



PANVA

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

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (“**EGM**”) of Panva Gas Holdings Limited (the “**Company**”) will be held at the Board Room, 28th Floor, Vicwood Plaza, 199 Des Voeux Road Central, Hong Kong on Thursday, 15 February 2007 at 10:30 a.m. for the purpose of considering and, if thought fit, passing the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. “(a) **THAT** the conditional sale and purchase agreement between the Company, The Hong Kong and China Gas Company Limited and Hong Kong & China Gas (China) Limited (“**HK&CG(China)**”) dated 4 December 2006 (the “**Agreement**”) and for the purpose of identification marked “A”, be and is hereby approved, confirmed and ratified;
 - (b) **THAT** the acquisition by the Company of the entire issued share capital of each of Hong Kong & China Gas (Qingdao) Limited, Hong Kong & China Gas (Zibo) Limited, Hong Kong & China Gas (Yantai) Limited, Hong Kong & China Gas (Weifang) Limited, Hong Kong & China Gas (Weihai) Limited, Hong Kong & China Gas (Taian) Limited, Hong Kong & China Gas (Maanshan) Limited and Hong Kong & China Gas (Anqing) Limited (together, the “**Target Companies**”) and the taking of the assignment by the Company of the outstanding loans due from the Target Companies to HK&CG(China) or its associates as at completion of the Agreement (the “**Acquisition**”) and the allotment and issue of 772,911,729 ordinary shares of HK\$0.10 each in the capital of the Company to HK&CG(China) credited as fully paid in full satisfaction of the consideration of the Acquisition (the “**Consideration Share Issue**”), in each case in accordance with the terms and conditions of the Agreement, be and are hereby approved; and
 - (c) **THAT** the directors of the Company be and are hereby authorised to do all such further acts and things and execute such further documents and take all steps which may be in his or her opinion necessary, desirable or expedient to implement all transactions contemplated under the Agreement.”
2. “**THAT** subject to and conditional on the passing of the resolutions numbered 1(a), (b) and (c) set out in this notice of the EGM, the waiver of the obligation of HK&CG(China) and parties acting in concert with it to make a mandatory offer for all the securities of the Company not already owned by them, which would otherwise arise under rule 26.1 of the Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong (the “**Takeovers Code**”) as a result of the Consideration Share Issue, granted or to be granted by the Executive Director of the Corporate Finance Division of the Securities and Futures Commission of Hong Kong pursuant to Note 1 of the Notes on Dispensations from Rule 26 of the Takeovers Code be and is hereby approved.”

3. “**THAT** the re-election of ZHANG Ke as independent non-executive Director of the Company with effect from the conclusion of the EGM and the fixing of his remuneration by the Directors of the Company be and are hereby approved.”

INFORMATION ABOUT THE INDEPENDENT NON-EXECUTIVE DIRECTOR TO BE RE-ELECTED

Mr. Zhang Ke (“**Mr. Zhang**”), aged 54, has been an independent non-executive Director and a member of the Audit Committee, Remuneration Committee and the Nomination Committee of the Company since 4 July 2006 and does not hold other positions in the Company or other members of the Group.

Mr. Zhang is a certified public accountant in the PRC. Mr. Zhang is also the Chairman and Chief Partner of ShineWing Certified Public Accountants, vice-president of The Chinese Institute of Certified Public Accountants, a concurrent professor of Renmin University of China, a member of CPA Examination Committee of the Ministry of Finance (“**MOF**”) and a director of China Mergers and Acquisitions Association. Mr. Zhang was elected one of the Top 20 Outstanding Accounting Professionals in the nation by the MOF in 2005. Mr. Zhang was a director of China International Economic Consultants Inc. of CITIC Group, the deputy managing manager of CIEC Certified Public Accountants, deputy managing partner and managing partner of Coopers & Lybrand China. Mr. Zhang currently acts as independent non-executive director of China Minsheng Banking Corp., Ltd., a company listed on The Shanghai Stock Exchange, and HC International, Inc. and Air China Limited, both listed on the Stock Exchange. Mr. Zhang has been an independent non-executive Director of the Company since July 2006.

As at the Latest Practicable Date, Mr. Zhang did not have any interest in the Shares or underlying Shares which are discloseable under Part XV of the Securities and Futures Ordinance (chapter 571 of the Laws of Hong Kong), nor did he have any relationship with any Directors or senior management or substantial shareholder or controlling shareholder of the Company. No service contract was entered with Mr. Zhang and Mr. Zhang was appointed for a term of 1 year and is subject to retirement and re-election provisions in the Articles.

Mr. Zhang is entitled to an annual director’s fee of HK\$250,000, which is payable in two equal instalments, for the performance of his duties as an independent non-executive Director. Such remuneration is determined with reference to the prevailing market conditions and having regard to the nature of the Board’s work, workload and the requisite time spent by Mr. Zhang on the Board’s activities.

Save as disclosed above, Mr. Zhang has confirmed that he is not aware of any other matters that need to be brought to the attention of the Shareholders of the Company in relation to his re-election nor is any of the information required to be disclosed pursuant to any of the provisions of Rules 13.51(2)(h) to 13.51(2)(v) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited relevant to Mr. Zhang.

Notes:

- (1) A form of proxy for use at the EGM is enclosed.
- (2) Any member of the Company entitled to attend and vote at the EGM is entitled to appoint a proxy to attend and vote instead of him in accordance with the Articles of Association of the Company. A proxy need not be a member of the Company.
- (3) A member who is the holder of two or more Shares may appoint more than one proxy to represent him and vote on his behalf at the EGM.

- (4) To be valid, the form of proxy, together with the power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority must be deposited at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 46th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 48 hours before the time appointed for holding the EGM (or any adjournment thereof) and in default the form of proxy shall not be treated as valid. Completion and return of the form of proxy will not preclude members of the Company from attending and voting in person at the EGM (or any adjournment thereof) should they so wish. If a member who has lodged a form of proxy attends the EGM, his form of proxy will be deemed to have been revoked.
- (5) If there are joint registered holders of a Share, any one of such joint holders may vote at the EGM, either personally or by proxy, in respect of such Share as if he were solely entitled thereto, but if more than one of such joint holders be present at the EGM personally or by proxy, that one of the joint holders so present whose name stands first in the register of members of the Company in respect of such Share shall alone be entitled to vote in respect thereof.
- (6) The voting in respect of the approval of the ordinary resolution no.2 will be conducted by way of poll as required by the Takeovers Code, Asia Pacific Promotion Limited, Kenson Investment Limited, Supreme All Investments Limited and Enerchina Holdings Limited will abstain from voting in respect of this resolution at the EGM.
- (7) Resolutions 1(a), 1(b) and 1(c) shall be voted as a single resolution.
- (8) Terms used in this notice shall have the same meanings as defined in the circular dated 30 January 2007.

Registered office:

Ugland House, P.O. Box 309 GT
George Town, Grand Cayman
Cayman Islands
British West Indies

By Order of the Board
Panva Gas Holdings Limited
LO Tai On
Company Secretary

Hong Kong, 30 January 2007

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

Executive Directors: OU Yaping (Chairman), TANG Yui Man Francis (Vice Chairman), CHEN Wei (Managing Director), LI Fujun, SHEN Lian Jin, ZHANG Keyu

Non-executive Director: TO Chi Keung, Simon

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 The Standard.