



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 conversions of the Bonds were made by the holders of the Bonds which resulted in Shares being issued during the month of March 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 March 2006	<u>22,662,394</u>	0.3433	<u>1,000,000</u>	27 March 2006
Total:	<u><u>22,662,394</u></u>		<u><u>1,000,000</u></u>	

After the above conversions, the outstanding principal sum of the Bonds is US\$10,000,000. No Shares were cancelled by the Company pursuant to other transactions during the month of March 2006.

* for identification purpose only

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

	Issued Share Capital <i>(HK\$)</i>	Number of Issued Shares at par value of HK\$0.07 each
As at 1 March 2006	198,583,000	2,836,897,552
Total number of new Shares issued pursuant to conversions of the Bonds during March 2006	1,586,000	22,662,394
Total number of new Shares issued pursuant to other transaction during the month	<u>1,820,000</u>	<u>26,000,000</u> <i>(Note)</i>
As at 31 March 2006	<u><u>201,989,000</u></u>	<u><u>2,885,559,946</u></u>

Note: These shares were issued upon the exercise of options granted by the Company under the share option scheme of the Company adopted on 4 April 1997.

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, 7 April 2006