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THE HONG KONG AND CHINA GAS COMPANY LIMITED

(incorporated in Hong Kong under the Companies Ordinance)

(Stock Code: 3)

CHANGE IN DIRECTORSHIP

RETIREMENT OF EXECUTIVE DIRECTOR AND CHIEF OPERATING OFFICER

The Board announces that Mr. James Kwan Yuk Choi has informed the Company that he would resign from his office as Executive Director and Chief Operating Officer of the Company with effect from 1st February 2013 upon his retirement.

APPOINTMENT OF NEW EXECUTIVE DIRECTOR AND CHIEF OPERATING OFFICER – UTILITIES BUSINESS

The Board also announces that Mr. Peter Wong Wai Yee will be appointed as Executive Director and Chief Operating Officer – Utilities Business of the Company upon Mr. Kwan's retirement with effect from 1st February 2013.

Retirement of Mr. James Kwan Yuk Choi as Executive Director and Chief Operating Officer

The board of directors (the “**Board**”) of The Hong Kong and China Gas Company Limited (the “**Company**”) announces that Mr. James Kwan Yuk Choi (“**Mr. Kwan**”) has informed the Company that he would resign from his office as Executive Director and Chief Operating Officer of the Company with effect from 1st February 2013 upon his retirement.

Mr. Kwan has had a long-time career with the Company since he joined the Company in 1975. During the past 38 years, Mr. Kwan has taken up various important responsibilities of the Company and its subsidiaries (the “**Group**”). He has worked closely with the Board for the substantial growth of the Group's business, and has laid a solid foundation for the Group and strived successfully in building up the Group's remarkable reputation in the industry and also in the community as a whole.

The Board wishes to extend its sincere gratitude to Mr. Kwan for his support, devotion and tremendous contribution to the Company during his tenure of service.

Mr. Kwan has confirmed that he has no disagreement with the Board and that there is no matter relating to his resignation that needs to be brought to the attention of the shareholders of the Company (the “**Shareholders**”).

Appointment of Mr. Peter Wong Wai Yee as Executive Director and Chief Operating Officer – Utilities Business

The Board also announces that Mr. Peter Wong Wai Yee (“**Mr. Wong**”) will be appointed as Executive Director and Chief Operating Officer – Utilities Business of the Company upon Mr. Kwan’s retirement with effect from 1st February 2013.

Mr. Wong, *C.M.A., A.C.S., A.C.I.S., M.B.A.*, aged 61, joined the Company in 1997, initially as its Financial Controller, and in 2000 became its Audit & Business Improvement Manager. Since 2002, he has been deeply involved in the development of the Group’s mainland utilities business, operating from its headquarters in Shenzhen, mainland China. Over the past 10 years, Mr. Wong has established and overseen the operations of over 100 joint ventures and wholly-owned subsidiaries in mainland China for the Company and later for Towngas China Company Limited (“**Towngas China**”), a subsidiary of the Company which is listed on the main board of The Stock Exchange of Hong Kong Limited. Mr. Wong is currently the Head – Mainland Utilities of the Company and also holds directorships in various subsidiaries of the Company. He is also an Executive Director and the Chief Executive Officer of Towngas China, and a director of Shenzhen Gas Corporation Ltd., a company listed on the Shanghai Stock Exchange. Save as disclosed above, Mr. Wong did not hold any other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Mr. Wong is a professional accountant and a chartered company secretary. He was formerly a director of the Certified Management Accountants Society of British Columbia, Canada and the president of its Hong Kong branch. He is a member of the Advisory Board of the Department of Accounting of Hong Kong Shue Yan University. Mr. Wong has over 35 years of experience in corporate finance, management and international working experience.

As at the date hereof, Mr. Wong is interested in 3,015,000 share options granted by Towngas China with a right to subscribe for 3,015,000 shares of Towngas China (representing approximately 0.12 per cent of the issued share capital of Towngas China as at the date hereof) within the meaning of Part XV of the Securities and Futures Ordinance.

As at the date hereof, Mr. Wong has not entered into any service contract with the Company. Mr. Wong shall hold office until the next annual general meeting, subject to the retirement by rotation and re-election provisions in accordance with the Articles of Association of the Company. It is proposed that Mr. Wong shall receive a director’s fee payable by the Company of HK\$160,000 per annum (subject to any adjustments to be approved by the shareholders at general meetings of the Company) and other remunerations including basic salaries and other benefits of HK\$10,840,000 per annum to be paid by the Group. The director’s fee payable to Mr. Wong shall be reviewed by the remuneration committee of the Company (the “**Remuneration Committee**”) on an annual basis. His other remunerations and discretionary bonus (if any) shall be determined by the Remuneration Committee from time to time with reference to his responsibilities and the Group’s performance and profitability. In addition, Mr. Wong is entitled to receive the director’s fee payable by Towngas China to him of HK\$200,000 per annum, which is determined by the board of directors of Towngas China and shall be subject to the shareholders’ approval at general meetings of Towngas China.

Save as disclosed above, (a) Mr. Wong does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company, and (b) so far as the Directors are aware, there are no other matters concerning Mr. Wong that need to be brought to the attention of the Shareholders nor any information to be disclosed pursuant to the requirements of Rule 13.51(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Board wishes to express its warm welcome to Mr. Wong's new appointment in the Company.

By Order of the Board

JOHN H.M. HO

Chief Financial Officer and Company Secretary

Hong Kong, 7 November 2012

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

