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CHINA GAS HOLDINGS LIMITED

中國燃氣控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 384)

GRANT OF OPTIONS TO TWO DIRECTORS AND REFRESHMENT OF GENERAL MANDATE TO ALLOT AND ISSUE SHARES

RESULTS OF THE SPECIAL GENERAL MEETING HELD ON 22 NOVEMBER 2004

The Board is pleased to announce that the SGM was held on 22 November 2004 and the ordinary resolutions approving the refreshment of General Mandate and grant of Options to two Directors were duly passed by way of poll.

Reference is made to the press announcement dated 8 October 2004 and the circular (“Circular”) dated 6 November 2004 of the Company regarding the grant of the New General Mandate and Options to two Directors. Capitalised terms used in this announcement shall have the same meanings as those defined in the Circular unless otherwise stated.

As set out in the notice convening the SGM dated 6 November 2004, ordinary resolutions in respect of the grant of (i) the New General Mandate; (ii) the extension of the New General Mandate (iii) Options in excess of the 10% scheme mandate limit of the Share Option Scheme; (iv) Options to Mr. Liu Ming Hui; and (v) Options to Mr. Xu Ying were proposed to be considered and, if thought fit, passed at the SGM.

The resolutions were voted by way of poll. The Company’s share registrar, Computershare Hong Kong Investor Services Limited, was appointed as scrutineer for the vote-taking in the SGM.

It was stated in the Circular that any of the controlling Shareholders and their associates or, where there are no controlling Shareholders, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting for the grant of (i) the New General Mandate and (ii) the extension of the New General Mandate. As at the date of the SGM, there was no controlling Shareholders and save and except Mr. Liu Ming Hui, the Directors, the chief executive of the Company and their respective associates did not have any shareholding interests in the Company. As such, Mr. Liu Ming Hui who is interested in 225,000,000 Shares (*Note*) as at the date of this announcement and his associates abstained from voting at the SGM.

Note: Pursuant to a sale and purchase agreement dated 16 January 2004 and entered into between Heng Fung Holdings Limited and its subsidiaries (together the “Heng Fung Group”) as vendor and Mr. Liu Ming Hui as purchaser, Heng Fung Group has agreed to sell and Mr. Liu has agreed to acquire an aggregate of 250,000,000 Shares. As at the date of this announcement, the sale and purchase of 90,000,000 Shares has been completed. Mr. Liu is currently beneficially interested in 225,000,000 Shares. Should the sale and purchase of the remaining 160,000,000 Shares have been completed Mr. Liu will be interested in 385,000,000 Shares.

With respect to the resolution in relation to the grant of Options to Mr. Xu. It was stated in the Circular that Mr. Xu and his associates shall abstain from voting for the grant of Options to him. As at the date of the SGM, Mr. Xu and his associates did not have any shareholding interests in the Company.

It was further stated in the Circular that all connected persons of the Company shall abstain from voting in favour of and Mr. Liu and his associates shall abstain from voting for (i) the grant of Options to Mr. Liu. Accordingly, the connected persons of the Company, Mr. Liu and his associates abstained from voting in such manner at the SGM.

The total number of issued share capital of the Company as at the date of this announcement is 1,860,132,338. The results of the voting at the SGM are as follows:

Resolution	No of Shares entitling Shareholders to attend and vote in the meeting	Number of Shares (%)	
		For	Against
1. To approve the grant of general mandate to the Directors to issue securities.	1,635,132,338	617,607,970 (99.96%)	260,000 (0.04%)
2. To approve the extension of the general mandate as set out in resolution no. 1.	1,635,132,338	617,867,970 (100%)	0 (Nil)
3. To approve the grant of options in excess of the 10% scheme mandate limit.	1,860,132,338	617,867,970 (100%)	0 (Nil)
4. To approve the grant of options to Mr. Liu Ming Hui.	1,635,132,338	617,867,970 (100%)	0 (Nil)
5. To approve the grant of options to Mr. Xu Ying.	1,860,132,338	617,867,970 (100%)	0 (Nil)

Accordingly, the resolutions were duly passed by way of poll at the SGM.

By order of the board of directors of
China Gas Holdings Limited
Liu Ming Hui
Managing Director

Hong Kong, 22 November 2004

As at the date of this announcement, Mr. Li Xiaoyun, Mr. Xu Ying., Mr. Liu Ming Hui, Mr. Ma Jin Long and Mr. Zhu Wei Wei are the executive Directors, Mr. Wu Bangjie is the non-executive Director 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*

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