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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 JiaXing Gas Group Co., Ltd.* (嘉興市燃氣集團股份有限公司), you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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JiaXing Gas Group Co., Ltd.*
嘉興市燃氣集團股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 9908)

PROPOSED DISTRIBUTION OF FINAL DIVIDEND
AND
NOTICE OF ANNUAL GENERAL MEETING

The notice convening the AGM of JiaXing Gas Group Co., Ltd.* (嘉興市燃氣集團股份有限公司) to be held at the meeting room of the Company, 4th Floor, Building 3, Hualong Plaza, Economic and Technological Development Zone, Jiaxing, Zhejiang Province, the PRC on Friday, 7 June 2024 at 10:00 a.m. is set out on pages 8 to 10 this circular.

A form of proxy for use at the AGM is enclosed herewith and also published on both the websites of the Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.jxrqgs.com). If you intend to appoint a proxy to attend the AGM, you are requested to complete, sign and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 24 hours before the time appointed for the AGM (i.e. not later than 10:00 a.m. on Thursday, 6 June 2024 (Hong Kong time)) or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM if you so wish.

References to time and dates in this circular are to Hong Kong time and dates.

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DEFINITIONS

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

“2023 Final Dividend”	a final dividend of RMB0.4 per share (tax inclusive) for the year ended 31 December 2023
“AGM”	the annual general meeting of the Company to be held at the meeting room of the Company, 4th Floor, Building 3, Hualong Plaza, Economic and Technological Development Zone, Jiaxing, Zhejiang Province, the PRC on Friday, 7 June 2024 at 10:00 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 8 to 11 of this circular, or any adjournment thereof
“Articles of Association”	the articles of association of the Company as amended, supplemented or otherwise modified from time to time
“Board” or “Board of Directors”	the board of Directors
“Board of Supervisors”	the board of Supervisors
“Chairman”	the chairman of the Board of Directors
“Company”	JiaXing Gas Group Co., Ltd.* (嘉興市燃氣集團股份有限公司), a joint stock limited liability company incorporated in the PRC whose issued H Shares are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	domestic invested ordinary share(s) in the capital of the Company, with a nominal value of RMB1.0 each, which are subscribed for and paid up in RMB, and are unlisted Shares which are currently not listed or traded on any stock exchange
“Domestic Shareholder(s)”	holder(s) of the Domestic Share(s)
“Group”	the Company and its subsidiaries
“H Shareholder(s)”	holder(s) of the H Share(s)

* For identification purpose only

DEFINITIONS

“H Shares”	overseas listed foreign invested ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.0 each, which are listed on the Stock Exchange and traded in Hong Kong dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	22 April 2024, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
“PRC”	the People’s Republic of China, which for the purpose of this circular, shall exclude Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time
“Share(s)”	ordinary share(s) of RMB1.0 each in the capital of the Company, comprising Domestic Shares and H Shares
“Shareholder(s)”	holder(s) of Share(s), comprising Domestic Shareholder(s) and H Shareholder(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	The supervisor(s) of the Company
“%”	per cent

LETTER FROM THE BOARD



JiaXing Gas Group Co., Ltd.* 嘉興市燃氣集團股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 9908)

Executive Directors:

Mr. Sun Lianqing (*Chairman and chief executive officer*)

Mr. Xu Songqiang

Non-executive Directors:

Mr. Xu Jiong

Mr. Zheng Huanli

Mr. Fu Songquan

Ms. Ruan Zeyun

Independent non-executive Directors:

Mr. Yu Youda

Mr. Cheng Hok Kai Frederick

Mr. Zhou Xinfu

*Registered Office and headquarter
in the PRC:*

5th Floor, Building 3

Hualong Plaza

Economic and Technological

Development Zone

Jiaxing

Zhejiang Province

PRC

*Principal Place of Business
in Hong Kong:*

5/F, Manulife Place

348 Kwun Tong Road

Kowloon

Hong Kong

25 April 2024

To the Shareholders

Dear Sir or Madam

PROPOSED DISTRIBUTION OF FINAL DIVIDEND AND NOTICE OF ANNUAL GENERAL MEETING

1. INTRODUCTION

The purposes of this circular are to provide you with the details of some resolutions proposed to be considered at the AGM and the notice convening the AGM.

