



For Immediate Release

Panva Gas Announces Ziyang Panva's Granted Price Adjustment Approval for Natural Gas Retail

(Hong Kong, 26 January 2006) **Panva Gas Holdings Limited** (“Panva Gas” or “the Group”) (Stock Code: 1083) today announced that one of its subsidiaries, Ziyang Panva Gas Co., Ltd. (Ziyang Panva) has been granted the approval of selling price adjustment in its natural gas retail by Ziyang’s Price Bureau today. Since the National Development and Reform Commission (NDRC) raised the price of natural gas in late December 2005, the Group has submitted application of selling price adjustment for 12 subsidiaries in Sichuan province. Ziyang Panva became the first successful case.

Ziyang’s Price Bureau implemented strict supervision and inspection of Ziyang Panva based on relevant legal regulations of NDRC, Sichuan Province Price Bureau and other government departments. After serious supervision and hearings, the Bureau approved the application, and the new selling price of natural gas in Ziyang will be effective after Chinese New Year 2006. According to the adjustment, the prices for Ziyang’s natural gas sales will all be increased by RMB0.17/m³. As such, the rates for residential household user will be raised from RMB1.38/m³ to RMB1.55/m³, for commercial users will be raised from RMB1.84/m³ to 2.01/m³, and industrial users will be adjusted upwards from RMB 1.29/m³ to RMB1.46/m³, while the price for non-residential users will be raised from RMB1.53/m³ to RMB1.70/m³. Meanwhile, with appropriate permit from the civil brand of government, the selling price for particular users will not be affected by this adjustment, remaining as RMB1.38/m³.

In response to the first successful application of selling price adjustment, Mr. Chen Wei, the Managing Director of Panva Gas, said: “The Group has responded quickly to the continuous price hikes of upstream natural gas supply. All our subsidiaries are negotiating with its respective local governments in order to raise its natural gas’s selling price. After the success of Ziyang’s case, the Group is more confident on handling with the price adjustment.”

About Panva Gas Holdings Limited (Stock Code: 1083)

Panva Gas Holdings Limited (“Panva Gas” or the “Group”) is a leading market player in LPG and NG businesses in the PRC. It is principally engaged in sales and distribution of LPG and piped gas, gas pipeline construction and user connection. The clients range from residential, commercial, industrial to automotive customers. As concerns about global environmental problems increase, the Chinese government has strengthened environmental protection standards. Panva Gas has seized this huge opportunity and capitalized on the market demand for clean energy. With 40 projects in 11 provinces in the PRC, Panva Gas covers Sichuan, Guizhou, Hunan, Jiangsu, Yunnan, Anhui, Shandong, Guangdong, Heilongjiang, Jilin and Liaoning. The Group was listed on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited on 20 April 2001, and migrated onto the Main Board of the Stock Exchange of Hong Kong Limited on 8 December 2005. Panva Gas 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

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