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**Chinese People Gas
Holdings Company Limited**

中民燃氣控股有限公司*

Asian Allied Limited

(Incorporated in the British Virgin Islands with limited liability)

(Incorporated in Bermuda with limited liability)

(Stock Code: 681)

JOINT ANNOUNCEMENT

**(1) Closing of the mandatory unconditional cash offer by
Get Nice Investment Limited
on behalf of
Asian Allied Limited
for all the issued shares in and all outstanding subscription
options of Chinese People Gas Holdings Company Limited
(other than those already owned or agreed to be acquired by
Asian Allied Limited or parties acting in concert with it)**

AND

(2) Change of Directors

The Offers closed at 4:00 p.m. on 11 April 2005, being the latest time and date for acceptances of the Offers.

As at 4:00 p.m. on 11 April 2005, valid acceptances in respect of a total of 74,282 Shares under the Share Offer, representing approximately 0.003% of the existing issued share capital of the Company and of the voting rights which may be exercised at general meetings of the Company, had been received by Asian Allied. No acceptance in respect of the Option Offer had been received. During the period of the Offers from 20 December 2004, being the date the Offers was first announced, to 11 April 2005, save for the acceptance of the 74,282 Shares under the Share Offer, Asian Allied and parties acting in concert with it had not dealt or agreed to deal in any Shares or Options.

Taking into account the nil acceptance in respect of the Option Offer, Asian Allied and parties acting in concert with it held Options entitling them to subscribe for 250,000,000 Shares at a subscription price of HK\$0.105 per Share immediately after the closing of the Offers.

Taking into account the valid acceptances in respect of 74,282 Shares under the Share Offer (subject to completion of transfer of those Shares to Asian Allied), Asian Allied and parties acting in concert with it will become interested in an aggregate of 1,441,798,538 Shares immediately after the closing of the Offers, representing approximately 55.14% of the existing issued share capital of the Company and of the voting rights which may be exercised at general meetings of the Company. Upon the closing of the Offers, the balance of approximately 44.86% of the existing issued share capital of the Company remains to be held by the public who are independent from Asian Allied. Accordingly, the Company has continued to maintain the minimum public float as required under Rule 8.08 of the Listing Rules.

The Board wishes to announce that with effect from 11 April 2005 immediately after the closing of the Offers, Mr. Wang Ke Duan, Mr. Tjia Boen Sien, Mr. Wang Jing Ning, Mr. Keung Kwok Cheung and Mr. Kong Kwok Fai resigned as executive Directors, while Mr. Siu Man Po and Ms. Wong Sin Yee resigned as independent non-executive Directors. On the same day, Mr. Wang Ke Duan and Mr. Tjia Boen Sien resigned as the Chairman and Deputy Chairman of the Board respectively. Each of them has confirmed that he/she has no disagreement with the Board and there are no matters relating to his/her resignation that needs to be brought to the attention of the holders of the securities of the Company.

The Board is also pleased to announce that with effect from 11 April 2005 immediately following the resignation of the above Directors that (i) Mr. Xu Ruixin, Mr. Liu Jing and Mr. Jin Song have been appointed as executive Directors; and (ii) Mr. Liu Junmin and Mr. Tan Qinglian have been appointed as independent non-executive Directors. Mr. Xu Ruixin has also been appointed as Honourable Chairman of the Board and Mr. Liu Jing has also been appointed as the Chairman of the Board on the same date.

Reference is made to the composite offer document regarding the Offers (the "Composite Offer Document") despatched to the Independent Shareholders and the Independent Optionholders on 21 March 2005. Unless the context requires otherwise, capitalized terms used in this announcement shall have the same meanings as those defined in the Composite Offer Document.

A. CLOSING OF THE OFFERS

Closing of the Offers and acceptance level

The Offers closed at 4:00 p.m. on 11 April 2005, being the latest time and date for acceptances of the Offers.

As at 4:00 p.m. on 11 April 2005, valid acceptances in respect of a total of 74,282 Shares under the Share Offer, representing approximately 0.003% of the existing issued share capital of the Company and of the voting rights which may be exercised at general meetings of the Company, had been received by Asian Allied. No acceptance in respect of the Option Offer had been received.

Remittance in respect of valid acceptances of the Share Offer will be posted to the relevant Shareholders by ordinary post at their own risk within ten days from the date of receipt by the Registrar of all requisite documents to render such acceptances valid and complete.

