



[Press Release]

Panva Gas Announces Strong 2005 Interim Results; Profit Up 34% YOY to HK\$128 Million

Financial Highlights

	For the six months ended 30 June		
	2005 HK\$' 000	2004 HK\$' 000	Change +(-)%
Turnover	958,053	848,634	+12.89%
Gross profit	225,036	171,416	+31.28%
Net profit	128,249	95,699	+34.01%
Earnings per share - basic	HK13.61cents	HK10.24cents	+32.90%
Earnings per share - diluted	HK12.75cents	HK9.44cents	+35.10%

Business Snapshot

	For the six months ended 30 June		
	2005 HK\$' 000	2004 HK\$' 000	Change +(-)%
Turnover			
LP Gas wholesale	418,779	469,035	(10.71)%
LP Gas retail sales	256,117	181,198	+41.35%
Piped Gas retail sales	54,997	33,747	+62.97%
Gas pipeline construction	199,197	148,515	+34.13%

(12 August 2005, Hong Kong): **Panva Gas Holdings Limited** (Stock Code: 8132, “Panva Gas” or “the Group”), today announced its interim results for the six months ended 30 June 2005. The Group’s turnover increased by 12.89% over the same period last year to about HK\$958 million. Gross profit grew by 31.28% to approximately HK\$225 million, while net profit also rose to about HK\$128 million, representing an increase of 34.01%.

Commenting on the Group’s interim results, Mr. Chen Wei, Managing Director of Panva Gas, said, “The Group is making realignments and enhancements for its new acquired enterprises, targeting at their specific needs that arise from the differences in geographic characteristics and individual circumstances. As a result, the Group maintained steady growth during the period under review.”

Accomplishments in the first half of 2005

For the six months ended 30 June 2005, the wholesale of LP Gas business recorded a turnover of approximately HK\$419 million, representing a 10.71% decrease over the same period last year, and accounting for about 43.71% 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 six months ended 30 June 2005, turnover derived from the retail of LP Gas grew by 41.35% to approximately HK\$256 million, accounting for approximately 26.73% 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 62.97% to approximately HK\$55 million, accounting for approximately 5.74% of the Group's total turnover.

As at 30 June 2005, the Group had approximately 525,100 households of end-user customers for its sale of piped gas, an increase of approximately 69,100 households over the same period last year.

The Group's gas pipeline development business mainly includes the construction and maintenance of piped gas stations and networks, through which the Group provides direct connection of piped gas to end-user households and receives a connection fee. Turnover from the gas pipeline development business rose by 34.13% over the same period last year to approximately HK\$199 million, accounting for about 20.79% of the Group's total turnover.

During the first half of 2005, Panva Gas entered into an acquisition agreement with Jianyang Development Bureau to acquire a 100% equity interest in Jianyang Natural Gas Company for a consideration of RMB28.5 million, in which 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. Upon the completion of the acquisition, Jianyang Natural Gas Company will be renamed as Jianyang Panva Gas Company Limited. With the Jianyang project, Panva Gas has strengthened its presence in Sichuan province, and further boosted its piped natural gas business segment.

Group Restructuring

On 7 April 2005, Sinolink Worldwide Holdings Limited ("Sinolink", stock code:1168), the controlling shareholder of Panva Gas, sold 58.45% interest in Panva Gas to Enerchina Holdings Limited ("Enerchina", stock code: 622), a subsidiary of Sinolink. With the completion of the acquisition which took place on 2 June 2005, Enerchina became the controlling shareholder of Panva Gas.

Continuous Growth in PRC's Gas Fuel Market

Mr. Chen outlined the Group's plans, "In 2005, the Group will further increase its penetration in the target cities in Sichuan province and northeastern PRC region, while seeking for quality projects in the northern, eastern and southern PRC regions on a selective basis. The Group has commenced discussions in more than 10 premium PRC cities of large and medium size and expected that some of these projects would be concluded in the second half of this year. Meanwhile, the Group will further enhance the efficiency of its existing operations and simultaneously increase its market share through new project development in order to generate favourable returns to shareholders."

-End-

Panva Gas Holdings Limited

Panva Gas Holdings Limited (Stock Code: 8132, "Panva Gas"), the gas-business flagship of Enerchina Holdings Limited (Stock Code: 622), 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, 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:

PR Concepts Co., Ltd.

Miss Kelly Tang / Miss Crystal Yip

Tel: 2520-2697/ 2520-2690

Fax: 2527-8996

Mobile: 9198-3630/ 9720-6445

E-mail: kelly@prconcept.com / crystal@prconcept.com