



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)

CHANGE OF AUDITORS

The Board announces that DTT have resigned as auditors of the Company with effect from 3 November 2006. SHINEWING were appointed to fill the causal vacancy following the resignation of DTT and to hold office until the conclusion of the next annual general meeting of the Company.

The board of directors (the “**Board**”) of Chinese People Gas Holdings Company Limited (the “**Company**”) announces that Deloitte Touche Tohmatsu (“**DTT**”) have resigned as auditors of the Company with effect from 3 November 2006 as the Company and DTT could not reach an agreement on the audit fee for the financial year ending 31 March 2007. DTT arrived at this decision after carefully considering the fee level of the engagement commensurate with the amount of time required at various levels of responsibility and the availability of professional staff resources.

In the letter of resignation, DTT have confirmed that there are no circumstances connected with their resignation which they considered ought to be brought to the attention of holders of securities the Company. The Board also confirmed that there are no circumstances in respect of the change of auditors which they considered should be brought to the attention of the shareholders of the Company.

The Board further announces that on 6 November 2006, SHINEWING (HK) CPA Limited (“**SHINEWING**”) were appointed as auditors of the Company to fill the causal vacancy following the resignation of DTT and to hold office until the conclusion of the next annual general meeting of the Company.

DTT has not commenced any audit work in relation to the financial results of the Company for the year ending 31 March 2007 and such audit work would be undertaken by SHINEWING upon its appointment. The Board does not consider that the resignation of DTT will affect the release of the interim results of the Company for the six months ended 30 September 2006.

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

Hong Kong, 7 November 2006

As at the date of this announcement, the Board comprises seven executive directors, namely, Messrs. Xu Ruixin, Liu Jing, Mo Shikang, Zhu Peifeng, Zhang Hesheng, Jin Song and Yan Wing Cheung, and three independent non-executive directors, namely, Messrs. Liu Junmin, Tan Qinglian and Chan Chuk Cheung, Ivan.

* *For identification only*

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