Shareholdings and public float of Shares

Immediately before the commencement of the Offers, Asian Allied and parties acting in concert with it held (i) 1,441,724,256 Shares, representing approximately 55.14% of the existing issued share capital of the Company; and (ii) Options entitling them to subscribe for 250,000,000 Shares at a subscription price of HK\$0.105 per Share.

During the period of the Offers from 20 December 2004, being the date the Offers was first announced, to 11 April 2005, save for the acceptance of the 74,282 Shares under the Share Offer, Asian Allied and parties acting in concert with it had not dealt or agreed to deal in any Shares or Options.

Taking into account the nil acceptance in respect of the Option Offer, Asian Allied and parties acting in concert with it held Options entitling them to subscribe for 250,000,000 Shares at a subscription price of HK\$0.105 per Share immediately after the closing of the Offers.

Taking into account the valid acceptances in respect of 74,282 Shares under the Share Offer (subject to completion of transfer of those Shares to Asian Allied), Asian Allied and parties acting in concert with it will become interested in an aggregate of 1,441,798,538 Shares immediately after the closing of the Offers, representing approximately 55.14% of the existing issued share capital of the Company and of the voting rights which may be exercised at general meetings of the Company. Upon the closing of the Offers, the balance of approximately 44.86% of the existing issued share capital of the Company remains to be held by the public who are independent from Asian Allied. Accordingly, the Company has continued to maintain the minimum public float as required under Rule 8.08 of the Listing Rules.

B. CHANGE OF DIRECTORS

Resignation of Mr. Wang Ke Duan, Mr. Tjia Boen Sien, Mr. Wang Jing Ning, Mr. Keung Kwok Cheung, Mr. Kong Kwok Fai, Mr. Siu Man Po and Ms. Wong Sin Yee

As stated in the Composite Offer Document, the Board wishes to announce that with effect from 11 April 2005 immediately after the closing of the Offers, (i) Mr. Wang Ke Duan, Mr. Tjia Boen Sien, Mr. Wang Jing Ning, Mr. Keung Kwok Cheung and Mr. Kong Kwok Fai resigned as executive Directors; and (ii) Mr. Siu Man Po and Ms. Wong Sin Yee resigned as independent non-executive Directors. On the same day, Mr. Wang Ke Duan and Mr. Tjia Boen Sien resigned as the Chairman and Deputy Chairman of the Board respectively. Each of the resigning Directors has confirmed that he/she has no disagreement with the Board and there are no matters relating to his/her resignation that needs to be brought to the attention of the holders of the securities of the Company.

The Board would like to take this opportunity to express its gratitude to Mr. Wang Ke Duan, Mr. Tjia Boen Sien, Mr. Wang Jing Ning, Mr. Keung Kwok Cheung, Mr. Kong Kwok Fai, Mr. Siu Man Po and Ms. Wong Sin Yee for their contribution to the Company during their term of services.

Appointment of Mr. Xu Ruixin, Mr. Liu Jing, Mr. Jin Song, Mr. Liu Junmin and Mr. Tan Qinglian

The Board is also pleased to announce that with effect from 11 April 2005 immediately following the resignation of the above Directors, (i) Mr. Xu Ruixin, Mr. Liu Jing and Mr. Jin Song have been appointed as executive Directors; and (ii) Mr. Liu Junmin and Mr. Tan Qinglian have been appointed as independent non-executive Directors. Mr. Xu Ruixin has also been appointed as Honourable Chairman of the Board and Mr. Liu Jing has also been appointed as the Chairman of the Board on the same date.

Mr. Xu Ruixin, aged 64, has been appointed as the Honourable Chairman of the Board and an executive Director. Mr. Xu is currently the Chairman of the China Association of Social Workers. He was a Vice Minister of the Ministry of Civil Affairs of the People's Republic of China and a member of the Ministry's Party Organization Department.

Mr. Liu Jing, aged 44, has been appointed as the Chairman of the Board and an executive Director. Mr. Liu holds a Master degree from the Chinese Academy of Social Sciences, and an EMBA degree from the Peking University. He is currently the Chairman of the Zhongmin group, Publisher of Public Welfare Newspaper (公益報社), a member of the Communist Party Committee of the Ministry of Civil Affairs of the People's Republic of China, and a Standing Committee member of the China Association of Social Worker. Mr. Liu has been working in the Ministry of Civil Affairs of the People's Republic of China for 24 years, during which he held duties in various departments, including the General Office, the City Welfare Department, Central and Public Welfare Department (中福公司), the Government Offices Administration and the Press Department. Mr. Liu has over 14 years experience in operational management, of which over 10 years involving in top management for big enterprises. Mr. Liu has substantial experience in the operational management of real estate development, project management, tourism, sales and marketing, import and export trade, industry, investment and media.

