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PANVA GAS HOLDINGS LIMITED

百江燃氣控股有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock code: 1083)

COMPLETION OF THE AGREEMENT AND CHANGES IN CHAIRMAN, DIRECTORS AND AUTHORISED REPRESENTATIVES

Completion of the Agreement

The Board of Directors (the “Board”) is pleased to announce that Completion of the Agreement took place on 1 March 2007. Immediately upon Completion, HK&CG (China) owns approximately 43.97% of the enlarged issued share capital of the Company and becomes the single largest shareholder of the Company.

Changes of Chairman and Directors

Mr. Chan Wing Kin, Alfred replaced Mr. Ou Yaping (“**Mr. Ou**”) as Chairman of the Company and Mr. Tang Yui Man Francis (“**Mr. Tang**”) resigned as Vice-Chairman of the Company effective upon Completion on 1 March 2007. Mr. Tang, Mr. Li Fujun and Mr. Zhang Keyu resigned as executive Directors whereas Mr. Chan Wing Kin, Alfred, Mr. Kwan Yuk Choi, James, Mr. Ho Hon Ming, John and Mr. Wong Wai Yee, Peter were appointed as executive Directors effective upon Completion on 1 March 2007.

Changes of authorised representatives

Mr. Chan Wing Kin, Alfred replaced Mr. Ou as authorised representative under the Listing Rules and the Companies Ordinance (Chapter 32 of the Laws of Hong Kong), and Mr. Ho Hon Ming, John replaced Mr. Tang as authorised representative under the Listing Rules, respectively effective upon Completion on 1 March 2007.

Reference is made to the announcement dated 4 December 2006 issued jointly by Panva Gas Holdings Limited (the “**Company**”), Enerchina Holdings Limited (“**Enerchina**”) and The Hong Kong and China Gas Company Limited (“**HKCG**”) in relation to, amongst others, the Acquisition, the Consideration Share Issue and the Whitewash Waiver (the “**Announcement**”) and also the circular of the Company dated 30 January 2007. Unless otherwise defined, terms used in this announcement shall have the same meanings as defined in the Announcement.

COMPLETION OF THE AGREEMENT

The Board is pleased to announce that, following satisfaction of the conditions precedent to the completion of the Agreement, Completion took place on 1 March 2007. Immediately upon Completion, HK&CG (China) owns approximately 43.97% of the enlarged issued share capital of the Company and thereby becomes the single largest shareholder of the Company.

In order to maintain the public float of the Company upon Completion, 5,081,600 Shares and 33,918,400 Shares, representing an aggregate of approximately 2.2% of the issued share capital of the Company immediately after Completion as enlarged by the Consideration Shares, were respectively disposed of by APPL and Kenson, a wholly-owned subsidiary of Enerchina, to independent third parties (who are not connected persons (as defined in the Listing Rules) of the Company and who are independent of and not acting in concert with the connected persons (as defined in the Listing Rules) of the Company in relation to the control of the Company) prior to Completion. The Company confirms that, as at Completion, the Company was able to meet the 25% public float requirement as stipulated in the Listing Rules.

CHANGE OF CHAIRMAN

Effective upon Completion on 1 March 2007 Mr. Chan Wing Kin, Alfred was appointed in place of Mr. Ou as the Chairman of the Company. Mr. Ou remains as an executive Director after Completion.

CHANGE OF DIRECTORS

Mr. Tang, Mr. Li Fujun and Mr. Zhang Keyu resigned, as a result of Completion, as executive Directors (the “Resigned Directors”), effective upon Completion on 1 March 2007. Mr. Tang resigned as Vice-Chairman of the Company and was appointed by Mr. Ou as his alternate Director effective upon Completion on 1 March 2007.

Each of the Resigned Directors has confirmed that he has no disagreement with the Board and that none of them was aware of any matter relating to his resignation which will need to be brought to the attention of the shareholders of the Company.

The Board would like to thank the Resigned Directors for their valuable contributions to the Company during their services with the Company.

The Board is also pleased to announce that effective upon Completion on 1 March 2007, Mr. Chan Wing Kin, Alfred, Mr. Kwan Yuk Choi, James, Mr. Ho Hon Ming, John and Mr. Wong Wai Yee, Peter were appointed as executive Directors of the Company.

Mr. Chan Wing Kin, Alfred (“Mr. Chan”) *B.B.S., B.Sc. (Eng), M.Sc. (Eng), C.Eng., F.H.K.I.E., F.I.Mech.E., F.I.G.E.M., F.E.I.*, aged 55, was appointed as Chairman and an executive Director of the Company effective upon Completion on 1 March 2007. Currently, Mr. Chan is the Managing Director of HKCG. Mr. Chan is also a director of Henderson Cyber Limited (being a listed company in Hong Kong until its privatisation on 12 December 2005). Save as disclosed above, Mr. Chan did not hold any directorships in other listed public companies in the last three years.

Mr. Chan is a Member of the Eleventh Wuhan Committee of the Chinese People’s Political Consultative Conference and a Standing Director of China Gas Association. He is also a General Committee Member of The Chamber of Hong Kong Listed Companies for the year 2006-2007. Mr. Chan received the Executive Award under the Hong Kong Business Awards 2005 and Director of the Year Awards – Listed Companies (SEHK – Hang Seng Index Constituents) Executive Directors from The Hong Kong Institute of Directors in 2006.

