
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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 securities in ZHENGZHOU GAS COMPANY LIMITED, you should at once hand this circular and the accompanying form of proxy and reply slip to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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**ZHENGZHOU GAS COMPANY LIMITED*****鄭州燃氣股份有限公司**

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

(Stock Code: 3928)

**PROPOSED APPOINTMENT OF A DIRECTOR
AND
NOTICE OF THE AGM**

A letter from the Board is set out on pages 4 to 5 of this circular.

Resolutions will be proposed at the AGM of Zhengzhou Gas Company Limited to be held at the meeting room, 2/F, 352 Longhai Road West, Zhengzhou City, Henan Province, the PRC on Thursday, 16 June 2011 at 10:00 a.m. to approve, among other things, the matters referred to in this circular.

A notice convening the AGM is set out on pages 7 to 9 of this circular. A form of proxy for use at the AGM is enclosed with this circular. Whether or not you are able to attend the AGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's registrar of H Shares, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong (in the case of holders of H Shares) or to the Company's registered office at 352 Longhai Road West, Zhengzhou City, Henan Province, the PRC (in the case of holders of Domestic Shares) as soon as possible and in any event no later than 24 hours before the time appointed for the holding of the AGM or any adjournment thereof.

Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

A reply slip for the AGM has also been enclosed. You are reminded to complete and sign the relevant reply slip (if you are entitled to attend the AGM) and return the signed reply slip to the Company's registered office at 352 Longhai Road West, Zhengzhou City, Henan Province, the PRC (in the case of holders of Domestic Shares) or to the Company's registrar of H Shares, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong (in the case of holders of H Shares) on or before 27 May 2011 in accordance with the instructions printed thereon.

* *For identification purposes only*

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DEFINITIONS

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

“AGM”	an annual general meeting of the Company to be held at the meeting room, 2/F, 352 Longhai Road West, Zhengzhou City, Henan Province, the PRC on Thursday, 16 June 2011 at 10:00 a.m. for the Shareholders to consider and, if thought fit, to approve, among other things, the proposed appointment of a Director as set out in this circular
“Board”	the board of Directors
“Company”	鄭州燃氣股份有限公司 (Zhengzhou Gas Company Limited*), a joint stock limited company incorporated in the PRC, the H shares of which are listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	ordinary unlisted shares in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for in RMB
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“H Share(s)”	the overseas listed foreign share(s) of the Company which are listed on the main board of the Stock Exchange with a nominal value of RMB1.00 each
“Latest Practicable Date”	20 April 2011, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange, as amended from time to time
“Mr. Li”	李金陸先生, Mr. Li Jinlu, an existing executive Director

DEFINITIONS

“Mr. Yang”	楊長毅先生, Mr. Yang Zhangyi, a proposed executive Director
“PRC”	People’s Republic of China, which for the purposes of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	The Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Shares”	shares of the Company with a nominal value of RMB1.00 each, including the Domestic Shares and the H Shares, unless specified otherwise
“Shareholders”	holders of the Shares, including holders of the Domestic Shares and the H Shares, unless specified otherwise
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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.

LETTER FROM THE BOARD



ZHENGZHOU GAS COMPANY LIMITED*

鄭州燃氣股份有限公司

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

(Stock Code: 3928)

Executive Directors:

Mr. Yan Guoqi (*Chairman*)

Mr. Li Jinlu

Mr. Li Hongwei

Registered Office:

352 Longhai Road West

Zhengzhou City

Henan Province

PRC

Non-executive Directors:

Mr. Zhang Wushan

Mr. Li Yantong

Mr. Ding Ping

Mr. Liu Jianwen

Principal Place of Business

in Hong Kong:

Room 908, 9th Floor

Hutchison House

10 Harcourt Road

Central

Hong Kong

Independent Non-executive Directors:

Mr. Yu Jingsong

Mr. Zhang Jianqing

Ms. Wang Xiuli

Mr. Wong Ping

21 April 2011

To the Shareholders

Dear Sir/Madam,

**PROPOSED APPOINTMENT OF A DIRECTOR
AND
NOTICE OF THE AGM**

INTRODUCTION

Reference is made to the Company's announcement headed "Change of Director and General Manager" dated 11 March 2011.

The purpose of this circular is to provide you with further information in relation to the ordinary resolution for the proposed appointment of a Director to be proposed at the AGM, and to give you a notice of the AGM.

* *For identification purposes only*

LETTER FROM THE BOARD

PROPOSED APPOINTMENT OF A DIRECTOR

Mr. Li has tendered his resignation to the Board as an executive Director, the vice-chairman, the general manager and a member of the remuneration and appraisal committee of the Company because of re-designation of work. The resignation of Mr. Li as the general manager had taken effect, while the resignation of Mr. Li as an executive Director, a member of the remuneration and appraisal committee of the Company will take effect upon the election of new Director at the AGM. The Board proposes to appoint Mr. Yang as the new Director to fill the vacancies arising from the resignation of Mr. Li. After the appointment of Mr. Yang as the new executive Director, the number of Directors on the Board shall remain unchanged. Biographical details of Mr. Yang are set out in the Appendix to this circular.

