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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 LNG Group Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or transferee(s) or to the bank, stockbroker or other agent through whom the sale or the transfer was effected for transmission to the purchaser(s) or transferee(s).

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CHINA LNG GROUP LIMITED

中國天然氣集團有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 931)

- (1) PROPOSED GRANT OF GENERAL MANDATES TO ISSUE
AND REPURCHASE SHARES;
(2) PROPOSED RE-ELECTION OF RETIRING DIRECTORS;
(3) PROPOSED RE-APPOINTMENT OF THE INDEPENDENT AUDITOR;
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of China LNG Group Limited to be held at 8th Floor, St. John's Building, 33 Garden Road, Central, Hong Kong on Friday, 25 August 2023 at 5:00 p.m. is set out on pages 15 to 19 of this circular.

A form of proxy for use at the annual general meeting is enclosed with this Circular. Please complete and return the accompanying form of proxy to the Company's branch share registrar, Tricor Standard Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible, and in any event not less than 48 hours before the time of the annual general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting or any adjourned meeting if you subsequently so wish and in such event, the form of proxy previously submitted shall be deemed to be revoked.

25 July 2023

* for identification purposes only

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at 8th Floor, St. John’s Building, 33 Garden Road, Central, Hong Kong on Friday, 25 August 2023 at 5:00 p.m. or any adjournment thereof
“AGM Notice”	The notice convening the AGM as set out on pages 15 to 19 of this circular
“Articles”	the articles of association of the Company, as may be amended, supplemented or otherwise modified from time to time
“associate(s)”	has the same meaning ascribed to it under the Listing Rules
“Board”	the board of Directors of the Company
“Company”	China LNG Group Limited (stock code: 931), an exempted company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the main board of the Stock Exchange (stock code: 931)
“Director(s)”	the director(s) of the Company
“Extension Mandate”	a general mandate proposed to be granted to the Directors at the AGM to the effect that the Issue Mandate will be extended to add any Shares brought back under the Repurchase Mandate
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	a general mandate proposed to be granted to the Directors at the AGM to exercise the power of the Company to allot, issue or deal with new Shares not exceeding 20% of the total number of the Shares in issue as at the date of passing the relevant resolution
“Latest Practicable Date”	14 July 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Ordinary Resolution(s)”	the proposed ordinary resolution(s) as referred to in the notice of the AGM
“PRC”	the People’s Republic of China
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors at the AGM to enable them to repurchase the Shares not exceeding 10% of the total number of the Shares in issue as at the date of passing the relevant resolution
“Retiring Directors”	Mr. Simon Murray, Dr. Lam, Lee G. and Mr. Chow Ching Ning
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.02 each in the share capital of the Company
“Shareholder(s)”	registered holder(s) of the Share(s)
“Share Option Scheme”	the existing share option scheme adopted by the Company on 30 August 2019
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers and Share Buy-backs
“%”	per cent

LETTER FROM THE BOARD



CHINA LNG GROUP LIMITED

中國天然氣集團有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 931)

Executive Directors:

Dr. Kan Che Kin, Billy Albert (*Chairman*)
Mr. Li Kai Yien, Arthur Albert

Non-executive Directors:

Mr. Simon Murray
Dr. Lam, Lee G.
Mr. Xiao Cong

Independent Non-executive Directors:

Mr. Li Siu Yui
Mr. Chow Ching Ning
Mr. Lam Lum Lee

Registered Office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

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

8th Floor, St. John's Building
33 Garden Road
Central
Hong Kong

25 July 2023

To the Shareholders

Dear Sir or Madam,

INTRODUCTION

The purpose of this circular is to provide you with information regarding the ordinary resolutions to be proposed and to seek your approval at the AGM in relation to: (i) the proposed grant of general mandates to issue and repurchase Shares; (ii) the proposed re-election of retiring Directors; and (iii) the proposed re-appointment of the independent auditor.

