



CHINA GAS HOLDINGS LIMITED

中國燃氣控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 384)

UNUSUAL PRICE MOVEMENT

This statement is made at the request of The Stock Exchange of Hong Kong Limited.

The board of directors (the "Board") of China Gas Holdings Limited (the "Company") has noted today's decrease in the price of the shares of the Company and wish to state that, save as disclosed herein, we are not aware of any reasons for such decrease.

Reference is made to the announcement of the Company dated 24 June 2005 in relation to the issue of 1 per cent convertible unsubordinated bonds due 2010 (the "Convertible Bonds"). The Company had received one conversion notice on 29 June 2007 and three conversion notices on 3 July 2007. A total of four bondholders of the Convertible Bonds have exercised the conversion rights attaching to the Convertible Bonds for an aggregate principal amount of US\$6,000,000 and as a result, a total of 27,036,392 ordinary shares of the Company (the "Conversion Shares") were allotted and issued. Under the documents constituting the Convertible Bonds, the Company is required to issue and allot the Conversion Shares to the respective bondholders within 10 business days after the receipt of the conversion notices and the relative share certificates for the Conversion Shares are made ready for collection by today.

Saved as disclosed above, the Board confirms that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under rule 13.23, neither is the Board aware of any matter discloseable under the general obligation imposed by rule 13.09, which is or may be of a price-sensitive nature.

Made by the order of China Gas Holdings Limited, the Board of the directors of which individually and jointly accept responsibility for the accuracy of this statement.

By order of the Board
Xu Ying
Vice-Chairman

Hong Kong, 12 July 2007

As of the date hereof, Mr. Li Xiao Yun, Mr. Xu Ying, Mr. Liu Ming Hui, Mr. Ma Jin Long and Mr. Zhu Wei Wei are the executive directors, Mr. Feng Zhuo Zhi, Mr. Harrison Blacker, Mr. Joe Yamagata and Mr. Raj Kumar Goel are the non-executive directors and Mr. Zhao Yu Hua, Dr. Mao Er Wan and Ms. Wong Sin Yue, Cynthia are the independent non-executive directors.

**for identification purpose only*