An ordinary resolution will be proposed at the AGM to appoint Mr. Yang as executive Director.

THE AGM AND CLOSURE OF REGISTER OF MEMBERS

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you are able to attend the AGM, you are requested to complete and return the enclosed form of proxy to the Company's registered office at 352 Longhai Road West, Zhengzhou City, Henan Province, the PRC (in the case of holders of Domestic Shares) or to the Company's registrar of H Shares, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong (in the case of holders of H Shares) 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 holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish. Shareholders whose name appear on the register of members of the Company on 18 May 2011 are entitled to attend and vote at the AGM. The register of members of the Company will be closed from 18 May 2011 to 16 June 2011, both days inclusive, during such period no share transfer will be registered.

Resolutions proposed at the AGM shall be determined by poll pursuant to the Listing Rules.

RECOMMENDATION

The Board considers that the resolution in relation to the proposed appointment of a Director is in the best interest of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of such resolution at the AGM.

Your attention is also drawn to the biographical details of Mr. Yang as set out in the Appendix to this circular.

Yours faithfully,
By Order of the Board
Zhengzhou Gas Company Limited*
Yan Guoqi
Chairman

* For identification purposes only

APPENDIX BIOGRAPHICAL DETAILS OF THE PROPOSED DIRECTOR

Mr. Yang Zhangyi (楊長毅先生), aged 50, the general manager of the Company. He was the deputy general manager of Lianyungang Water Company Limited (連雲港市自來水公司) from May 1995 to February 1999, the general manager of Lianyungang Gas Corporation (連雲港市燃氣總公司) from March 1999 to October 2000, the general manager and the secretary of the party sub-branch of Lianyungang Gas Corporation (連雲港市燃氣總公司) from November 2000 to July 2003, the financial controller of Suzhou China Resources Gas Company Limited (蘇州華潤燃氣有限公司) from August 2003 to February 2005, the financial controller of Chengdu City Gas Company Limited (成都城市燃氣有限公司) from March 2005 to March 2007, and the general manager of Xiamen China Resources Gas Company Limited (廈門華潤燃氣有限公司) from April 2007 to March 2011. Suzhou China Resources Gas Company Limited, Chengdu City Gas Company Limited and Xiamen China Resources Gas Company Limited are affiliates of China Resources Gas Group Limited, the intermediate controlling Shareholder of the Company. Mr. Yang was appointed as the general manager of the Company in March 2011.

As far as the Board is aware, Mr. Yang did not hold any directorships in any public listed companies in the last three years.

Length of service

Mr. Yang will enter into a service agreement with the Company with effect from the date of election for a term of three years. His appointment will be subject to rotational retirement and re-election requirements pursuant to the articles of association of the Company.

Director's emoluments

Mr. Yang will receive an annual director's fee to be determined by the remuneration and appraisal committee of the Company subject to the authorization by the Shareholders at the AGM with reference to his duties and responsibilities, the remuneration policy of the Company and the market rate for the position.

Relationships

Other than his various roles in the affiliates of China Resources Gas Group Limited, the intermediate controlling shareholder of the Company, as disclosed above, Mr. Yang has no relationship with any Director, senior management of the Company, or with any substantial Shareholder or controlling Shareholder.

Interests in Shares

As at the Latest Practicable Date, so far as the Directors are aware, Mr. Yang does not have, or deemed to have, any interest in the Shares or underlying Shares (within the meaning of Part XV of the SFO).

Matters that need to be brought to the attention of the Shareholders

There is no other information relating to the appointment of Mr. Yang that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules. Save as disclosed herein, there are no other matters concerning the appointment of Mr. Li that need to be brought to the attention of the Shareholders.

NOTICE OF THE AGM



ZHENGZHOU GAS COMPANY LIMITED*

鄭州燃氣股份有限公司

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

(Stock Code: 3928)

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting (the “AGM”) of Zhengzhou Gas Company Limited* (the “**Company**”) will be held at the meeting room, 2/F, 352 Longhai Road West, Zhengzhou City, Henan Province, the People’s Republic of China (the “**PRC**”) on Thursday, 16 June 2011 at 10:00 a.m. for the purpose of considering and, if thought fit, passing (with or without modifications) the following resolutions:

AS ORDINARY RESOLUTIONS

“THAT

1. the report of the board of directors of the Company (the “**Board**”) for the year ended 31 December 2010 be approved;
2. the audited financial statements of the Company and the report of the auditor of the Company for the year ended 31 December 2010 be approved;
3. the report of the supervisors of the Company for the year ended 31 December 2010 be approved;
4. the authorization of the Board and the remuneration and appraisal committee of the Company (as the case may be) to fix the remunerations of directors and supervisors of the Company be approved;
5. the appointment of Deloitte Touche Tohmatsu as the auditor of the Company and its subsidiaries until the conclusion of the next annual general meeting and the authorization of the Board to fix their remuneration be approved; and

NOTICE OF THE AGM

6. the appointment of Mr. Yang Zhangyi as an executive director of the Company and the authorization of the remuneration and appraisal committee of the Company to fix his remuneration be approved.”

