



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)

CLARIFICATION ANNOUNCEMENT

The Board would like to clarify certain information in the Announcement in respect of change in directorship of the Company.

Reference is made to the announcement dated 28 December 2006 (the “**Announcement**”) made by the Company in respect of change in directorship of the Company. Unless the context herein otherwise requires, terms used in this announcement shall have the same meanings as in the Announcement.

The Board wishes to state that to the best of the Board’s knowledge, the independent non-executive Director, Mr. Sin Ka Man was a director of Smart-player.com Limited, a private company incorporated in Hong Kong providing Internet services until his resignation on 31 August 2002. Within 12 months of his resignation, a winding petition was filed against Smart-player.com Limited by Kwok, Ka Li, a creditor on 2 April 2003 and Smart-player.com Limited was resolved to wind up on 28 May 2003 under the High Court Winding Up Order #380 (2003). Liquidators were subsequently appointed.

Further, the Board wishes to clarify there were certain typographical errors in the Announcement. The name of the executive Director, **Mr. Wong Ching** was mistakenly spelled as Mr. Wang Zheng in the Announcement; his age is **41** instead of 51. The company which Mr. Wong Ching has acted as executive director and chief executive officer is **U.S. Fantasy Entertainment Group Company*** 美國夢幻娛樂集團公司 instead of U.K. Fantasy Entertainment Group Company* 英國夢幻娛樂集團公司, in which he is responsible for investment and management of **U.S.** companies instead of British companies in the PRC. The Board wishes to clarify that the typographical errors was entirely unintentional and merely caused by inadvertent mistake. The Board wishes to further state that Mr. Wong Ching has not held any directorship in other listed companies for the past three years.

As at the date of this announcement, the Board comprises seven executive directors, namely, Mr. Xu Ruixin, Mr. Liu Jing, Dr. Mo Shikang, Mr. Zhu Peifeng, Mr. Zhang Hesheng, Mr. Jin Song and Mr. Wong Ching and three independent non-executive directors, namely, Mr. Liu Junmin, Mr. Tan Qinglian and Mr. Sin Ka Man.

On behalf of the Board of
Chinese People Gas Holdings Company Limited
Dr. Mo Shikang
Managing and Executive Director

Hong Kong, 16 January 2007

* for identification purpose only

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