



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.

Reference is also made to the Company's announcement dated 22 February 2006 where the Directors reported that the cumulative amount of new Shares issued pursuant to conversions of the Bonds during the period from 1 February to 22 February 2006 had reached 5% of the issued Share capital of the Company as disclosed in the previous monthly announcement of the Company dated 6 February 2006.

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 month of February 2006 details of which are set out as follows.

Date of Conversion notice	No. of new Shares issued	Conversion price (HK\$)	Principal amount of Bonds converted (US\$)	Date of issue of new Shares
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
17 February 2006	70,727,272	0.33	3,000,000	27 February 2006
Total:	<u>212,181,816</u>		<u>9,000,000</u>	

* for identification purpose only

After the above conversions, the outstanding principal sum of the Bonds is US\$11,000,000. No other Shares were issued and no Shares were cancelled by the Company pursuant to other transactions during the month of February 2006.

Changes in the issued share capital of the Company for the month of February 2006 were as follows:

	Issued Share Capital (HK\$)	Number of Issued Shares at par value of HK\$0.07 each
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 February 2006	<u>14,853,000</u>	<u>212,181,816</u>
As at 28 February 2006	<u><u>198,583,000</u></u>	<u><u>2,836,897,552</u></u>

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, 3 March 2006