

Director	Name of Company	Interest in the Competing Business	Nature of Competing Business
XIONG Bin	Beijing Enterprises	Executive director and chief executive officer	Gas
	BE Group	Assistant to the general manager	Gas
JIANG Xinhao	Beijing Enterprises	Executive director and vice chairman	Gas
	BE Group	Vice general manager	Gas

BE Group is a state-owned enterprise established in the PRC and wholly owned by the State-owned Assets Supervision and Administration Commission of the People's Government of Beijing Municipality. Its principal businesses includes building main natural gas pipeline networks and providing comprehensive gas-related services to cities.

Beijing Enterprises is a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 392). It is principally engaged in investment holding and its principal businesses includes gas operation.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors, nor their respective close associates (as defined in the Listing Rules) was interested in any business apart from the business of the Group, which competes or is likely to compete, either directly or indirectly, with the business of the Group (as would be required to be disclosed under Rule 8.10 of the Listing Rules as if each of them were a controlling shareholder).

## 6. DIRECTORS' INTERESTS

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which have been, since 31 March 2023 (being the date to which the latest published audited accounts of the Group were made up), acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement, subsisting at the date of this circular, which is significant in relation to the business of the Group.

## 7. LITIGATION

As at the Latest Practicable Date, save as disclosed below, to the best of the Directors' knowledge, information and belief, no member of the Group was engaged in any material litigation or claim and there was no litigation or claim of material importance known to the Directors to be pending or threatened by or against any member of the Group: on 30 March 2017, the Company received a form of claim filed by a former director of the Company in the Labour Tribunal of Hong Kong claiming approximately HK\$140 million (being the alleged loss of salary in the sum of HK\$21.6 million (annual salary of HK\$7.2 million) for the three financial years ended 31 March 2014 and the aggregate bonus in the sum of approximately HK\$118.4 million for the four financial years ended 31 March 2014) and other unliquidated damages and interest from the Company for the alleged wrongful dismissal by the Company of a former director of the Company as a director and an employee of the Company on 29 March 2011. By the mutual consent of the parties to the claim, the claim has been transferred to the Court of First Instance of the High Court. In addition, the above former director and other share option holders initiated legal proceedings against the Company with regard to their respective purported exercise of share options, which would have entitled the relevant persons to a total of 110,000,000 shares of the Company. In respect of the aforementioned legal proceedings, the Company has sought advice from its legal advisors and has

been advised that there is a sound basis for defending the above claims. Details of this legal proceeding is set out in the announcement of the Company dated 2 June 2017 on the website of the Stock Exchange (please note that the above former director has since withdrawn his claims against the Company in respect of HCA751/2017 referred to in the said announcement).

## **8. MATERIAL CONTRACTS**

Save as disclosed below, there were no material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by any member of the Group within the two years immediately preceding the date of this circular:

- (a) the 2023 Joint Venture Agreement;
- (b) the 2023 Time Charterparties; and
- (c) the 2024 Joint Venture Agreement;

## **9. GENERAL**

- (a) The company secretary of the Company is Ms. CHAN Wing Ki, who is a solicitor of the High Court of Hong Kong and an attorney admitted to practice in New York;
- (b) The registered office of the Company is situated at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda;
- (c) The head office and principal place of business in Hong Kong of the Company is Room 1601, 16th Floor, Capital Centre, 151 Gloucester Road, Wan Chai, Hong Kong;
- (d) The branch share registrar of the Company in Hong Kong is Computershare Hong Kong Investor Services Limited, located at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong; and
- (e) The English text of this circular shall prevail over the Chinese text in case of inconsistency.

## **10. DOCUMENTS ON DISPLAY**

Copies of the contracts referred to in the paragraph headed "8. MATERIAL CONTRACTS" in this Appendix II will be published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.chinagasholdings.com.hk>) from the date of this circular up to and including 14 days from the date of this circular.

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NOTICE OF SGM

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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)**

**NOTICE IS HEREBY GIVEN** that a special general meeting (the “SGM”) of China Gas Holdings Limited (the “**Company**”) will be held at China Gas Building, 188 Meiyuan Road, Luohu District, Shenzhen, Guangdong Province, China at 10:00 a.m. on Tuesday, 23 April 2024 for the purpose of considering, and if thought fit, passing the following resolution as ordinary resolution of the Company. Unless otherwise defined, capitalised terms used in this notice and the following resolution shall have the same meanings as those defined in the circular of the Company dated 26 March 2024 (the “**Circular**”):

**ORDINARY RESOLUTIONS**

**“THAT:**

- (a) the 2024 Time Charterparties and the transactions contemplated thereunder be and hereby approved, confirmed and ratified; and
- (b) any one of the directors of the Company be and is hereby authorised to do all such acts and things and to sign all documents and to take any steps as he may consider necessary, desirable or expedient for the purpose of implementing and/or giving effect to the 2024 Time Charterparties and the transactions contemplated thereunder.”

On behalf of the Board  
**China Gas Holdings Limited**  
**LIU Ming Hui**  
*Chairman and President*

Hong Kong, 26 March 2024

\* *For identification purposes only*

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## NOTICE OF SGM

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*Principal place of business in Hong Kong:*

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

*Registered Office:*

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

*Notes:*

1. Any shareholder entitled to attend and vote at the above meeting (or at any adjournment thereof) is entitled to appoint one or, if he is a holder of more than one share, more proxies to attend and vote on his behalf. A proxy need not be a shareholder of the Company.
2. A form of proxy for use in connection with the SGM is enclosed with the Circular. In order 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 copy of such authority notarially certified must be deposited at the Company's branch share registrar, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof (as the case may be).
3. For the purpose of determining the identity of the shareholders who are entitled to attend and vote at the SGM, the register of members of the Company will be closed from Thursday, 18 April 2024 to Tuesday, 23 April 2024 (both days inclusive), during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the SGM to be held on Tuesday, 23 April 2024, all transfers of shares accompanied by the relevant share certificates and transfer forms, must be lodged with the Company's branch share registrar and transfer office of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Wednesday, 17 April 2024.
4. Where there are joint holders of any shares, any one of such joint holders may vote at the meeting (or at any adjournment thereof) personally or by proxy in respect of such shares as if he was solely entitled thereto; but if more than one of such joint holders be present at the meeting, the vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
5. A circular containing the information regarding the resolutions to be tabled at the meeting will be sent to the shareholders together with this notice.
6. As at the date of this announcement, Mr. LIU Ming Hui, Mr. HUANG Yong, Mr. ZHU Weiwei, Ms. LI Ching, Ms. LIU Chang and Mr. ZHAO Kun are the executive directors of the Company; Mr. XIONG Bin, Mr. LIU Mingxing, Mr. JIANG Xinhao and Mr. Ayush GUPTA are the non-executive directors of the Company; and Mr. ZHAO Yuhua, Dr. MAO Erwan, Ms. CHEN Yanyan, Mr. ZHANG Ling and Dr. MA Weihua are the independent non-executive directors of the Company.