* *for identification purposes only*

LETTER FROM THE BOARD

PROPOSED GRANT OF GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the last annual general meeting of the Company held on 26 August 2022, ordinary resolutions were passed by the Shareholders to grant general mandates to the Directors to exercise the powers of the Company (i) to allot, issue and deal with new Shares in the capital of the Company not exceeding 20% of the total number of Shares in issue as at the date of passing of the ordinary resolution (the “**Existing Issue Mandate**”); (ii) to repurchase Shares not exceeding 10% of the total number of Shares in issue as at the date of passing of the ordinary resolution (the “**Existing Repurchase Mandate**”); and (iii) to extend the Existing Issue Mandate by an additional number of Shares brought back by the Company pursuant to the Existing Repurchase Mandate. In accordance with the provisions of the Listing Rules and the terms of the Existing Issue Mandate and the Existing Repurchase Mandate, such mandate will lapse at the conclusion of the AGM.

In order to ensure flexibility when it is desirable to allot and issue or otherwise deal with additional Shares, the Directors will seek the approval of the Shareholders to grant general mandates at the AGM. As at the Latest Practicable Date, there were 5,643,797,090 shares in issue. Separate ordinary resolutions will be proposed at the AGM to the Shareholders to grant fresh general mandates to the Directors:

- (A) the Issue Mandate to allot, issue and deal with the Shares of not exceeding 20% of the total number of issued Shares as at the date of passing such resolution at the AGM (i.e. of not exceeding 1,128,759,418 Shares assuming no further Shares will be issued or bought back between the Latest Practicable Date and the date of the AGM);
- (B) the Repurchase Mandate to buy back Shares not exceeding 10% of the total number of issued Shares as at the date of passing such resolution at the AGM (i.e. of not exceeding 564,379,709 Shares assuming no further Shares will be issued or bought back between the Latest Practicable Date and the date of AGM); and
- (C) the Extension Mandate to increase the total number of Shares which may be allotted and issued under the Issue Mandate by an additional number of Shares which may be bought back under the Repurchase Mandate.

An explanatory statement containing the particulars required by the Listing Rules to enable the Shareholders to make an informed decision on whether to vote for or against the proposed resolution in connection with the Repurchase Mandate is set out in the Appendix II to this circular.

The Directors wish to state that they have no immediate plans to repurchase any Shares pursuant to the Repurchase Mandate or to issue any new Shares pursuant to the Issue Mandate, other than Shares which may fall to be allotted and issued upon the exercise of any options granted under the Share Option Scheme of the Company.

LETTER FROM THE BOARD

PROPOSED RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 86 of the Articles, any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of the Company after his/her appointment and be subject to re-election at such meeting, and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election.

In accordance with Article 87(1) of the Articles, Mr. Chow Ching Ning, Mr. Simon Murray and Dr. Lam, Lee G. shall retire by rotation, being eligible offer themselves for re-election at the AGM.

The nomination committee of the Board (the “**Nomination Committee**”) has evaluated Mr. Chow Ching Ning, Mr. Simon Murray and Dr. Lam, Lee G. based on criteria set out in the nomination policy adopted by the Company including but not limited to their character and integrity, professional qualifications, skills, knowledge, experience and willingness and ability to devote adequate time to discharge duties as members of the Board.

The Nomination Committee of has assessed and reviewed the written confirmation of independence of Mr. Chow Ching Ning who has offered himself for re-election at the AGM based on the independence criteria as set out under Rule 3.13 of the Listing Rules and is satisfied with his independence.

The Nomination Committee is of the view that Mr. Chow Ching Ning, Mr. Simon Murray and Dr. Lam, Lee G. will bring to the Board perspectives, skills and experience as further described in their biographies. The Board accepted the recommendation of the Nomination Committee for recommending the Shareholders to re-elect Mr. Chow Ching Ning, Mr. Simon Murray and Dr. Lam, Lee G. as Directors at the AGM. Each of them abstained from voting on the relevant resolution at the Board meeting regarding his own re-election.

Biographical details of the Retiring Directors to be re-elected at the AGM are set out in Appendix I to this circular.

PROPOSED RE-APPOINTMENT OF THE INDEPENDENT AUDITOR

McMillan Woods (Hong Kong) CPA Limited will retire as the auditor of the Company at the AGM and, being eligible, would offer themselves for re-appointment. Upon the recommendation of the audit committee of the Company, the Board proposed to the Shareholders to re-appoint McMillan Woods (Hong Kong) CPA Limited as the auditor at the AGM and to hold office until the conclusion of the next annual general meeting of the Company.

LETTER FROM THE BOARD

AGM AND ACTIONS TO BE TAKEN

A notice convening the AGM to be held at 8th Floor, St. John's Building, 33 Garden Road, Central, Hong Kong on Friday, 25 August 2023 at 5:00 p.m. is set out on pages 15 to 19 of this circular.

