

Quarterly Results announcement form

Name of listed company : Xinao Gas Holdings Limited

Stock code : 8149

Year end date : 31 December 2001

This result announcement form only contains extracted information from and should be read in conjunction with the detailed results announcement of the issuer, which can be viewed on the GEM website at <http://www.hkgem.com>

	(Unaudited)	(Unaudited)
	Current Period (dd/mm/yyyy)	Last Corresponding Period (dd/mm/yyyy)
	from 01/01/2001	from 01/01/2000
	to 30/09/2001	to 30/09/2000
	RMB'000	RMB'000
Turnover	161,169	59,760
Profit/(Loss) from Operations	71,702	29,472
Finance cost	-7,925	-5,084
Share of Profit/(Loss) of Associates	N/A	N/A
Share of Profit/(Loss) of Jointly Controlled Entities	N/A	N/A
Profit/(Loss) after Taxation & MI	48,199	16,531
% Change Over the Last Period	191.57	%
EPS / (LPS) - Basic	9.13cents	3.94 cents
- Diluted	N/A	N/A
Extraordinary (ETD) Gain/(Loss)	0	0
Profit (Loss) after ETD Items	48,199	16,531
3rd Q Dividend per Share	0	0
(specify if with other options)	N/A	N/A
B/C Dates for 3rd Q Dividend Payable Date	N/A	N/A
B/C Dates for AGM/SGM	N/A	N/A
Other Distribution for Current Period	NIL	NIL
B/C Dates for Other Distribution	N/A	N/A
* Please delete as appropriate		(bdi: both days inclusive)

Remarks :

For and on behalf of
Xinao Gas Holdings Limited

Signature :

Name :

Title :

CHENG Chak Ngok

Company Secretary

Responsibility statement

The directors of the Company (the "Directors") as at the date hereof hereby collectively and individually accept full responsibility for the accuracy of the information contained in this results announcement form (the "Information") and confirm, having made all reasonable inquiries, that to the best of their knowledge and belief the Information are accurate and complete in all material respects and not misleading and that there are no other matters the omission of which would make the Information herein inaccurate or misleading. The Directors acknowledge that the Stock Exchange has no responsibility whatsoever with regard to the Information and undertake to indemnify the Exchange against all liability incurred and all losses suffered by the Exchange in connection with or relating to the Information.

1. Group reorganisation and basis of preparation

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 20 July 2000. On 28 March 2001, pursuant to a reorganisation (the "Reorganisation") to rationalise the group structure in preparation for the listing of the Company's shares on GEM, the Company became the holding company of the subsidiaries included in the Reorganisation. The shares of the Company were listed on GEM on 10 May 2001.

The consolidated financial statements have been prepared using the merger basis of accounting as a result of the Reorganisation completed on 28 March 2001 referred to above. Under this basis, the Company has been treated as the holding company of its subsidiaries acquired through the Reorganisation for the entire financial period presented. The financial statements have been prepared under the historical cost convention as modified for the revaluation of certain properties. The financial statements have been prepared in accordance with accounting principles generally accepted in Hong Kong.

2. Turnover

The Group's turnover comprises gas connection fees, gas usage charges and sales of gas appliances.

3. Earnings per share

The calculation of basic earnings per share is based on the unaudited consolidated profit for the nine months ended 30 September 2001 of RMB48,199,000 (2000:RMB16,531,000) and the weighted average number of 528,000,000 shares in issue during the nine months ended 30 September 2001(2000:420,000,000 shares). Diluted earnings per share is not presented because there were no potential dilutive shares in existence during the respective periods.