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**ENERCHINA HOLDINGS LIMITED**

**威華達控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 622)



**PANVA GAS HOLDINGS LIMITED**

**百江燃氣控股有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 8132)

## **JOINT ANNOUNCEMENT**

### **DISCLOSEABLE TRANSACTION**

### **ACQUISITION OF SHARES BY CONTROLLING SHAREHOLDER**

The Enerchina Board wishes to announce that, Kenson, a wholly-owned subsidiary of Enerchina, has through various on-market purchases, from 13 June 2005 to 11 July 2005, purchased an aggregate of 19,935,000 Panva Gas Shares, for a total consideration of HK\$62,310,431, equivalent to an average of HK\$3.126 per Panva Gas Share, representing approximately 2.11% of the issued share capital of Panva Gas. The Acquisitions were made by way of various on-market purchases and each have been or will be individually completed when such Acquisitions are settled in accordance with the Rules and Regulations of the Stock Exchange.

The various on-market purchases by Enerchina when aggregated pursuant to Rule 14.22 of the Listing Rules, constitute a discloseable transaction for Enerchina under Chapter 14 of the Listing Rules.

For Panva Gas, this announcement is made pursuant to Rule 17.10 of the GEM Listing Rules. Save for the Acquisitions referred to this announcement and the proposed listing of the Panva Gas Shares on the Main Board of the Stock Exchange by way of introduction as disclosed in the announcement of Panva Gas dated 3 May 2005, the Panva Gas Board confirms that there are no negotiations or agreements relating to intended acquisitions or realizations which are discloseable under Chapters 19 to 20 of the GEM Listing Rules, neither is the Panva Gas Board aware of any matters discloseable under the general obligation imposed by Rule 17.10 of the GEM Listing Rules, which is or may be of a price-sensitive nature.

For Enerchina, a circular containing further details of the Acquisitions and other information as required under the Listing Rules will be despatched to the shareholders of Enerchina as soon as practicable.

\* *For identification purpose only*

## INTRODUCTION

The Enerchina Board wishes to announce that, Kenson, a wholly-owned subsidiary of Enerchina, has through various on-market purchases, from 13 June 2005 to 11 July 2005, purchased an aggregate of 19,935,000 Panva Gas Shares, for a total consideration of HK\$62,310,431, equivalent to an average of HK\$3.126 per Panva Gas Share, representing approximately 2.11% of the issued share capital of Panva Gas. The Acquisitions were made by way of an on-market purchase and each have been or will be individually completed when such Acquisitions are settled in accordance with the Rules and Regulations of the Stock Exchange.

To the best of the knowledge, information and belief of the Enerchina Board having made all reasonable enquiries, each of the vendors of the 19,935,000 Panva Gas Shares are independent third parties and is not a connected person (as defined in the Listing Rules) to Enerchina.

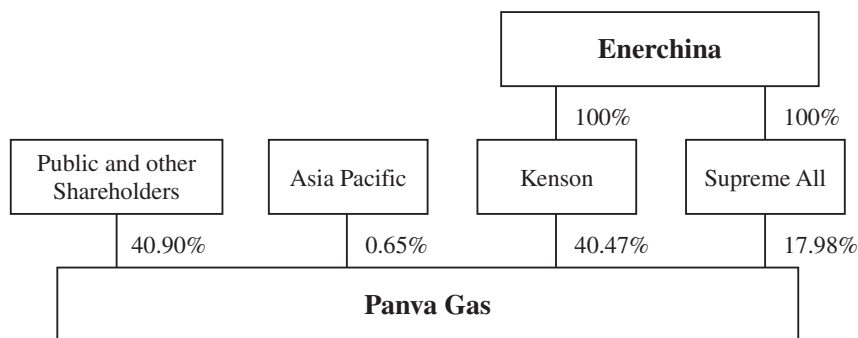
## FUNDING

The consideration for the Acquisitions was financed out of the internal resources of Enerchina.