A form of proxy for the AGM is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange at www.hkexnews.hk and the Company at <http://chinalng.todayir.com>. Whether or not you intend to attend and/or vote at the AGM 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, Tricor Standard Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as practicable but in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from subsequently attending and voting in person at the AGM or any adjourned meeting thereof if you so wish.

VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of the Shareholders at a general meeting must be taken by poll except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. All proposed resolutions as set out in the AGM Notice will be voted by poll and, after being verified by the scrutineer, the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 21 August 2023 to Friday, 25 August 2023 (both days inclusive), during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the AGM, all transfer documents should be lodged for registration with the Company's share registrar and transfer office in Hong Kong, Tricor Standard Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Friday, 18 August 2023.

RECOMMENDATION

The Directors believe that the proposed grant of the Issue Mandate and the Repurchase Mandate, the extension of the Issue Mandate, the proposed re-election of the retiring Directors, the re-appointment of the independent auditor as set out in the AGM Notice, are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM. As at the Latest Practicable Date, no Shareholder is required to abstain from voting under the Listing Rules in respect of the resolutions to be proposed at the AGM.

LETTER FROM THE BOARD

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 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.

GENERAL INFORMATION

Your attention is drawn to the additional information set out in the Appendix I and Appendix II to this circular.

By Order of the Board
China LNG Group Limited
Kan Che Kin, Billy Albert
Chairman

Set out below are the biographical details of the Directors who will retire as required by the Article and the Listing Rules and are proposed to be being eligible, re-elected at the AGM.

NON-EXECUTIVE DIRECTORS

Mr. Simon Murray (“Mr. Murray”)

Mr. Murray, aged 83, was appointed as an independent non-executive Director of the Company on 23 October 2014 and re-designated as a non-executive Director on 2 April 2015. Mr. Murray holds an Honorary Degree in Law from the Bath University and attended the Stanford Executive Program in the United States, he has extensive experience in finance, transportation, natural resources, infrastructure and power sectors. Mr. Murray is the founder of General Enterprise Management Services Limited, a private equity fund management company. He currently is a non-executive director of Wing Tai Properties Limited (stock code: 369) and Spring Asset Management Limited which is the manager of Spring Real Estate Investment Trust (stock code: 1426), shares of which are listed on the Stock Exchange. Mr. Murray was the CEO of Hutchison Whampoa Limited (stock code: 13) for more than 10 years and previously acted as an independent non-executive director of Cheung Kong Property Holding Limited (now renamed as CK Asset Holdings Limited, stock code: 1113), shares of which are listed on the Stock Exchange of Hong Kong, he was also the executive chairman of Deutsche Bank AG Asia Pacific. Mr. Murray was appointed a Commander of The Most Excellent Order of the British Empire (CBE) and a Chevalier within the Ordre national du Mérite of the French Republic (Chevalier de La Legion d’Honneur).

The Company has not entered into any service contract with Mr. Murray and he has not been appointed for a specific term but subject to retirement by rotation and re-election at least once every three years in accordance with the Articles and the Listing Rules. Mr. Murray is entitled to a remuneration of HK\$50,000 per annum which was recommended by the remuneration committee of the Company (“**Remuneration Committee**”) and determined by the Board as authorized by the Shareholders at the annual general meeting with reference to the market rate and duties and responsibilities undertake by him.

As at the Latest Practicable Date, Mr. Murray is entitled to subscribe to 5,000,000 option shares that were beneficially owned and granted by Dr. Kan Che Kin, Billy Albert (“**Dr. Kan**”) upon the exercise of the rights pursuant to option deed agreement entered between Dr. Kan and Mr. Murray. Save as disclosed and as far as the Directors are aware, Mr. Murray did not hold any directorships in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years. Mr. Murray does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company as defined in the Listing Rules, nor does he have any interest in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Save as disclosed above, the Board is not aware of any other information that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules or any other matters that need to be brought to the attention of the Shareholders in relation to the proposed re-election of Mr. Murray.

