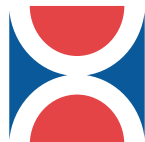


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## **XINAO GAS HOLDINGS LIMITED**

**(新奧燃氣控股有限公司\*)**

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

### **EXERCISE OF OVER-ALLOTMENT OPTION**

On 22 May 2001, ICEA (on behalf of the Underwriters) exercised in full the Over-allotment Option in respect of 27,000,000 additional new Shares at the Placing Price of HK\$1.15 per Share.

Unless otherwise stated, terms used in this announcement shall have the same meanings as defined in the prospectus of Xinao Gas Holdings Limited (the “Company”) dated 27 April 2001 (the “Prospectus”).

The Directors announce that ICEA (on behalf of the Underwriters) has exercised in full the Over-allotment Option granted by the Company referred to in the Prospectus on 22 May 2001 to require the Company to allot and issue 27,000,000 additional new Shares (the “Over-allotment Shares”) at the Placing Price of HK\$1.15 per Share to cover solely over-allocations in the Placing. The additional new Shares are expected to be issued and listed on GEM on or before 25 May 2001. The Over-allotment Shares represent approximately 4% of the enlarged issued share capital of the Company immediately after the issue of the Over-allotment Shares.

As set out in the paragraph headed “Use of proceeds” in the Prospectus, the Directors intend to use the additional net proceeds raised from the Over-allotment Option of approximately HK\$30 million as general working capital of the Group to support its ongoing operations and expansion.

The shareholding structure of the Company immediately before and after the issue of the Over-allotment Shares is as follows:

|         | <b>Immediately before<br/>the issue of the<br/>Over-allotment Shares</b> |            | <b>Immediately after<br/>the issue of the<br/>Over-allotment Shares</b> |            |
|---------|--|------------|---|------------|
|         | <i>No. of Shares</i>   | <i>%</i>   | <i>No. of Shares</i>  | <i>%</i>   |
| Easywin | 420,000,000  | 70         | 420,000,000   | 67         |
| Public  | 180,000,000  | 30         | 207,000,000   | 33         |
|         | <u>600,000,000</u>   | <u>100</u> | <u>627,000,000</u>  | <u>100</u> |

By order of the board  
**XINAO GAS HOLDINGS LIMITED**  
**CHENG Chak Ngok**  
*Company Secretary*

Hong Kong, 22 May 2001

*This announcement for which the directors of the Company 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 the Company. The directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) 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.*

*This announcement will remain on the GEM website at <http://www.hkgem.com>.*

\* *For identification only*