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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)

PROPOSED CHANGE OF NAME OF THE COMPANY

The Board of the Company proposes to change the name to “Chinese People Holdings Company Limited” and the Chinese translation / transliteration of the name of the Company which is 「中民控股有限公司」 should be registered as secondary name of the Company, for identification purpose only. The stock short name of the ordinary shares of the Company will also be changed thereof.

The proposed change of name of the Company shall become effective after fulfillment of the conditions set out in the paragraph headed “Proposed change of name of the Company” in this announcement and from the date on which the new name of the Company is registered by the Registrar of Companies in Bermuda.

The circular containing, among other matters, details of the proposed change of name of the Company, a notice of the AGM and the related proxy form have been despatched to the shareholders of the Company on 31 July 2007.

PROPOSED CHANGE OF THE NAME OF THE COMPANY

In order to reflect its current and further development of the business scope and the base of the operations of the Company, the Board of the Company proposes to change the name of the Company from “Chinese People Gas Holdings Company Limited” to “Chinese People Holdings Company Limited”, subject to the conditions set out below being fulfilled in full. The proposed change of name of the Company is to signify, on the current basis of our steadily developed gas business, the further proposed development on the business of the Company which will provide other desirable revenues and cash income. Upon the change of name becoming effective, the Company will register the new Chinese name 「中民控股有限公司」 in place of its current Chinese name 「中民燃氣控股有限公司」 as secondary name of the Company, for identification purpose only. The stock short name of the ordinary shares of the Company (the “Stock Short Name”) will also be changed thereof.

The proposed change of the Company’s name is conditional upon:

- (i) the passing of a special resolution by the shareholders of the Company (the “Shareholders”) at the annual general meeting of the Company to be held at Function Rooms (Tin Hua and Lau Sin), Sixth Floor, L’hotel Causeway Bay Harbour View Hong Kong, 18 King’s Road, Causeway Bay, Hong Kong on Thursday, 27 September 2007 at 9:00 a.m. (the “AGM”); and

** for identification purpose only*

- (ii) the Registrar of Companies in Bermuda granting approval for the proposed change of the Company's name.

The proposed change of the Company's name will take effect from the date on which the new name of the Company is registered by the Registrar of Companies in Bermuda. The Company will, subject to satisfaction of the above conditions, carry out the necessary filing procedures with the Registrar of Companies in Bermuda and the Registrar of Companies in Hong Kong.

STATUS OF EXISTING CERTIFICATES FOR SHARES OF THE COMPANY

The rights of the Shareholders will not be affected as a result of the proposed change of the Company's name. Once the change of name has become effective, new share certificates of the Company will be issued under the new name of the Company and the shares of the Company (the "Shares") will be traded on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") in the new name. All existing share certificates of the Company in issue bearing "CHINESE PEOPLE GAS HOLDINGS COMPANY LIMITED" or "KEL HOLDINGS LIMITED" (being the former name of the Company) will, after the change of name, continue to be evidence of title to the same number of Shares under the new name of the Company and will remain valid for trading, settlement and registration purposes. Accordingly, there will not be any arrangement for free exchange of existing share certificates under the new name.

Further announcement(s) will be made by the Company to inform the Shareholders (i) of the effective date(s) of the change of the Company's name and the Stock Short Name; and (ii) on the trading arrangements (including the date on which trading under the new name of the Company on the Stock Exchange will take effect) upon the change of the Company's name becoming effective and unconditional.

A circular containing, among other matters, details of the proposed change of name of the Company, a notice of the AGM and the related proxy form have been despatched to the Shareholders on 31 July 2007.

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

Beijing, 1 August 2007