



# 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

### 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 an announcement in respect of, amongst other things, the number of Shares to be issued and allotted upon (i) the conversions of the Bonds and the exercise of the Conversion Rights during the relevant month on or before the 5th business day following the end of each calendar month or (ii) if the cumulative amount of new Shares issued pursuant to the conversions of the Bonds reaches 5% of the issued share capital of the Company as disclosed in the last monthly announcement of the Company as soon as practicable. Unless the context herein otherwise requires, terms used in this announcement shall have the same meanings as used in the Circular.

The Directors would like to report that conversions of the Bonds were made by the holders of the Bonds which resulted in Shares being issued during the period from 1 February 2006 (being the date following the end of the last calendar month) upto 22 February 2006 (being the date on which the cumulative amount of the Shares issued pursuant to the conversions amounted to 5% or more of the issued share capital of the Company as at the end of the last calendar month) (the whole period, the "Period").

<b>Date of Conversion notice</b>	<b>No. of new Shares issued</b>	<b>Conversion price (HK\$)</b>	<b>Principal amount of Bonds converted (US\$)</b>	<b>Date of issue of new Shares</b>
20 January 2006	23,575,757	0.33	1,000,000	2 February 2006
24 January 2006	23,575,757	0.33	1,000,000	3 February 2006
3 February 2006	47,151,515	0.33	2,000,000	14 February 2006
14 February 2006	47,151,515	0.33	2,000,000	22 February 2006
Total:	<u>141,454,544</u>		<u>6,000,000</u>	

After the above conversions, the outstanding principal sum of the Bonds is US\$14,000,000. No other Shares were issued and no Shares were cancelled by the Company pursuant to other transactions during the Period.

\* for identification purpose only

Changes in the issued share capital of the Company for the Period were as follows:

	<b>Issued Share Capital</b> <i>(HK\$)</i>	<b>Number of Issued Shares at par value of HK\$0.07 each</b>
As at 1 February 2006	183,730,000	2,624,715,736
Total number of new Shares issued pursuant to conversions of the Bonds during the Period	<u>9,902,000</u>	<u>141,454,544</u>
As at 22 February 2006	<u><u>193,632,000</u></u>	<u><u>2,766,170,280</u></u>

Accordingly, conversions of the Bonds made during the Period resulted in the cumulative amount of the Shares issued pursuant to such conversions amounted to approximately 5.39% of the issued share capital of the Company as at 31 January, 2006 (being the date falling on the last day of the previous calendar month).

Another conversion notice in the amount of US\$3,000,000 was received by the Company on 17 February 2006 at the conversion price of HK\$0.33 per new Share. Upon conversion of such notice, 70,727,272 new Shares will be issued on 27 February 2006.

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, 22 February 2006