Mr. Jin Song, aged 33, has been appointed as an executive Director and the Deputy General Manager of the Company. Mr. Jin holds a Bachelor degree in Computer Science from Tianjin University of Technology and a MBA degree from Oklahoma City University. He had engaged in marketing and project management for Shenzhen Huawei Technologies Co. Ltd., and had worked for years in investment banking business for Guangzhou Security Company Limited and Huatai Securities Co. Ltd. He is currently a director and a Vice President of Beijing Zhong Min Gas Co., Ltd. and is responsible for the investment and merger and acquisition businesses. Mr. Jin has substantial experience in investment banking as well as merging and acquisition of gas enterprises in the PRC.

Mr. Liu Junmin, aged 55, has been appointed as an independent non-executive Director. Mr. Liu holds a Bachelor degree, a Master degree and a PhD degree in Economics from Nankai University. He is currently Professor of the School of Economics of Nankai University, a Director of the Virtual Economics & Management Research Center of Nankai University, the President of the Tianjin Branch of China Foreign Economics Research Association (中華外國經濟學研究會), a member of the Tianjin Academic Degree Committee as well as Independent Director of Tianjin Faw Xiali Automobile Co. Ltd. Mr. Liu was awarded the "Sun Yefang Economics Prize."

Mr. Tan Qinglian, aged 67, has been appointed as an independent non-executive Director. Mr. Tan is the Member of the 10th National Committee of the Chinese People's Political Consultative Conference and President of China Civil Engineering Society. He was once the Vice Minister of the Ministry of Construction of the People's Republic of China.

Save as disclosed above, Mr. Xu Ruixin, Mr. Liu Jing, Mr. Jin Song, Mr. Liu Junmin and Mr. Tan Qinglian do not have any relationship with any directors, senior management, substantial or controlling shareholders (as defined in the Listing Rules) of the Company or any interest in the Shares within the meaning of Part XV of the SFO. Save as disclosed above, each of the above Directors did not hold any directorship in other listed companies in the last three years.

No service contract has been entered into between the Company and each of Mr. Xu Ruixin, Mr. Liu Jing, Mr. Jin Song, Mr. Liu Junmin and Mr. Tan Qinglian. Pursuant to the Bye-laws of the Company, Mr. Xu Ruixin, Mr. Liu Jing, Mr. Jin Song, Mr. Liu Junmin and Mr. Tan Qinglian will hold office and will be subject to rotation requirements as other Directors. Mr. Liu Jing, Mr. Jin Song and Mr. Liu Junmin will be entitled to an annual salary of HK\$390,000, HK\$130,000 and HK\$130,000, respectively. At the discretion of the Board, Mr. Xu Ruixin, Mr. Liu Jing, Mr. Jin Song, Mr. Liu Junmin and Mr. Tan Qinglian will also be entitled to annual discretionary bonus and share options under employee share option scheme of the Company with reference to their scope of duties and responsibilities with the Company and the Company's performance and profitability.

Save as disclosed above, there are no other matters in relation to the above appointment that the Board consider necessary to be brought to the attention of the Shareholders.

The Board would like to extend its warmest welcome to Mr. Xu Ruixin, Mr. Liu Jing, Mr. Jin Song, Mr. Liu Junmin and Mr. Tan Qinglian on their appointment to the Company.

By order of the board of
ASIAN ALLIED LIMITED
Mo Shikang
Director

By order of the board of
CHINESE PEOPLE GAS HOLDINGS COMPANY LIMITED
Mo Shikang
Managing and Executive Director

Hong Kong, 11 April 2005

At the date of this announcement, the Board comprises seven executive Directors, namely, Mr. Xu Ruixin, Mr. Liu Jing, Mr. Mo Shikang, Mr. Zhu Peifeng, Mr. Zhang Hesheng, Mr. Jin Song and Mr. Ong Chi King, and three independent non-executive Directors, namely, Mr. Liu Junmin, Mr. Tan Qinglian and Mr. Wong Shing Kay, Oliver.

The directors of Asian Allied jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than those in relation to the Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those in relation to the Group) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any of statements in this announcement (other than those in relation to the Group) misleading.

The Directors jointly and severally accept full responsibility for the accuracy of the information in relation to the Group contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement in relation to the Group have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any of statements in this announcement in relation to the Group misleading.

** For identification only*

Please also refer to the published version of this announcement in The Standard.