Dr. Lam, Lee G. (“Dr. Lam”)

Dr. Lam, aged 64, was appointed as an independent non-executive Director of the Company on 23 October 2014 and re-designated as a non-executive Director on 2 April 2015. Dr. Lam has extensive international experience in general management, strategy consulting, corporate governance, direct investment, investment banking and asset management. He served as Chairman of Hong Kong Cyberport, a member of the Committee on Innovation, Technology and Re-Industrialization, and the Sir Murray MacLehose Trust Fund Investment Advisory Committee, and a Part-time Member of the Central Policy Unit of the Hong Kong Special Administrative Region (HKSAR) Government. Dr. Lam is a member of the Chief Executive’s Policy Unit Expert Group, the Governance Committee of the Hong Kong Growth Portfolio and the Development Bureau Common Spatial Data Advisory Committee of the HKSAR Government, and Convenor of the Panel of Advisors on Building Management Disputes of the HKSAR Government Home Affairs Department. He is also a member of the Belt and Road and Greater Bay Area Committee of the Hong Kong Trade Development Council and the Court of the City University of Hong Kong, Chair of the United Nations Economic and Social Commission for Asia and the Pacific (UN ESCAP) Sustainable Business Network (ESBN), Vice Chairman of Pacific Basin Economic Council, and a member of the Board of Directors and Chairman of the Permanent Commission on Economic and Financial Issues of the World Union of Small and Medium Enterprises.

Dr. Lam is an executive director of Hong Kong Aerospace Technology Group Limited (FKA: Eternity Technology Holdings Limited, re-designated from non-executive director on 3 January 2022), the shares of which are listed on the Stock Exchange. He is an independent non-executive director of each of CSI Properties Limited, Vongroup Limited, Mei Ah Entertainment Group Limited, Elife Holdings Limited (FKA: Sino Resources Group Limited), Haitong Securities Co., Ltd. and it is also listed on the Shanghai Stock Exchange, Hang Pin Living Technology Company Limited (FKA: Hua Long Jin Kong Company Limited), Kidsland International Holdings Limited, Greenland Hong Kong Holdings Limited, Huarong International Financial Holdings Limited, RENHENG Enterprise Holdings Limited and New Huo Technology Holdings Limited; and a non-executive director of each of Sunwah Kingsway Capital Holdings Limited, China LNG Group Limited, and Mingfa Group (International) Company Limited (re-designated from independent non-executive director on 23 April 2020), the shares of all of which are listed on the Stock Exchange. He is also an independent non-executive director of Asia-Pacific Strategic Investments Limited (FKA: China Real Estate Grp Ltd.), Thomson Medical Group Limited and Alset International Limited (FKA: Singapore eDevelopment Limited (re-designated from non-executive director on 2 July 2020), the shares of all of which are listed on the Singapore Exchange. Dr. Lam is an independent non-executive director of AustChina Holdings Limited (FKA: Coalbank Limited), whose shares are listed on the Australian Securities Exchange and a non-executive director of Jade Road Investments Limited (FKA: Adamas Finance Asia Limited), whose shares are listed on the London Securities Exchange.

Dr. Lam was a non-executive director of Tianda Pharmaceuticals Limited up to August 2021, China Shandong Hi-Speed Financial Group Limited (now known as Shandong Hi-Speed Holdings Group Limited) up to May 2020, and National Arts Group Holdings Limited up to July 2022, and he was also an independent non-executive director of Aurum Pacific (China) Group Limited up to March 2021 and Huarong Investment Stock Corporation Limited (which was privatized on 12 November 2020) up to December 2020 the shares of all of which are listed on the Stock Exchange. He was an independent non-executive director of each of Top Global Limited up to August 2021 and Beverly JCG Ltd. (FKA: JCG Investment Holdings Ltd.) up to April 2023 (both listed on the Singapore Exchange), Sunwah International Limited (listed on the Toronto Stock Exchange) up to June 2021 and TMC Life Sciences Berhad (listed on the Bursa Malaysia) up to 31 May 2023.

The Company has not entered into any service contract with Dr. Lam and he has not been appointed for a specific term but subject to retirement by rotation and re-election at least once every three years in accordance with the Articles and the Listing Rules. Dr. Lam is entitled to a remuneration of HK\$50,000 per annum which was recommended by the Remuneration Committee and determined by the Board as authorized by the Shareholders at the annual general meeting with reference to the market rate and duties and responsibilities undertake by him.

