



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)

ISSUE OF US\$20,000,000 2 PER CENT. CONVERTIBLE BONDS DUE 2008

MONTHLY ANNOUNCEMENT

As one of the conditions of the listing approval granted by the Stock Exchange, the Company is required to make this announcement in respect of the number of Shares to be issued and allotted upon the conversion of the Bonds and the exercise of the Conversion Rights.

Reference is made to the Company's circular dated 12 October 2005 (the "Circular"). As one of the conditions of the listing approval granted by the Stock Exchange, the Company is required to make this announcement in respect of, amongst other things, the number of Shares to be issued and allotted upon the conversion of the Bonds and the exercise of the Conversion Rights on or before the 5th business day following the end of each calendar month. Unless the context herein otherwise requires, terms used in this announcement shall have the same meanings as in the Circular.

The Directors would like to report that, two conversion notices of US\$1,000,000 each of the Bonds were received by the Company on 20 January 2006 and 24 January 2006, respectively, at the exercise price of HK\$0.33 per new share. Accordingly, 23,575,757 new shares were issued by the Company for each conversion on 2 February 2006 and 3 February 2006, respectively and a total of 47,151,514 new shares were issued by the Company for the above conversions. The effect of such conversions on the Company's issued share capital will be reflected in the next February announcement of the Company. After the above conversions, the outstanding principal sum of the Bonds is US\$18,000,000. No Shares were cancelled by the Company pursuant to other transactions during the month of January 2006.

Changes in the issued share capital of the Company for the month of January 2006 was as follows:

	Issued Share Capital (HK\$)	Number of Shares
As at 1 January 2006	183,030,000	2,614,715,736
Total number of new Shares issued pursuant to other transaction during the month	<u>700,000</u>	<u>10,000,000 (Note)</u>
As at 31 January 2006	<u>183,730,000</u>	<u>2,624,715,736</u>

Note: These shares were issued upon the exercise of options issued by the Company on 29 April 2004, details of which are set out in the circular of the Company dated 31 March 2004.

This announcement is only released through the web-site of The Stock Exchange of Hong Kong Limited, and will not be published in any newspapers.

As 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. Yan Wing Cheung, and three independent non-executive directors namely, Mr. Liu Junmin, Mr. Tan Qinglian and Mr. Wong Shing Kay, Oliver.

On behalf of the board of
Chinese People Gas Holdings Company Limited
Mo Shikang
Managing and Executive Director

Hong Kong, 6 February, 2006

* for identification purpose only