

7 September 2011

Dear Shareholders,

Election of Language and Means of Receipt of Corporate Communications

Reference is made to the announcement of The Hong Kong and China Gas Company Limited (the “Company”) dated 6 September 2011.

Pursuant to certain amendments to the Companies Ordinance (Chapter 32) effective on 10 December 2010, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and/or the Company’s articles of association, the Company will make available the following options for you to elect for receipt of future corporate communications (“Corporate Communications”) of the Company, which means any document(s) issued or to be issued by the Company for the information or action of any holders of its securities, including but not limited to (a) the directors’ report, its annual accounts together with a copy of the auditors’ report and, where applicable, its summary financial report; (b) the interim report and, where applicable, summary interim report; (c) a notice of meeting; (d) a listing document; (e) a circular; and (f) a proxy form, in the following manners:

- (1) to read future Corporate Communications published on the Company’s website at www.towngas.com (“Website Version”) in place of receiving printed copies, and receive a notification letter of the publication of the Corporate Communications on the Company’s website; or
- (2) to receive the printed English version of all future Corporate Communications only; or
- (3) to receive the printed Chinese version of all future Corporate Communications only; or
- (4) to receive both the printed English and Chinese versions of all future Corporate Communications.

For the protection of the environment and the saving of printing and mailing costs, the Company recommends you to select the Website Version of Corporate Communications. To make your election, please mark (X) in the appropriate box on the enclosed reply form, sign and return it by post or hand delivery to the Company’s share registrar (the “Share Registrar”), Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong. If you post it in Hong Kong, you may use the mailing label in the reply form and need not affix a stamp when returning your reply form. Otherwise, please affix an appropriate stamp.

If the Company does not receive the duly completed and signed reply form or a response indicating the objection from you on or before 7 October 2011, you are deemed, until you inform the Company’s Share Registrar otherwise by reasonable notice in writing (not less than 7 days) at the above address or by email at towngas.ecom@computershare.com.hk, to have consented to receive all Corporate Communications in Website Version only, and a notification letter of the publication of the Corporate Communications on the Company’s website will be sent to you.

You have the right at any time by reasonable notice in writing (not less than 7 days) to the Company’s Share Registrar (at the above address) or by email at towngas.ecom@computershare.com.hk to change your choice of language and means of receipt of the Corporate Communications. Even if you have chosen (or are deemed to have consented) to receive all future Corporate Communications by using electronic means but for any reason have difficulty in receiving or gaining access to the Corporate Communications, the Company will promptly upon receipt of your written request send the Corporate Communications to you in printed form free of charge.

Please note that (a) both printed copies of English and Chinese versions of all future Corporate Communications will be available from the Company or the Company’s Share Registrar upon request; and (b) the same will also be available on the Company’s website at www.towngas.com and the website of the Stock Exchange at www.hkexnews.hk.

If you have any queries relating to this letter, please call the Company’s telephone hotline at (852) 2862 8688 or (852) 2862 8555 during business hours from 9:00 a.m. to 6:00 p.m. (Monday to Friday, excluding public holidays).

Yours faithfully,
JOHN H.M. HO

Chief Financial Officer and Company Secretary