As at the Latest Practicable Date, Dr. Lam is entitled to subscribe to 10,000,000 option shares that were beneficially owned and granted by Dr. Kan upon the exercise of the rights pursuant to option deed agreement entered between Dr. Kan and Dr. Lam. Save as disclosed and as far as the Directors are aware, Dr. Lam did not hold any directorships in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years. Dr. Lam does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company as defined in the Listing Rules, nor does he have any interest in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Save as disclosed above, the Board is not aware of any other information that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules or any other matters that need to be brought to the attention of the Shareholders in relation to the proposed re-election of Dr. Lam.

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Chow Ching Ning (“Mr. Chow”)

Mr. Chow Ching Ning, aged 55, was appointed as an independent non-executive Director of the Company on September 2019. Mr. Chow graduated from the Hong Kong Polytechnic University with a Bachelor (Hons) degree, he is a member of the CFA Institute and a Fellow member of the Hong Kong Institute of Certified Public Accountants. Mr. Chow has over 20 years of investment experience in Mainland China, Israel and South East Asia region. Mr. Chow currently is a Managing Partner of Radiant Tech Ventures (“**Radiant**”), an asset management company licensed under the SFC Hong Kong. Radiant is one of the first batch of six selected co-investment partners of the HKSAR Government to build up the technology eco-system in Hong Kong, investing mainly in sectors such as fintech, AI and robotics, Web3 and ESG. He is also an independent non-executive director of Shanshan Brand Management Company Limited, a company listed in the Stock Exchange of Hong Kong (stock code: 01749). Mr. Chow was an independent non-executive director of SinoSun Technology Company Limited, a company listed in Shenzhen Stock Exchange (SHE stock code: 30033) for the period from April 2017 to May 2020, he also served as a managing director and a member of the investment committee for JAFCO Investment (Asia Pacific) Limited responsible for overall investment decisions in the APAC region except Japan.

The Company has not entered into any service contract with Mr. Chow and he has not been appointed for a specific term but subject to retirement by rotation and re-election at least once every three years in accordance with the Articles and the Listing Rules. Mr. Chow is entitled to a remuneration of HK\$50,000 per annum which was recommended by the Remuneration Committee and determined by the Board as authorized by the Shareholders at the annual general meeting with reference to the market rate and duties and responsibilities undertaken by him.

Save as disclosed and as far as the Directors are aware, Mr. Chow did not hold any directorships in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years. Mr. Chow does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company as defined in the Listing Rules, nor does he have any interest in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Save as disclosed above, the Board is not aware of any other information that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules or any other matters that need to be brought to the attention of the Shareholders in relation to the proposed re-election of Mr. Chow.

This Appendix serves as an explanatory statement as required by Rule 10.06(1)(b) of the Listing Rules, to provide the requisite information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the AGM for approving the granting of the Repurchase Mandate.

Share Capital

As at the Latest Practicable Date, the total number of Shares in issue was 5,643,797,090 shares.

Subject to the passing of the ordinary resolution granting the Repurchase Mandate and assuming that no further Shares will be issued or repurchased by the Company prior the AGM, the Directors would be authorised under the Repurchase Mandate to buy back a maximum of 564,379,709 Shares, representing 10% of the total number of Shares in issue as at the Latest Practicable Date, during the period from the date of passing of relevant resolution ending on the earlier of (i) the conclusion of the next annual general meeting of the Company; (ii) at the expiration of the period within which the next annual general meeting of the Company is required to be held by the Articles of any applicable laws to be held; or (iii) at the passing of an ordinary resolution of the Shareholders in general meeting of the Company revoking or varying the authority given to the Directors.

Reasons for Repurchases

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole for the Directors to have general authority from the Shareholders to enable the Company to repurchase its Shares on the Stock Exchange as and when required. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or its earnings per Share and will only be made when the Directors believe that such repurchases of Shares will benefit the Company and the Shareholders as a whole.

Funding of Repurchases

Repurchases pursuant to the Repurchase Mandate would be financed entirely from the Company's available cash flow or working capital facilities. Any repurchases will only be made out of funds of the Company legally available for the purposes in accordance with its memorandum of association, the Articles, the Listing Rules and the applicable laws of the Cayman Islands. The Company may not repurchase its own Shares 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.

