

[Press Release]

**Panva Gas Announces 2005 First-Quarter Results;
Profit Up 29.82% to HK\$58 Million**

Financial Highlights

	For the three months ended 31 March		
	2005 HK\$' 000	2004 HK\$' 000	Change +(-)%
Turnover	468,263	411,238	+13.87%
Gross profit	109,103	80,756	+35.10%
Net profit	58,163	44,804	+29.82%
Earnings per share - basic	HK6.17cents	HK4.76cents	+29.62%
Earnings per share - diluted	HK5.82cents	HK4.40cents	+32.27%

Business Snapshot

	For the three months ended 31 March		
	2005 HK\$' 000	2004 HK\$' 000	Change +(-)%
Turnover			
LP Gas wholesale	214,130	227,019	(5.68)%
LP Gas retail sales	118,471	92,159	+28.55%
Piped Gas retail sales	28,757	14,470	+98.74%
Gas pipeline construction	92,056	71,846	+28.13%

(11 May 2005, Hong Kong): **Panva Gas Holdings Limited** (Stock Code: 8132, "Panva Gas" or "the Group"), today announced its results for the three months ended 31 March 2005. During the period under review, the Group's turnover increased by 13.87% to approximately HK\$468 million. Gross profit grew by 35.10% to approximately HK\$109 million, while net profit also rose, to about HK\$58 million, representing an increase of 29.82%.

Commenting on the Group's first-quarter results, Mr. Chen Wei, Managing Director of Panva Gas, said, "As the economy moved forward, structural reforms in the energy sector also gained momentum, with natural gas development receiving strong support from the PRC government as a strategic move to increase the use of clean energy. It provided a favourable environment for the Group to further expand its businesses. At the same time, the Group began to yield more benefits from the integration of its newly acquired companies. Hence, both new project development and operating results achieved steady growths during the period under review."

Mr. Chen also commented on the Group's adoption of the new set of accounting standards issued by the Hong Kong Institute of Certified Public Accountants. "The adoption of the new accounting standards resulted in certain adjustments which reduced the profit for the period. Under the old accounting standards, the Group's first quarter results would have been an increase of approximately 37.51% when compared to the first quarter of 2004."

Accomplishments in the First-Quarter

The wholesale of LP Gas remains the core business of the Group. For the three months ended 31 March 2005, wholesale of LP Gas recorded a turnover of approximately HK\$214 million, representing slight decrease of approximately 5.68% over the same period last year, and accounting for about 45.73% of the Group's total turnover.

The retail sale of LP Gas comprises the direct sale of LP Gas in cylinders to end-user customers. For the three months ended 31 March 2005, turnover derived from the retail of LP Gas grew by 28.55% to approximately HK\$118 million, accounting for approximately 25.30% of the Group's total turnover.

The sale of piped gas comprises the direct sale of piped LP Gas and piped natural gas to end-user households. Turnover of the business increased by 98.74% to approximately HK\$29 million, accounting for approximately 6.14% of the Group's total turnover.

For the three months ended 31 March 2005, turnover from the gas pipeline construction business rose by 28.13% over the same period last year to approximately HK\$92 million, accounting for about 19.66% of the Group's total turnover.

New Project Development

During the first-quarter of 2005, Panva Gas entered into an acquisition agreement with Jianyang Development Bureau in Sichuan province to acquire 100% equity interest in Jianyang Natural Gas Company for a consideration of RMB28.5 million. Upon the completion of the acquisition, Jianyang Natural Gas Company will be renamed as Jianyang Panva Gas Company Limited ("Jianyang Panva Gas"). Panva Gas will be granted an exclusive right to operate natural gas business in Jianyang city for 30 years, with connectable natural gas households of approximately 376,000. With the Jianyang project, Panva Gas has strengthened its presence in Sichuan province, and further boosted its piped natural gas business segment.

Jianyang Panva Gas is principally engaged in the provision of natural gas, with ancillary businesses that include the design and installation of natural gas facilities, the repair and maintenance of natural gas utensils, the retail of natural gas equipment and parts, and the retail of construction materials.

Continuous Growth in PRC's Gas Fuel Market

Looking ahead, Mr. Chen expressed his optimism about business prospects, "Energy has become an increasingly critical issue in the PRC's economic development. The PRC government is adopting various measures to realign and enhance the energy strata and to promote the use of clean energy. At the same time, it is accelerating the reform of urban public utilities and further opening up the energy market. The Group is well positioned to seize the new opportunities in gas fuel industry resulting from these developments."

Mr. Chen also outlined the Group's plans, "In 2005, the Group will continue to make new project developments in the northeastern PRC region and Sichuan province, as well as seeking quality projects in the northern, eastern and southern coastal regions in PRC. Moreover, the Group will further enhance the integration of its acquired companies and strengthen their management and cost efficiency to increase the Group's economies-of-scale and integrated strengths in order to generate favourable returns to shareholders."

On 3 May 2005, Merrill Lynch (Asia Pacific) Limited acting as the Company's sponsor has, on behalf of the Company, submitted an advance booking form for the possible migration to the Main Board of the Stock Exchange.

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Panva Gas Holdings Limited

Panva Gas Holdings Limited (Stock Code: 8132, "Panva Gas"), the gas-business flagship of Sinolink Worldwide Holdings Limited (Stock Code: 1168), is one of the major foreign investors in LP Gas and natural gas ("gas fuel") businesses in the PRC. Its businesses comprise the sale of LP Gas in bulk and in cylinders, the provision of piped natural gas and LP Gas, the construction of gas pipelines, the operation of city gas-pipeline networks, the operation of gas-fuel automobile-refilling stations, and the sale of natural-gas and LP-Gas household appliances. Panva Gas has operations in eleven provinces in the PRC: Sichuan, Guizhou, Hunan, Jiangsu, Yunnan, Anhui, Shandong and Guangdong, Heilongjiang, Jilin and Liaoning.

Panva Gas was listed on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited on 20 April 2001. It was assigned a "BB+" and "Ba1" foreign currency corporate credit rating by Standard & Poor's and Moody's, respectively.

Company Website: www.panva-gas.com

This press release is issued by PR Concepts Co. Ltd for and on behalf of Panva Gas Holdings Limited. For further enquiries, please contact:

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