

[For Immediate Release]

**Turnover Surged over 54.4% to RMB128.3 Million
for the three months ended 31 March 2006
Net Profit Attributable to Shareholders Increased 42.9% to RMB15.4 Million**

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(Hong Kong, 10 May 2006) - Enric Energy Equipment Holdings Limited (“Enric” or the “Group”) (Stock code: 8289), a leading integrated business solutions provider and specialised gas equipment manufacturer in the PRC, announced its first quarterly results for the three months ended 31 March 2006. During the period, turnover and net profit attributable to shareholders increased to approximately RMB128.31 million and RMB15.42 million respectively, representing a growth of approximately 54.4% and 42.9% over the corresponding period in 2005. Basic and diluted earnings per share were RMB0.035 and RMB0.034 respectively.

In particular, the CNG seamless pressure cylinder storage and transportation equipment and CNG refueling station system received very positive market response during the three months ended 31 March 2006. The turnover of pressure vessels and integrated business solutions rose by 74.8% to RMB83,396,000 and 141.2% to RMB21,350,000 respectively over the corresponding period in 2005.

Mr. Wang Yusuo, the Chairman of Enric, said, “I am delighted to see that the Group continued to achieve encouraging results for the first quarter this year. To further increase its public profile and recognition, Enric is preparing a listing of its shares on the Main Board of the Stock Exchange by way of introduction. On 30 March 2006, we submitted an advance booking form to the Stock Exchange. The Stock Exchange has also been notified of our intention to implement the proposed voluntary withdrawal of the listing of shares on GEM. We will keep the shareholders informed on the latest progress of these.”

Enhancement of research and development capacity is one of the primary development strategies of the Group. During the period under review, the Group continued the development of the liquefied-compressed natural gas (“LCNG”) refueling station system. The management believes that the LCNG product will be very competitive once it is launched as it is of higher refueling efficiency, larger storage capacity, increased safety and reduced size when compared with conventional refueling stations.

As at 31 March 2006, the annual production capacities of pressure vessels and compressors were approximately 3,000 and 1,000 standard units respectively. To feed the appetite of the emerging

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gas equipment market, a number of productivity enhancement programs are under progress, such as the expansion of production line of seamless pressure cylinders and the upgrade of production facilities of integrated business solutions and compressors.

The gas equipment industry adheres to stringent statutory regulations and industry players must obtain relevant qualifications. Apart from the prerequisite manufacturing and design licences from the PRC government, the Group has also been granted qualifications from international bodies, such as the Ministry of Commerce, Industry and Energy of Korea, the American Society of Mechanical Engineers and the United States Department of Transportation, which allows the Group to sell its gas transportation products to the US.

Aiming to secure its intellectual property rights, the Group has also registered several patents in the PRC. Currently, the Group is applying for the European Union's CE certification to secure its leading position in the industry and prepare for the overseas market.

Mr. Wang concluded, "Under the 11th Five-Year Plan of the PRC central government on the state's energy structure, a series of favourable policies is promulgated to promote the utilisation of natural gas. The thriving natural gas industry, supported by favourable policies and substantial investment in natural gas infrastructure by the PRC government, generates huge demand for specialised gas equipment for the storage, transportation and distribution of natural gas – bringing enormous business opportunities to the Group. Well-positioned at the blooming gas equipment industry, we are confident that through careful financial planning, industry expertise and effective marketing strategies, we will take full advantage of every business opportunity ahead and bring excellent returns to our shareholders."

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UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

For the three months ended 31 March 2006

(Expressed in Renminbi)

	2006 <i>RMB'000</i>	2005 <i>RMB'000</i>
Turnover	128,313	83,127
Cost of sales	(89,019)	(57,631)
Gross profit	39,294	25,496
Other revenue	1,167	436
Selling expenses	(5,579)	(4,050)
Administrative expenses	(15,995)	(8,328)
Other net expenses	(260)	-
Profit from operations	18,627	13,554
Finance costs	(2,032)	(2,102)
Profit before taxation	16,595	11,452
Income tax	(1,179)	(664)
Profit for the period and attributable to equity shareholders of the Company	15,416	10,788
Earnings per share		
- Basic	RMB0.035	RMB0.042
- Diluted	RMB0.034	N/A

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Enric Energy Equipment Holdings Limited

The Group is an integrated business solutions provider in the gas energy industry and one of the leading specialised gas equipment manufacturers in the PRC. The Group designs, manufactures and sells specialised gas equipment including seamless pressure cylinders, compressed natural gas (“CNG”) trailers, natural gas refueling station system, liquefied natural gas (“LNG”) storage tanks, LNG trailers and gas compressors. In anticipation of market needs, the Group also offers integrated business solutions, a beyond-the-equipment package of one-stop services from the design and manufacture of gas equipment system and on-site installation to staff training and after-sales services. Products of the Group are essential for the transportation, storage and distribution of natural gas.

The sales and marketing network of the Group is primarily based in the PRC. Specialised gas equipment for the storage, transportation, distribution, compression and pressure-regulating of natural gas is of keen demand across the gas sector from city gas operators and gas refueling station operators to natural gas logistic companies and natural gas infrastructure contractors, thus forming a diversified customer base for the Group. Some of our renowned customers include branch companies of PetroChina Company Limited (“PetroChina”) and China Petroleum & Chemical Corporation (“Sinopec”), Shengli Oil Field, Liaohe Oil Field, Xinao Gas Holdings Limited and The Hong Kong and China Gas Company Limited’s subsidiaries in the PRC. In addition, the Group has customers from industrial and chemical sectors which require the Group’s equipment for production.

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