Save as disclosed above, as at the date of this announcement, Mr. Chan does not have any relationships with any directors, senior management or substantial or controlling shareholders of the Company nor does Mr. Chan have any interests in the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “SFO”).

Mr. Kwan Yuk Choi, James (“Mr. Kwan”) *J.P., B.Sc. (Eng), M.B.A., C.Eng., F.H.K.I.E., F.I.G.E.M., F.I.Mech.E., F.E.I., F.C.I.B.S.E.*, aged 55, was appointed as an executive Director of the Company effective upon Completion on 1 March 2007. Currently, Mr. Kwan is an Executive Director and Chief Operating Officer of HKCG. Save as disclosed above, Mr. Kwan did not hold any directorships in other listed public companies in the last three years.

Mr. Kwan is currently a member of the Gas Safety Advisory Committee of the Hong Kong Special Administrative Region and was President of the Institution of Gas Engineers, UK in 2000/2001 and the Hong Kong Institution of Engineers in 2004/2005. Mr. Kwan is also a Member of the Eleventh Nanjing Committee of the Chinese People's Political Consultative Conference.

Save as disclosed above, as at the date of this announcement, Mr. Kwan does not have any relationships with any directors, senior management or substantial or controlling shareholders of the Company nor does he have any interests in the Company within the meaning of Part XV of the SFO.

Mr. Ho Hon Ming, John (“**Mr. Ho**”) *F.C.A., F.C.P.A., B.A. (Hons.)*, aged 50, was appointed as an executive Director of the Company effective upon Completion on 1 March 2007. Currently, Mr. Ho is the Chief Financial Officer of HKCG. Save as disclosed above, Mr. Ho did not hold any directorships in other listed public companies in the last three years.

Mr. Ho is a fellow of the Institute of Chartered Accountants in England and Wales and a fellow of The Hong Kong Institute of Certified Public Accountants. Mr. Ho has more than 28 years of experience in accounting, corporate finance and investments.

Save as disclosed above, as at the date of this announcement, Mr. Ho does not have any relationships with any directors, senior management or substantial or controlling shareholders of the Company nor does he have any interests in the Company within the meaning of Part XV of the SFO.

Mr. Wong Wai Yee, Peter (“**Mr. Wong**”) *M.B.A., C.M.A., A.C.S., A.C.I.S.*, aged 55, was appointed as an executive Director of the Company effective upon Completion on 1 March 2007. Currently, Mr. Wong is the Head – China Business of HKCG. Save as disclosed above, Mr. Wong did not hold any directorships in other listed public companies in the last three years.

Mr. Wong is a professional accountant and a chartered company secretary. Mr. Wong was formerly a Director of Certified Management Accountants Society of British Columbia, Canada and the President of its Hong Kong Branch. He is a member of the Advisory Board of the Department of Accounting of Hong Kong Shue Yan University. Mr. Wong has 30 years of experience in corporate finance, management and international working experience.

Save as disclosed above, as at the date of this announcement, Mr. Wong does not have any relationships with any directors, senior management or substantial or controlling shareholders of the Company nor does he have any interests in the Company within the meaning of Part XV of the SFO.

The Company and its subsidiaries have not entered into any service agreement with any of Mr. Chan, Mr. Kwan, Mr. Ho and Mr. Wong (together, the “**New Directors**”). The New Directors have been appointed for a term of 3 years, subject to the provisions of the Articles of Association of the Company (the “**Articles**”). In accordance with the Articles, these New Directors will be subject to re-election at the next general meeting of the Company. The annual director's fees of the New Directors will be determined by the remuneration committee of the Board with reference to the prevailing market conditions and having regard to the nature of the Board's work, workload and the requisite time to be spent by the New Directors on the Board's activities. A further announcement will be made by the Company regarding the remuneration of the New Directors as and when appropriate.

Save as disclosed above, each of the New Directors has confirmed that there are no other matters that need to be brought to the attention of the shareholders of the Company in relation to their respective appointments nor is any of the information required to be disclosed pursuant to the provisions of Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules relevant to the respective New Directors.

CHANGE OF AUTHORISED REPRESENTATIVES

Mr. Chan replaced Mr. Ou as authorised representative under the Listing Rules and the Companies Ordinance (Chapter 32 of the Laws of Hong Kong), and Mr. Ho replaced Mr. Tang as authorised representative under the Listing Rules, respectively effective upon Completion on 1 March 2007.

By Order of the Board
OU Yaping
Director

Hong Kong, 2 March 2007

At the date of this announcement, the Board of Directors of the Company comprises:

Executive Directors: CHAN Wing Kin, Alfred (Chairman), OU Yaping, TANG Yui Man Francis (Alternate Director to OU Yaping), CHEN Wei, KWAN Yuk Choi, James, HO Hon Ming, John, WONG Wai Yee, Peter and SHEN Lian Jin

Independent non-executive Directors: CHEUNG Hon Kit, LI Xiao Ru, ZHANG Ke

* *For identification purposes only*

Please also refer to the published version of this announcement in South China Morning Post.