The following matters are intended to be proposed at the AGM for consideration and approval by the Shareholders: (1) the report of the Board of Directors for the year ended 31 December 2023; (2) the report of the Board of Supervisors for the year ended 31 December 2023; (3) the audited consolidated financial statements and the report of the

* *For identification purpose only*

LETTER FROM THE BOARD

auditor of the Company for the year ended 31 December 2023; (4) the proposed profit distribution plan and the final dividend distribution plan of the Company for the year ended 31 December 2023 and the authorisation to the Board to distribute such final dividend to the Shareholders; (5) the authorisation to the Board to determine the distribution of interim dividend of the Company for the year ending 31 December 2024; and (6) the re-appointment of Ernst & Young as auditor of the Company which will hold office until the conclusion of the next annual general meeting of the Company, and the authorisation to the Board to fix their remuneration.

Details of the proposed profit distribution plan and the final dividend distribution plan of the Company for the year ended 31 December 2023 are set out below in this circular.

2. PROPOSED DISTRIBUTION OF FINAL DIVIDEND

As stated in the announcement of the Company dated 25 March 2024 in relation to the audited annual results of the Group for the year ended 31 December 2023, the Board recommended the payment of a final dividend of RMB0.4 per Share (tax inclusive) for the year ended 31 December 2023 to the Shareholders. The 2023 Final Dividend is subject to approval by the Shareholders at the AGM and a resolution in respect thereof will be proposed to the Shareholders for voting at the AGM. If approved by the Shareholders at the AGM, the 2023 Final Dividend will be paid around Friday, 5 July 2024 to the Shareholders whose names appear on the register of members of the Company on Tuesday, 18 June 2024. If the proposed resolution is passed at the AGM, the 2023 Final Dividend will be paid in RMB for holders of domestic shares of the Company (the “**Domestic Shareholders**”), and will be paid in Hong Kong dollars for H share shareholders of the Company (the “**H Shareholders**”). The relevant exchange rate for the payment of the 2023 Final Dividend in Hong Kong dollars will be the average of the mid-point rates of Renminbi to Hong Kong dollars as announced by the People’s Bank of China for the week prior to the date of AGM.

Tax

Under the requirements of the Law of the People’s Republic of China on Enterprise Income Tax (《中華人民共和國企業所得稅法》) and the Regulations for the Implementation of the Law of the People’s Republic of China on Enterprise Income Tax (《中華人民共和國企業所得稅法實施條例》) implemented in 2008, the Company has the obligation to withhold enterprise income tax at a rate of 10% on dividends when it pays the 2023 Final Dividend to its H Shareholders who are overseas non-resident enterprises (including HKSCC Nominees Limited, other institutional nominees and trustees, or other organizations or groups) listed on the H share register of members of the Company on Tuesday, 18 June 2024.

LETTER FROM THE BOARD

According to the requirement under Guo Shui Han [2011] No. 348 issued by the State Administration of Taxation (國家稅務總局國稅函[2011]348號規定) and the relevant laws and regulations, for individual H Shareholders who are Hong Kong or Macau residents and whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of 10%, the Company will withhold the individual income tax at the rate of 10%. For individual H Shareholders whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate lower than 10%, the Company will withhold the individual income tax at a tax rate of 10% of dividend. For individual H Shareholders whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate higher than 10% but lower than 20%, the Company will withhold the individual income tax at the effective tax rate under the relevant tax treaty. For individual H Shareholders whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate higher than 20%, or a country which has not entered into any tax treaties with the PRC, or under any other circumstances, the Company will withhold and pay individual income tax at the rate of 20% on behalf of the individual H Shareholders.

The Company will determine the country of domicile of the individual H Shareholders based on the registered address as recorded in the H share register of members of the Company on Tuesday, 18 June 2024. If the country of domicile of an individual H Shareholder is not the same as the registered address or if the individual H Shareholder would like to apply for a refund of the additional amount of tax finally withheld and paid, the individual H Shareholder shall notify and provide relevant supporting documents to the Company on or before Thursday, 13 June 2024. Upon examination of the supporting documents by the relevant tax authorities, the Company will follow the guidance given by the tax authorities to implement relevant tax withholding and payment provisions and arrangements. Individual H Shareholders may either personally or appoint a representative to attend to the procedures in accordance with the requirements under the tax treaties notice if they do not provide the relevant supporting documents to the Company within the time period stated above.