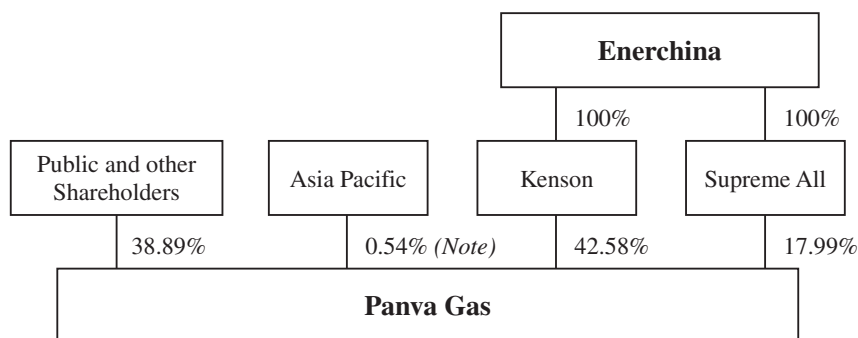
## SHAREHOLDING STRUCTURE OF PANVA GAS

The following charts show the respective shareholding structure of Panva Gas (with approximate shareholding percentages) immediately before and after completion of the Acquisitions:

### (a) Shareholding structure of Panva Gas immediately before completion of any of the Acquisitions



### (b) Shareholding structure of Panva Gas immediately after completion of all the Acquisitions



*Note:* The change in percentage figure represents the sign on bonus to Mr. Wang Zhen for joining the Panva Gas Group.

## **REASONS FOR ENTERING INTO THE ACQUISITIONS**

Subsequent to the completion of the acquisition of 58.45% shareholding interest in Panva Gas on 2 June 2005, Enerchina has gradually acquired a further 19,935,000 Panva Gas Shares at an average price of HK\$3.126 per Panva Gas Share. The Enerchina Board considers that the average price of HK\$3.126 for the 19,935,000 Panva Gas Shares is a reasonable price to further increase its stake in Panva Gas. Upon completion of all of the Acquisitions, Enerchina will beneficially own (through its wholly-owned subsidiaries, Kenson and Supreme All) 570,724,987 Panva Gas Shares, representing approximately 60.57% of the entire issued share capital of Panva Gas. Immediately before and after completion of the Acquisitions, Panva Gas has been and will be in compliance with the minimum public float requirements set out in Rule 11.23 of the GEM Listing Rules.

The Enerchina Board believes that the PRC gas industry has bright prospects and that by further increasing its stake in Panva Gas, this will enable Enerchina and its shareholders to obtain favourable returns. Save for the Acquisitions, the Enerchina Board confirms that there is no present intention to acquire any further Panva Gas Shares in the near future.

The Enerchina Board (including the independent non-executive directors) believes that the Acquisitions were entered into upon normal commercial terms and that the terms of the Acquisitions are fair and reasonable and are in the interests of the shareholders of Enerchina as a whole.

## **INFORMATION ON ENERCHINA AND ON PANVA GAS**

Enerchina together with its subsidiaries, are principally engaged in the generation and supply of electricity in the PRC, the sale and distribution of liquefied petroleum gas and natural gas and the construction of gas pipelines in the PRC and investment holdings.

Panva Gas, a company listed on GEM, together with its subsidiaries, are principally engaged in the sale and distribution of liquefied petroleum gas and natural gas and the construction of gas pipelines in the PRC.

The audited net profit before taxation and extraordinary items of Panva Gas for the two years ended 31 December 2003 and 31 December 2004 were HK\$231,949,000 and HK\$283,799,000 respectively. The audited net profit after taxation and extraordinary items of Panva Gas for the two years ended 31 December 2003 and 31 December 2004 were HK\$209,074,000 and HK\$264,088,000 respectively.

