

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

RESULT OF THE ANNUAL GENERAL MEETING RELATING TO ADOPTION OF NEW SHARE OPTION SCHEME AND TERMINATION OF EXISTING SHARE OPTION SCHEME AND CHANGE OF INDEPENDENT NON-EXECUTIVE DIRECTOR

At the AGM held on 3 October 2006, the ordinary resolution relating to adoption of the New Share Option Scheme and termination of the Existing Share Option Scheme was approved by the Shareholders.

Mr. Wong Shing Kay, Oliver ceased to be an independent non-executive Director with effect from conclusion of the AGM. Following his retirement from the Board, Mr. Wong also ceased to be the chairman of the Audit Committee of the Board and a member of the Remuneration Committee of the Board both with effect from 3 October 2006. At the AGM, Mr. Chan Chuk Cheung, Ivan was appointed as an independent non-executive Director with effect from conclusion of the AGM. Mr. Chan was also appointed as the chairman of the Audit Committee of the Board and a member of the Remuneration Committee of the Board both with effect from 3 October 2006.

At the request of the Company, trading in the shares of the Company remains suspended with effect from 3 October 2006 pending the issue of another announcement in relation to a discloseable transaction involving the issue of new shares of the Company.

Reference is made to the circular of Chinese People Gas Holdings Company Limited dated 7 September 2006 (the "Circular") in relation to, among other things, adoption of the New Share Option Scheme, termination of the Existing Share Option Scheme, and election of Directors. Terms used in this announcement shall have the same meanings as defined in the Circular unless the context requires otherwise.

Adoption of the New Share Option Scheme and termination of the Existing Share Option Scheme

The Board is pleased to announce that at the AGM held on 3 October 2006, the ordinary resolution relating to adoption of the New Share Option Scheme and termination of the Existing Share Option Scheme was approved by the Shareholders.

Change of independent non-executive Director

Mr. Wong Shing Kay, Oliver, an independent non-executive Director retired by rotation pursuant to the Bye-Laws and who did not offer himself for re-election at the AGM due to personal reason, ceased to be a Director upon conclusion of the AGM. Mr. Wong has confirmed that there is no disagreement with the Board and there are no matters with respect to his retirement that need to be brought to the attention of the Shareholders. Following his retirement from the Board, Mr. Wong also ceased to be the chairman of the Audit Committee of the Board and a member of the Remuneration Committee of the Board with effect from 3 October 2006. The Board would like to take this opportunity to express its sincere gratitude to Mr. Wong for his valuable contribution to the Company during his tenure of office.

At the AGM, Mr. Chan Chuk Cheung, Ivan was appointed as an independent non-executive Director with effect from conclusion of the AGM. Mr. Chan was also appointed as the chairman of the Audit Committee of the Board and a member of the Remuneration Committee of the Board both with effect from 3 October 2006. Set out below is the biographical information of Mr. Chan:

Mr. Chan Chuk Cheung, Ivan, aged 38, holds a Master of Science degree in Finance and a Master of Arts degree in Quantitative Analysis for Business both from the City University of Hong Kong. Mr. Chan is a fellow member of the Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants and the Global Association of Risk Professionals. He is also a full member of Hong Kong Securities Institute. Furthermore, Mr. Chan is a certified international investment analyst of the Association of Certified International Investment Analyst. Mr. Chan has broad experiences relating to finance and accounting. Mr. Chan has been a director in the corporate finance division of Grand Vinco Capital Limited since 2004 and is mainly responsible for the execution of financial advisory works, in particular, IPOs. Prior to that, he had worked in the Stock Exchange and KPMG for about 8 years and about 6 years respectively.

Save as disclosed above, Mr. Chan has not previously held and is not holding any other position with the Group. Mr. Chan did not hold any other directorship in any listed public companies in the last three years and other major appointments and qualifications. As at the date of this announcement, he does not have other relationships with any directors, senior management, or other substantial or controlling shareholder(s) of the Company for the purpose of the Listing Rules, and does not have any interest in Shares within the meaning of Part XV of the SFO. There is no service contract entered into between the Company and Mr. Chan. Mr. Chan is not appointed for a specific term and is subject to retirement by rotation and re-election in accordance with the provision of the Bye-Laws. Mr. Chan will receive a director's emolument of HK\$10,000 per month, which is determined with reference to his duties and responsibilities with the Company, the Company's business performance, profitability and market conditions.

Save as disclosed above, there are no other matters in relation to the appointment of Mr. Chan that need to be brought to the attention of the Shareholders and there is no information relating to Mr. Chan that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

Suspension of trading in shares

At the request of the Company, trading in the shares of the Company remains suspended with effect from 3 October 2006 pending the issue of another announcement in relation to a discloseable transaction involving the issue of new shares of the Company.

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. Chan Chuk Cheung, Ivan.

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

Hong Kong, 3 October 2006

* *For identification purposes only*

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