Possible Material Adverse Impact

Taking into account the current working capital position of the Company, the Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse impact on the working capital and/or gearing position of the Company (as compared with the position disclosed in the most recent published audited financial statements for the year ended 31 March 2023). Therefore, the Directors do not intend to make any repurchase to such an extent as would, in the circumstances, have a material adverse effect on the appropriate working capital requirements or the gearing position of the Company as they would consider from time to time.

The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time having regard to the circumstances then pertaining.

Share Prices

The highest and lowest prices of the Shares have been traded on the Stock Exchange during each of the previous twelve months prior to the Latest Practicable Date were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2022		
July	0.435	0.345
August	0.365	0.335
September	0.350	0.320
October	0.330	0.275
November	0.350	0.270
December	0.390	0.350
2023		
January	0.380	0.335
February	0.380	0.340
March	0.375	0.335
April	0.365	0.340
May	0.355	0.300
June	0.315	0.260
July (up to and including the Latest Practicable Date)	0.270	0.250

Disclosure of interests

As at the Latest Practicable Date, none of the Directors or, to the best of their knowledge and belief, having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules) has any present intention to sell their Shares to the Company or its subsidiaries, in the event that the Repurchase Mandate is approved by the Shareholders at the AGM.

No core connected person (as defined in the Listing Rules) of the Company has notified the Company of a present intention to sell any Shares of the Company, nor has undertaken not to do so in the event that the Repurchase Mandate is approved by the Shareholders at the AGM.

Undertaking of the Directors

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws and regulations of the Cayman Islands and Hong Kong.

The Takeovers Code and Minimum Public Holding

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its power to repurchase of Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could depending on the level of such increase, obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 and Rule 32 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Dr. Kan held 3,579,221,139 Shares, representing approximately 63.42% of the total number of the issued Shares. Dr. Kan is an executive Director, the Chairman of the Board and the chief executive officer of the Company.

In the event that the Repurchase Mandate is exercised in full and assuming there is no change in the number of shares held directly or indirectly by Dr. Kan, the shareholding of Dr. Kan in the Company would be increased to approximately 70.47% of the total number of the issued Shares. The Directors consider that such increase would not give rise to an obligation on the part of Dr. Kan to make a mandatory offer under Rule 26 of the Takeovers Code. Save as aforesaid, the Directors are not aware of an other consequences which would arise under Rule 26 of the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate.

The Directors have no present intention to repurchase Shares to an extent that will trigger takeover obligations under the Takeovers Code or the number of Shares in the hands of the public falling below the minimum percentage of 25% as required under Rule 8.08 of the Listing Rules.

Share Repurchase Made By the Company

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

NOTICE OF ANNUAL GENERAL MEETING



CHINA LNG GROUP LIMITED

中國天然氣集團有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 931)

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**Meeting**”) of China LNG Group Limited (the “**Company**”) will be held at 8/F., St. John’s Building, 33 Garden Road, Central, Hong Kong on Friday, 25 August 2023 at 5:00 p.m. for the following purpose:

1. to consider and adopt the audited consolidated financial statements of the Company for the year ended 31 March 2023 together with the reports of the directors and the independent auditor;
2.
 - (a) to re-elect Mr. Simon Murray as a non-executive Director of the Company;
 - (b) to re-elect Dr. Lam, Lee G. as a non-executive director of the Company;
 - (c) to re-elect Mr. Chow Ching Ning as an independent non-executive director of the Company;
 - (d) to authorise the board of directors of the Company (the “**Board**” or “**Director**”) to fix the remuneration of the Directors;
3. to re-appoint McMillan Woods (Hong Kong) CPA Limited as the independent auditor of the Company and to authorise the Board to fix their remuneration;
4. to consider and, if thought fit, pass with or without modifications, the following resolutions as ordinary resolutions:

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ORDINARY RESOLUTIONS

A. “THAT:

- (a) subject to paragraph (c) of this resolution, pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the exercise by the Directors during the Relevant Period (as defined in paragraph (d) of this resolution) of all the powers of the Company to allot, issue or deal with additional shares of the Company and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company), which might require the exercise of such powers either during or after the Relevant Period, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures 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 number of Shares allotted, issued or deal with or agreed conditionally or unconditionally to be allotted, issued or dealt with (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to:
 - (i) a rights issue (as defined in paragraph (d) of this resolution); or
 - (ii) the exercise of rights of subscription or conversion attaching to any warrants of the Company or any securities which are convertible into Shares; or
 - (iii) the exercise of any option under any share option scheme 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 or any other eligible persons of Shares or rights to acquire Shares of the Company; or
 - (iv) scrip dividends or under similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company in force from time to time; and
 - (v) a specific authority granted by the shareholders of the Company; and

shall not exceed 20% of the total number of issued shares of the Company on the date of this resolution and this approval shall be limited accordingly; and