The Company assumes no responsibility and disclaims all liabilities whatsoever in relation to the tax status or tax treatment of the H Shareholders and for any claims arising from any delay in or inaccurate determination of the tax status or tax treatment of the H Shareholders or any disputes relating to the tax withholding and payment mechanism or arrangements.

3. AGM AND PROXY ARRANGEMENT

The notice of the AGM to be held at the meeting room of the Company, 4th Floor, Building 3, Hualong Plaza, Economic and Technological Development Zone, Jiaxing, Zhejiang Province, the PRC on Friday, 7 June 2024 at 10:00 a.m. is set out on pages 8 to 11 this circular.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, 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. An announcement on the poll results will be published by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

LETTER FROM THE BOARD

No Shareholder is required to abstain from voting with respect to each of the resolutions put to vote at the AGM.

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.jxrqgs.com). To be valid, for H Shareholders, 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 authorisation documents (if any) under which it is signed or a notarised letter of authority at the Company's H share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong. For Domestic Shareholders, the form of proxy should be returned to the Company's registered office in the PRC at 5th Floor, Building 3, Hualong Plaza, Economic and Technological Development Zone, Jiaxing, Zhejiang Province, PRC by personal delivery or by post not less than 24 hours before the time fixed for holding the AGM (i.e. at or before 10:00 a.m. on Thursday, 6 June 2024 (Hong Kong time)) or any adjournment thereof (as the case maybe).

Completion, signing and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof (as the case maybe) if you so wish.

4. CLOSURE OF H SHARE REGISTER OF MEMBERS

In order to determine the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 4 June 2024 to Friday, 7 June 2024, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM, H Shareholders whose transfers have not been registered shall deposit all transfer documents accompanied by the relevant share certificates at the Company's H share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Monday, 3 June 2024 (Hong Kong time). H Shareholders whose names appear on the register of members of the Company on Tuesday, 4 June 2024 are entitled to attend and vote in respect of all resolutions to be proposed at the AGM.

In order to determine the entitlement to the 2023 Final Dividend, the register of members of the Company will be closed from Friday, 14 June 2024 to Tuesday, 18 June 2024, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for the 2023 Final Dividend, H Shareholders whose transfers have not been registered shall deposit all transfer documents accompanied by the relevant share certificates at the Company's H share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Thursday, 13 June 2024 (Hong Kong time). Subject to the approval by the Shareholders at the AGM, the 2023 Final Dividend is expected to be paid around Friday, 5 July 2024 to the Shareholders whose names appear on the register of members of the Company on Tuesday, 18 June 2024.

LETTER FROM THE BOARD

5. RECOMMENDATIONS

The Board of Directors considers that the resolution mentioned above is in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolution to be proposed at the AGM.

6. 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 of the information contained in this circular is accurate and complete in all material aspects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

7. MISCELLANEOUS

The Chinese text of this circular shall prevail over the English text for the purpose of interpretation in case of any inconsistency.

Yours faithfully,
For and on behalf of the Board
JiaXing Gas Group Co., Ltd.*
Sun Lianqing
Chairman and Executive Director

* For identification purpose only

NOTICE OF ANNUAL GENERAL MEETING



JiaXing Gas Group Co., Ltd.* 嘉興市燃氣集團股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 9908)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting (“AGM”) of JiaXing Gas Group Co., Ltd.* (嘉興市燃氣集團股份有限公司) (the “**Company**”) will be held at the meeting room of the Company, 4th Floor, Building 3, Hualong Plaza, Economic and Technological Development Zone, Jiaxing, Zhejiang Province, the People’s Republic of China (“**PRC**”) on Friday, 7 June 2024 at 10:00 a.m. for the following purposes (with or without modification):

ORDINARY RESOLUTIONS

1. To consider and approve the report of the board of directors (the “**Board**”) of the Company for the year ended 31 December 2023.
2. To consider and approve the report of the board of supervisors of the Company for the year ended 31 December 2023.
3. To consider and approve the audited consolidated financial statements and the report of the auditor of the Company for the year ended 31 December 2023.
4. To consider and approve the proposed profit distribution plan and the final dividend distribution plan of the Company for the year ended 31 December 2023 and to authorise the Board to distribute such final dividend to the shareholders of the Company.
5. To authorise the Board to determine the distribution of interim dividend of the Company for the year ending 31 December 2024.

* For identification purpose only

NOTICE OF ANNUAL GENERAL MEETING

6. To consider and approve the re-appointment of Ernst & Young as auditor of the Company and to hold office until the conclusion of the next annual general meeting of the Company, and to authorise the Board to fix their remuneration.

