



# CHINESE PEOPLE GAS HOLDINGS COMPANY LIMITED

中民燃氣控股有限公司\*

(Incorporated in Bermuda with limited liability)

(Stock Code: 681)

## ANNOUNCEMENT UNDER RULE 13.09 OF THE LISTING RULES

The Directors wish to announce that a subsidiary of the Company entered into two Letters of Intent on 10 May 2005 in relation to the Proposed Acquisitions. Negotiations are still at an early stage and the consideration and other detailed terms of the Proposed Acquisitions are yet to be agreed after a valuation of the respective assets of Fu Ping and Yu Ling has been completed.

**As either or both of the Proposed Acquisitions may or may not take place, shareholders of the Company and investors are advised to exercise caution when dealing in the shares of the Company.**

Pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), the directors (the “**Directors**”) of Chinese People Gas Holdings Company Limited (the “**Company**”) wish to announce that on 10 May 2005, a subsidiary of the Company (the “**Subsidiary**”) entered into two letters of intent (“**Letters of Intent**”) with the respective shareholders of Fu Ping Xian Tian Ran Qi Limited Liability Company (富平縣天然氣有限責任公司) (“**Fu Ping**”) and Yu Ling Yu Chuan Tian Ran Qi Limited Liability Company (榆林榆川天然氣有限責任公司) (“**Yu Ling**”). Under the respective Letters of Intent, the Subsidiary has in principle agreed to acquire 70% and 60% equity interests in Fu Ping and Yu Ling respectively (the “**Proposed Acquisitions**”), consideration and other terms of the Proposed Acquisitions are to be agreed after a valuation of the respective assets of Fu Ping and Yu Ling has been completed.

To the best of the knowledge of the Directors, the respective shareholders of Fu Ping and Yu Ling are third parties which are independent of and not connected with the Directors, chief executive or substantial shareholders of the Company or any of its subsidiaries and their respective associates (as defined in the Listing Rules). To the best of the knowledge of the Directors, the respective shareholders of Fu Ping and Yu Ling are also independent of and not connected with each other.

Each of Fu Ping and Yu Ling is a company established in the People’s Republic of China (“**PRC**”) and are principally engaged in the business of distribution and supply of piped natural gas and installation of natural gas distribution facilities in the PRC.

Negotiations in relation to both Proposed Acquisitions are at an early stage and the consideration and other detailed terms are yet to be agreed. As the consideration and other detailed terms of the Proposed Acquisitions have not yet been negotiated, the Directors are unable to confirm whether either or both of the Proposed Acquisitions will amount to (a) notifiable transaction(s) of the Company for the purposes of the Listing Rules. The Company will comply with applicable disclosure and shareholders’ approval requirements if and when either or both of the Proposed Acquisitions is proceed with and amount to (a) notifiable transaction(s).

The Directors confirm that, save as disclosed above, there are no other negotiations or agreements relating to any intended acquisitions or realisations which are discloseable under Rule 13.23 of the Listing Rules, neither are the Directors aware of any matter discloseable under the general obligation imposed by Rule 13.09 of the Listing Rules, which is or may be price-sensitive information.

**As either or both of the Proposed Acquisitions may or may not take place, shareholders of the Company and investors are advised to exercise caution when dealing in the shares of the Company.**

By Order of the board of  
**Chinese People Gas Holdings Company Limited**  
**Mo Shikang**  
*Managing and Executive Director*

Hong Kong, 10 May 2005

*At the date of this announcement, the board of directors of the Company 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.*

\* *For identification only*

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