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(d) for the purpose of this resolution:

“**Relevant Period**” means the period from the date of the 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 laws to be held; and
- (iii) the date of the authority set out in this resolution is revoked or varied by an ordinary resolution of the Shareholders of the Company at a general meeting; and

“**Rights Issue**” means the allotment, issue or grant of Shares pursuant to an offer of shares of the Company opens for a period fixed by the Directors to the holders of Shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares as at that date (subject to such exclusions 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 any recognised regulatory body or any stock exchange in, any jurisdiction applicable to the Company).”

B. “**THAT:**

- (a) Subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as defined in paragraph (c) of this resolution) of all powers of the Company to buy back issued shares of the Company on the Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) or any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission (“**SFC**”) and the Stock Exchange for such purpose, subject to and in accordance with the all applicable laws, rules and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or those of any other recognised stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of Shares which to be brought back by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10% of the total number of the issued Shares as at the date of the passing of this resolution and the approval pursuant to paragraph (a) of this resolution shall be limited accordingly; and

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- (c) for the purposes of this resolution, “**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:
- (i) the conclusion of the next annual general meeting of the Company; or
 - (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 laws to be held; or
 - (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of Shareholders of the Company at a general meeting.”
- C. “**THAT** conditional upon resolution A and B above being passed, the aggregate number of shares of the Company which are bought back by the Company under the authority granted to the Directors as mentioned in resolution B above shall be added to the aggregate number of shares of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to resolution A above, provided that such extended number of shares of the Company shall not exceed 10% of the total number of issued shares of the Company as at the date of passing resolution A.”

By Order of the Board
China LNG Group Limited
Kan Che Kin, Billy Albert
Chairman

Hong Kong, 25 July 2023

Registered office:
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

*Head office and principal place of
business in Hong Kong:*
8/F. St. John’s Building
33 Garden Road
Central
Hong Kong

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Notes:

1. A member of the Company entitled to attend and vote at the Meeting is entitled to appoint one or more proxies (if he/she is a holder of more than one share) to attend and vote in his/her stead, subject to the provisions of the articles of association of the Company. A proxy needs not be a member of the Company.
2. To be valid, the form of proxy must be in writing under the hand of the appointor or his/her attorney duly authorised in writing, or if the appointor is a corporation, either under its common seal, or under the hand of an officer or attorney duly authorised on that behalf, and must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Standard Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time for holding the Meeting or any adjournment thereof.

Completion and return of the form of proxy will not preclude you from attending and voting in person at the Meeting or at any adjournment thereof if you so wish. In such event, the form of proxy shall be deemed to be revoked.

3. Where there are joint holders of any Share, any one of such joint holder may vote at the meeting (or any adjournment thereof), either in person or by proxy, in respect of such share as if he/she were solely entitled thereto; but if more than one of such joint holders be present at the meeting, the votes of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. 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 of such shares.
4. The register of members of the Company will be closed from Tuesday, 22 August 2023 to Friday, 25 August 2023, both days inclusive, during which period no transfer of shares will be registered. In order to determine the qualification as members of the Company who is entitled to attend and vote at the Meeting, all transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Standard Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Monday, 21 August 2023.
5. In light of the ongoing COVID-19 pandemic, the Company will implement certain precautionary measures at the Meeting. Shareholders are advised to read page 1 of the circular for details of the precautionary measures.
6. The Company strongly encourage Shareholders to appoint the chairman of the Meeting as their proxies to exercise their rights to vote at the AGM.
7. If Typhoon Signal No. 8 or above, or a "black" rainstorm warning hoisted on the date of the Meeting, the Meeting will be postponed. The Company will post an announcement on the website of the Company and on the website of the Stock Exchange to notify members of the Company of the date, time and place of the re-scheduled Meeting.
8. The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.
9. References to time and dates in this notice are to Hong Kong time and dates.

* *for identification purposes only*