By Order of the Board
JiaXing Gas Group Co., Ltd.*
Sun Lianqing
Chairman and Executive Director

JiaXing, the PRC
25 April 2024

* *For identification purpose only*

Notes:

1. The report of the Board, the report of the board of supervisors, the audited consolidated financial statements, the report of the auditor of the Company and details of the distribution of final dividend of the Company for the year ended 31 December 2023 are set out in the annual report of the Company for the year ended 31 December 2023.
2. All resolutions at the meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.jxrqgs.com) in accordance with the Listing Rules.
3. A shareholder entitled to attend and vote at the AGM may appoint one or more proxies to attend and vote on his/her behalf. A proxy need not be a shareholder of the Company. Where a shareholder appoints more than one proxy, his/her proxies can only vote on a poll.
4. The instrument appointing a proxy must be in writing under the hand of a shareholder or his/her attorney duly authorised. If the shareholder is a corporation, that instrument must be either under its common seal or under the hand of its director(s) or duly authorised executive officer(s) or duly authorised attorney(ies). If that instrument is signed by an attorney of a shareholder, the power of attorney or other document authorising that attorney to sign must be notarised.
5. In order to be valid, the form of proxy together with the notarised power of attorney or other authorization document, if any, must be deposited at the Company’s registered office in the PRC (for domestic shareholders) or at the Company’s H share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for holders of H shares) not less than 24 hours before the time fixed for the AGM (i.e. not later than 10:00 a.m. on Thursday, 6 June 2024 (Hong Kong time)).
6. For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 4 June 2024 to Friday, 7 June 2024, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM, holders of H shares whose transfers have not been registered shall deposit all transfer documents accompanied by the relevant share certificates at the Company’s H share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Monday, 3 June 2024 (Hong Kong time). Shareholders whose names appear on the register of members of the Company on Tuesday, 4 June 2024 are entitled to attend and vote in respect of all resolutions to be proposed at the AGM.

NOTICE OF ANNUAL GENERAL MEETING

7. For determining the entitlement to the proposed final dividend of the Company for the year ended 31 December 2023, the register of members of the Company will be closed from Friday, 14 June 2024 to Tuesday, 18 June 2024, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, holders of the H shares whose transfers have not been registered shall deposit all transfer documents accompanied by the relevant share certificates at the Company's H share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Thursday, 13 June 2024 (Hong Kong time). Subject to the approval by the shareholders of the Company at the AGM, the final dividend is expected to be paid around Friday, 5 July 2024 to the shareholders whose names appear on the register of members of the Company on Tuesday, 18 June 2024.
8. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or loss of capacity of the appointer, or the revocation of the proxy or of the authority under which the form of proxy was executed, or the transfer of shares in respect of which the proxy is given, provided that no notice in writing of these matters shall have been received by the Company prior to the commencement of the AGM.
9. The address and contact details of the Company's H share registrar, Tricor Investor Services Limited, are as follows:

As to the transfer documents:
17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong

As to the form of proxy:
17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
Telephone No.: +852 2980 1333
Facsimile No.: +852 2810 8185
10. The address of the Company's registered office in the PRC and the contact details of the regular contact person for the AGM are as follows:

5th Floor, Building 3, Hualong Plaza, Economic and Technological Development Zone, Jiaxing, Zhejiang Province, PRC
Telephone No.: +86 (573) 8222 6947
Facsimile No.: +86 (573) 8222 7685
Name: Qian Yutao
11. In accordance with the Company's articles of association, where two or more persons are registered as the joint holders of any share, only the person whose name appears first in the register of members shall be entitled to receive this notice, and this notice, when served on such person, shall be deemed to have been given to all joint holders of such share.
12. The AGM is expected to be concluded within half a day. Shareholders (in person or by proxy) attending the AGM are responsible for their own transportation and accommodation expenses.
13. Shareholders or their proxies shall produce their identification documents for inspection when attending the AGM.

As at the date of this notice, the Board comprises Mr. Sun Lianqing and Mr. Xu Songqiang, as executive Directors; Mr. Xu Jiong, Mr. Zheng Huanli, Mr. Fu Songquan and Ms. Ruan Zeyun, as non-executive Directors; and Mr. Yu Youda, Mr. Cheng Hok Kai Frederick and Mr. Zhou Xinfu as independent non-executive Directors.