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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)

COMPLETION OF SUBSCRIPTION OF NEW SHARES

SUMMARY

The Company has obtained approval from the GEM Listing Committee for the listing of, and permission to deal in, the Subscription Shares. The Subscription was completed on 25 March 2002.

Reference is made to the announcements of the Company dated 12 March 2002 and 20 March 2002. Unless otherwise stated, terms used in this announcement shall have the same meanings as defined in the announcement of the Company dated 12 March 2002.

The board of directors (the "Board") is pleased announce that the Company has obtained approval from the GEM Listing Committee for the listing of, and permission to deal, in the Subscription Shares. The Subscription was completed on 25 March 2002. Dealings in the Subscription Shares are expected to commence at 10:00 a.m. on 26 March 2002.

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

Hong Kong, 25 March 2002

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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: (a) the information contained in this announcement is accurate and complete in all material respects and not misleading; (b) there are no other matters the omission of which would make any statement in this announcement misleading; and (c) 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> on the “Latest Company Announcements” page for at least seven days from the date of its posting.

** For identification only*