

The board of directors (the “Directors”) of Chinese People Gas Holdings Company Limited (the “Company”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 September 2004 together with the comparative figures for the six months ended 30 September 2003, as follows :

## CONDENSED CONSOLIDATED INCOME STATEMENT

*For the six months ended 30 September 2004*

	Notes	2004 (Unaudited) HK\$'000	2003 (Unaudited) HK\$'000 (Restated)
<b>TURNOVER</b>	3	1,732	13,442
Cost of sales		(1,698)	(10,746)
Gross profit		34	2,696
Other revenue and gains	3	8,485	562
Depreciation		(90)	(62)
Amortisation of goodwill		(80)	–
Other administrative expenses		(4,511)	(6,102)
<b>PROFIT / (LOSS) FROM OPERATING ACTIVITIES</b>		3,838	(2,906)
Finance costs	5	(226)	(209)
Share of loss of associates		(1,069)	–
Share of loss of a jointly-controlled entity		(1)	–
<b>PROFIT / (LOSS) BEFORE TAX</b>		2,542	(3,115)
Tax	6	215	(53)
<b>PROFIT / (LOSS) BEFORE MINORITY INTERESTS</b>		2,757	(3,168)
Minority interests		1	12
<b>NET PROFIT / (LOSS) ATTRIBUTABLE TO SHAREHOLDERS</b>		2,758	(3,156)
<b>PROFIT / (LOSS) PER SHARE</b>	7		
Basic		HK0.11 cent	(HK0.23 cent)
Diluted		HK0.10 cent	N/A

CONDENSED CONSOLIDATED BALANCE SHEET

30 September 2004

	Notes	30 September 2004 (Unaudited) HK\$'000	31 March 2004 (Audited) HK\$'000
<b>NON-CURRENT ASSETS</b>			
Fixed assets		–	279
Interest in associates	8	28,663	–
Interest in a jointly-controlled entity		–	556
		<b>28,663</b>	<b>835</b>
<b>CURRENT ASSETS</b>			
Due from fellow subsidiaries		54	1,695
Gross amounts due from contract customers		–	750
Completed properties for sales		53,997	46,569
Trade receivables	9	3	5,945
Other receivables		2,802	9,925
Pledged time deposits		100	5,283
Cash and bank balances		68,497	1,051
		<b>125,453</b>	<b>71,218</b>
<b>CURRENT LIABILITIES</b>			
Trade and bills payables	10	–	3,736
Retention money payable		–	1,146
Tax payable		12	12
Other payables and accruals		1,608	3,759
Provision for scheme debts		1,047	1,047
Gross amounts due to contract customers		–	4,947
Interest-bearing bank borrowings		699	4,778
Due to fellow subsidiaries		–	11,652
Due to ultimate holding company		202	202
		<b>3,568</b>	<b>31,279</b>
<b>NET CURRENT ASSETS/ (LIABILITIES)</b>		<b>121,885</b>	<b>39,939</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>150,548</b>	<b>40,774</b>
<b>NON-CURRENT LIABILITIES</b>			
Interest-bearing bank borrowings		(7,080)	(7,432)
<b>MINORITY INTERESTS</b>		–	(274)
		<b>143,468</b>	<b>33,068</b>
<b>CAPITAL AND RESERVES</b>			
Issued capital	11	183,030	106,380
Reserves	12	(39,562)	(73,312)
		<b>143,468</b>	<b>33,068</b>

CONDENSED CONSOLIDATED SUMMARY  
STATEMENT OF CHANGES IN EQUITY

*For the six month ended 30 September 2004*

	<b>2004</b> <b>(Unaudited)</b> <b>HK\$'000</b>	2003 (Unaudited) HK\$'000
Balance as at 1 April	33,068	(3,829)
Exercise of convertible notes, including share premium	–	29
Issue of new shares	107,642	46,000
Net profit/(loss) attributable to shareholders	2,758	(3,156)
Balance as at 30 September	<u>143,468</u>	<u>39,044</u>

CONDENSED CONSOLIDATED CASH  
FLOW STATEMENT

For the six months ended 30 September 2004

	<b>2004</b> <b>(Unaudited)</b> <b>HKS'000</b>	2003 <b>(Unaudited)</b> <b>HKS'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>(10,310)</b>	(3,968)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>10,571</b>	(469)
<b>CASH FLOWS FROM FINANCING</b>	<b>71,017</b>	(1,211)
<b>INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>71,278</b>	(5,648)
Cash and cash equivalents at beginning of period	<u>(2,781)</u>	<u>2,242</u>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b><u>68,497</u></b>	<b><u>(3,406)</u></b>
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	<b>68,497</b>	1,095
Bank overdrafts, secured	<u>–</u>	<u>(4,501)</u>
	<b><u>68,497</u></b>	<b><u>(3,406)</u></b>