## **GENERAL**

The various on-market purchases by Enerchina when aggregated pursuant to Rule 14.22 of the Listing Rules, constitute a discloseable transaction for Enerchina under Chapter 14 of the Listing Rules.

For Panva Gas, this announcement is made pursuant to Rule 17.10 of the GEM Listing Rules. Save for the Acquisitions referred to this announcement and the proposed listing of the Panva Gas Shares on the Main Board of the Stock Exchange by way of introduction as disclosed in the announcement of Panva Gas dated 3 May 2005, the Panva Gas Board confirms that there are no negotiations or agreements relating to intended acquisitions or realizations which are discloseable under Chapters 19 to 20 of the GEM Listing Rules, neither is the Panva Gas Board aware of any matters discloseable under the general obligation imposed by Rule 17.10 of the GEM Listing Rules, which is or may be of a price-sensitive nature.

For Enerchina, a circular containing further details of the Acquisitions and other information as required under the Listing Rules will be despatched to the shareholders of Enerchina as soon as practicable.

## **DEFINITIONS**

“Acquisitions”	various acquisitions of Panva Gas Shares by Enerchina
“Asia Pacific”	Asia Pacific Promotion Limited, a private company incorporated in the British Virgin Islands which is wholly-owned by Mr. Ou Yaping (the Chairman of both Enerchina and Panva Gas)
“Enerchina”	Enerchina Holdings Limited (Stock Code: 622), a company incorporated in Bermuda with limited liability, whose shares are listed on the Main Board of the Stock Exchange
“Enerchina Board”	the board of directors of Enerchina
“GEM”	The Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	The Rules Governing the Listing of Securities on GEM, as amended from time to time
“Kenson”	Kenson Investment Limited, a company incorporated in the British Virgin Islands with limited liability, being a wholly-owned subsidiary of Enerchina
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Panva Gas”	Panva Gas Holdings Limited (Stock Code: 8132), a company incorporated in the Cayman Islands with limited liability, whose shares are listed on GEM
“Panva Gas Board”	the board of directors of Panva Gas

“Panva Gas Group”	Panva Gas and its subsidiaries
“Panva Gas Shares”	the ordinary shares of HK\$0.10 each in the share capital of Panva Gas
“PRC”	the People’s Republic of China, which, for the purpose of this announcement, excludes Hong Kong, Macau Special Administrative Region and Taiwan
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supreme All”	Supreme All Investments Limited, a company incorporated in the British Virgin Islands with limited liability, being a wholly-owned subsidiary of Enerchina
“%”	per cent.

By order of the board of  
**Enerchina Holdings Limited**  
**Tang Yui Man Francis**  
*Executive Director*

By order of the board of  
**Panva Gas Holdings Limited**  
**Chen Wei**  
*Managing Director*

Hong Kong, 12 July 2005

As at the date of this announcement, the Enerchina Board and the Panva Gas Board comprise:

**ENERCHINA HOLDINGS LIMITED**

*Executive Directors:*

OU Yaping (Chairman)

TANG Yui Man Francis

XIANG Ya Bo

XU Xinghai

*Non-executive Director:*

SUN Qiang Chang (Non-executive Vice Chairman)

*Independent Non-executive Directors:*

Davin A. MACKENZIE

LU Yungang

XIN Luo Lin

**PANVA GAS HOLDINGS LIMITED**

*Executive Directors:*

OU Yaping (Chairman)

TANG Yui Man Francis (Vice Chairman)

CHEN Wei (Managing Director)

LI Fujun

SHEN Lian Jin

ZHANG Keyu

*Non-executive Directors:*

FOK Kin-ning, Canning

TO Chi Keung, Simon

(alternate director to FOK Kin-ning,  
Canning)

*Independent Non-executive Directors:*

CHEUNG Hon Kit

LI Xiao Ru

GE Ming

*This announcement, for which the directors of Panva Gas collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to Panva Gas. The directors of Panva Gas, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: – (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

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