By Order of the Board
Zhengzhou Gas Company Limited*
Yan Guoqi
Chairman

Zhengzhou, the PRC, 21 April 2011

Notes:

- (A) The Company’s register of H Shares members will be closed from 18 May 2011 to 16 June 2011 (both days inclusive), during which period no transfer of H Shares will be registered. Holders of H Shares whose names appear on the register of members on 18 May 2011 will be entitled to attend and vote at the AGM. In order to qualify to attend and vote at the AGM, all instruments of transfer must be delivered to the Registrar of H Shares of the Company no later than 4:30 p.m. on 17 May 2011.

The address of the Hong Kong Branch Share Registrar of H Shares is:

Computershare Hong Kong Investor Services Limited,
Shops 1712-1716,
17th Floor, Hopewell Centre,
183 Queen’s Road East
Wanchai
Hong Kong

- (B) Holders of H Shares and Domestic Shares who intend to attend the AGM must return the completed and signed reply slip to the Company’s registered office (for holders of Domestic Shares) or to the Company’s Hong Kong H Share registrar, Computershare Hong Kong Investor Services Limited (for holders of H Shares) on or before 27 May 2011 by hand, by post or by facsimile.

Details of the Company’s registered office are as follows:

352 Longhai Road West
Zhengzhou City
Henan Province
People’s Republic of China
Postal Code: 450006
Fax: 86-371-68890488

Details of the Hong Kong Branch Share Registrar of H Shares are as follows:

Computershare Hong Kong Investor Services Limited,
17M Floor, Hopewell Centre,
183 Queen’s Road East
Wanchai
Hong Kong

- (C) Holders of H Shares who has the right to attend and vote at the AGM are entitled to appoint one or more proxies (whether or not a member) to attend and vote on his behalf at the AGM.

NOTICE OF THE AGM

- (D) The instrument appointing a proxy must be in writing under the hand of the appointer or his attorney duly authorized in writing. In the event that such instrument is signed by an attorney of the appointer, the power of attorney authorizing that attorney to sign or other documents of authorization shall be notarized.
- (E) To be valid, the form of proxy (and if the form of proxy is signed by a person under a power of attorney or other authority on behalf of the appointer, then together with such power of attorney or other authority) must be deposited to the Hong Kong Branch Share Registrar of H Shares of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, no later than 24 hours before the specified time for the holding of the AGM.
- (F) Holders of Domestic Shares who has the right to attend and vote at the AGM are entitled to appoint one or more proxies (whether or not a member) to attend and vote on his behalf. Notes (C) and (D) are also applicable for holders of Domestic Shares, but to be valid, the relevant proxy forms or other authorization documents must be delivered to the Company's registered office at the address set out in Note (B) above at least 24 hours before the specified time for the holding of the AGM.
- (G) If a proxy is appointed to attend the AGM on behalf of a shareholder, the proxy must produce his document and the authorization instrument with the date of issue and duly signed by the proxy or the legal representative. In the case of appointing a legal representative, such legal representative must produce his own identification document and the relevant identification document to identify his identity as the legal representative. If a shareholder appoints a company other than its legal representative to attend the AGM, such representative must produce his own identification document and the authorization instrument bearing the company chop of the legal person shareholder duly authorized by its legal representative.
- (H) The AGM is expected to last for half a day and shareholders attending the AGM shall be responsible for their own travelling and accommodation expenses.
- (I) Pursuant to Rule 13.39(4) of the Rules governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, any vote of shareholders at a general meeting must be taken by poll. Therefore, all resolutions to be considered at the AGM will be taken by way of poll.

As at the date of this notice, the Board of Directors of the Company comprises three executive Directors, namely Mr. Yan Guoqi, Mr. Li Jinlu and Mr. Li Hongwei, four non-executive Directors, namely Mr. Zhang Wushan, Mr. Li Yantong, Mr. Ding Ping and Mr. Liu Jianwen and four independent non-executive Directors, namely Mr. Yu Jingsong, Mr. Zhang Jianqing, Ms. Wang Xiuli and Mr. Wong Ping.

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