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THE HONG KONG AND CHINA GAS COMPANY LIMITED

(Incorporated in Hong Kong under the Companies Ordinance)

(Stock Code: 3)

ELECTION OF LANGUAGE AND MEANS OF RECEIPT OF CORPORATE COMMUNICATIONS

For the protection of the environment and the saving of printing and mailing costs, as permitted under all applicable laws and regulations and its articles of association, instead of sending Corporate Communications to all Shareholders in printed form and in both English and Chinese, the Company has been offering options to Shareholders to choose to receive the Company's Corporate Communications (i) by electronic means through the Company's website at www.towngas.com; or (ii) in printed form, in English or Chinese only, or in both English and Chinese.

Pursuant to certain amendments to the Companies Ordinance effective on 10 December 2010, a Shareholder will be deemed to have consented to receive Corporate Communications in the Website Version if the Company does not receive any response indicating the objection from that Shareholder to receive Corporate Communications in the Website Version. Hence, the Company will send the First Letter to each Shareholder to solicit his/her preferred means of receipt and language of the Corporate Communications.

INTRODUCTION

For the protection of the environment and the saving of printing and mailing costs, as permitted under all applicable laws and regulations and its articles of association, instead of sending Corporate Communications to all Shareholders in printed form and in both English and Chinese, the Company has been offering options to Shareholders to choose to receive the Company's Corporate Communications (i) by electronic means through the Company's website at www.towngas.com; or (ii) in printed form, in English or Chinese only, or in both English and Chinese.

Pursuant to certain amendments to the Companies Ordinance effective on 10 December 2010, a Shareholder will be deemed to have consented to receive Corporate Communications to be delivered to Shareholders by publishing it on the Company's website (the "Website Version") if the Company does not receive any response indicating the objection from that Shareholder to receive Corporate Communications in the Website Version. Hence, the Company will send a letter (the "First Letter") to each Shareholder to solicit his/her preferred means of receipt and language of the Corporate Communications.

PROPOSED ARRANGEMENTS

In accordance with Rule 2.07A and Rule 2.07B of the Listing Rules and the Companies Ordinance, the Company has made or will make arrangements, including but not limited to the following:

1. On 7 September 2011, the Company will send the First Letter together with a reply form (the "Reply Form") with a pre-paid mailing label for posting within Hong Kong, prepared in both English and Chinese, to Shareholders to enable them to select to receive future Corporate Communications: (i) by electronic means through the Company's website at www.towngas.com; or (ii) in printed form, in English or Chinese only, or in both English and Chinese. Corporate Communications will continue to be published on the Company's website.

The First Letter explains that if the Company does not receive the duly completed and signed Reply Form or a response indicating the objection from the Shareholders to receive Corporate Communications through the Company's website on or before 7 October 2011, the Shareholders will be deemed to have consented to receive all Corporate Communications in the Website Version instead of receiving printed copies of the Corporate Communications of the Company.

2. If a Shareholder has elected in a Reply Form to receive Corporate Communications in printed form, the Company will send Corporate Communications to the Shareholder in the language or languages selected by the Shareholder unless and until the Shareholder notifies the Company's Share Registrar at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong at any time by reasonable notice in writing (not less than 7 days) or by email at towngas.ecom@computershare.com.hk that the Shareholder wishes to receive Corporate Communications in a different language (or, as the case may be, in both languages) or by electronic means on the Company's website.
3. When each printed Corporate Communication is sent out in accordance with the arrangements described in paragraph 2 above, a letter (the "Second Letter") and a change request form (the "Change Request Form") with a pre-paid mailing label for posting within Hong Kong, prepared in both English and Chinese, will be attached to the sent out version(s) of the Corporate Communication, specifying that the Corporate Communication prepared in the other language will be available upon request, and that Shareholders may change their choice of language and/or the means of receipt of Corporate Communications by completing the Change Request Form and returning it to the Company's Share Registrar.
4. If the Website Version of the Corporate Communications is chosen (or Shareholders are deemed to have consented to receive all the Corporate Communications in the Website Version), the Company will send a printed notification letter of the publication of the Corporate Communication on the Company's website by mail to such Shareholders at their addresses which, appear in the register of members maintained by the Company's Share Registrar.

5. With respect to future Shareholders, the Company will send both language versions of the first Corporate Communication to such Shareholders (if and when appropriate) together with a letter similar to the First Letter and the Reply Form (in both English and Chinese) for the use by such Shareholders to indicate their preferences as to the means of receipt and language of future Corporate Communications. If no reply is received from such Shareholders by an indicated deadline, the arrangements as set out in paragraph 1 above will apply.
6. Shareholders may also at any time by reasonable notice in writing (not less than 7 days) to the Company's Share Registrar at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong or by email at towngas.com@computershare.com.hk elect (i) to receive future Corporate Communications in printed form instead of the Website Version (or the Website Version instead of in printed form) or (ii) to change the language in which they receive Corporate Communications in printed form. If any Shareholder who has elected (or is deemed to have consented) to receive the Corporate Communications in the Website Version for any reason has difficulty in obtaining access to the Corporate Communications on the Company's website, the Company will upon request by the Shareholder send the Corporate Communications to the Shareholder in printed form free of charge.
7. All Corporate Communications will continue to be available on the Company's website at www.towngas.com in both English and Chinese and in accessible format for five years from the date of first publication. Soft copies in both languages of all Corporate Communications will also be filed with the Stock Exchange on the same day as that on which they are made available to Shareholders (or on such other day as may be required by the Stock Exchange or in order to comply with the Listing Rules) and will be available on the website of the Stock Exchange at www.hkexnews.hk.
8. The First Letter and the Second Letter will mention that both languages of each Corporate Communication will be available on the Company's website at www.towngas.com and that the Company will provide a dial-up hotline service (Tel: (852) 2862 8688 or (852) 2862 8555) during business hours (from 9:00 a.m. to 6:00 p.m., Monday to Friday, excluding Hong Kong public holidays) to facilitate Shareholders to make enquiry of the Company's proposed arrangements set out above.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Companies Ordinance”	the Companies Ordinance, Chapter 32, the laws of Hong Kong
“Company”	The Hong Kong and China Gas Company Limited, a company incorporated in Hong Kong with limited liability which shares are listed on the Main Board of the Stock Exchange

“Corporate Communications”	any documents issued or to be issued by the Company for the information or action of holders of any of the Company’s securities as defined in the definition stated in Rule 1.01 of the Listing Rules, including but not limited to: <ul style="list-style-type: none"> (a) the directors’ report and annual accounts together with a copy of the auditors’ report and, where applicable, a summary financial report; (b) the interim report and where applicable, a summary interim report; (c) a notice of meeting; (d) a listing document; (e) a circular; and (f) a proxy form
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Shareholder(s)”	holder(s) of shares of HK\$0.25 each in the capital of the Company
“Share Registrar”	Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board

JOHN H.M. HO

Chief Financial Officer and Company Secretary

Hong Kong, 6 September 2011

As at the date of this announcement, the Board comprises:

Non-executive Directors: Dr. the Hon. Lee Shau Kee (Chairman), Mr. Colin Lam Ko Yin, Mr. Lee Ka Kit and Mr. Lee Ka Shing

Independent Non-executive Directors: Mr. Leung Hay Man, Dr. the Hon. David Li Kwok Po and Professor Poon Chung Kwong

Executive Directors: Mr. Alfred Chan Wing Kin and Mr. James Kwan Yuk Choi



Towngas

The Hong Kong and China Gas Company Limited