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安瑞科能源裝備控股有限公司

ENRIC ENERGY EQUIPMENT HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

**LISTING ON
THE GROWTH ENTERPRISE MARKET OF
THE STOCK EXCHANGE OF HONG KONG LIMITED**

BY WAY OF PLACING

Number of Placing Shares : 120,000,000 Shares (subject to
Over-allotment Option)
Placing Price : HK\$1.50 per Placing Share
Nominal value : HK\$0.01 per Share
Stock code : 8289

Global Coordinator, Bookrunner and Sponsor



China Everbright Capital Limited

Lead Manager



China Everbright Securities (HK) Limited

SUMMARY

- The Placing Price has been fixed at HK\$1.50 per Share, excluding brokerage of 1%, Stock Exchange trading fee of 0.005%, SFC transaction levy of 0.005% and SFC investor compensation levy of 0.002%.
- The total number of 120,000,000 Placing Shares available for subscription pursuant to the Placing were fully subscribed. Pursuant to stock borrowing agreement to be entered into between XGII and the Lead Manager, XGII would lend 13,200,000 Shares to the Lead Manager. The 120,000,000 initial Placing Shares together with the 13,200,000 Shares to be borrowed from XGII by the Lead Manager have been conditionally allocated to an aggregate of 136 professional, institutional and individual investors. The Company advises that a placee, Fidelity Management Trust Company, an institutional investor, will, individually, hold approximately 5.32% of the enlarged issued share capital of the Company immediately after the completion of the Capitalisation Issue, the Conversion and the Placing without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option or the exercise of any options which have been granted under the Pre-IPO Share Option Plan or which may be granted under the Share Option Scheme. Fidelity is independent of and not connected with any of the directors, chief executive, substantial shareholders, initial management shareholders and significant shareholders of the Company and its subsidiaries, or any of their respective associates or any person or group of persons as referred to in Rule 10.12(4) of the GEM Listing Rules.
- All placees under the Placing are independent of and not connected with any of the directors, chief executive, substantial shareholders, initial management shareholders and significant shareholders of the Company and its subsidiaries, or any of their respective associates or any person or group of persons as referred to in Rule 10.12(4) of the GEM Listing Rules.
- The Lead Manager would exercise the stock borrowing arrangement under the stock borrowing agreement to be entered into between XGII and the Lead Manager whereby XGII would lend 13,200,000 Shares to the Lead Manager to cover over-allocation in connection with the Placing. Immediately after the completion of the Capitalisation Issue, the Conversion and the Placing (including the 13,200,000 Shares to be borrowed from XGII by the Lead Manager to cover the over-allocation in connection with the Placing) without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option or the exercise of any options which have been granted under the Pre-IPO Share Option Plan or which may be granted under the Share Option Scheme, the public float of the Company will be approximately 30.83% of the enlarged issued share capital of the Company.
- **Investors should be aware that there is a concentration of the Placing Shares held by a small number of Shareholders, which may affect the liquidity of the Shares in the secondary market. Consequently, Shareholders and potential investors are advised to exercise extreme caution in dealing in the Shares.**

- The Over-allotment Option will be exercised no earlier than the date of the Prospectus and will expire at 5:00 p.m. on the date which is the 30th day after the date of the Prospectus. Pursuant to the Over-allotment Option, the Lead Manager may require the Company to issue up to 13,200,000 additional Shares, representing 11% of the total number of the Placing Shares initially available under the Placing, solely for the purpose of covering over-allocation in connection with the Placing. These Shares will be issued at the Placing Price. Should the Lead Manager exercise the Over-allotment Option, a separate announcement will be made upon exercise of the Over-allotment Option.
- Dealings in the Shares on GEM are expected to commence at 9:30 a.m. on Tuesday, 18 October 2005.

Unless otherwise defined herein, the capitalised terms used in this announcement shall have the same meanings as defined in the prospectus of Enric Energy Equipment Holdings Limited (the “Company”) dated 10 October 2005 (the “Prospectus”).

PLACING PRICE

The Company and the Lead Manager (for itself and on behalf of the Underwriters) entered into the price determination agreement on the Price Determination Date, pursuant to which, the Placing Price has been fixed at HK\$1.50 per Share, excluding brokerage of 1%, Stock Exchange trading fee of 0.005%, SFC transaction levy of 0.005% and SFC investor compensation levy of 0.002%.

LEVEL OF INTEREST

The Directors announce that the total number of 120,000,000 Placing Shares available for subscription under the Placing were fully subscribed. Pursuant to stock borrowing agreement to be entered into between XGII and the Lead Manager, XGII would lend 13,200,000 Shares to the Lead Manager. The 120,000,000 initial Placing Shares together with the 13,200,000 Shares to be borrowed from XGII by the Lead Manager have been conditionally allocated to an aggregate of 136 professional, institutional and individual investors.

RESULTS OF ALLOCATION

Subject to satisfaction of the conditions of the Placing set out in the section headed “Structure and conditions of the Placing” in the Prospectus, the 120,000,000 initial Placing Shares together with the 13,200,000 Shares to be borrowed from XGII by the Lead Manager have been conditionally allocated to an aggregate of 136 professional, institutional and individual investors. The Company advises that a placee, Fidelity Management Trust Company (“Fidelity”), an institutional investor, will, individually, hold approximately 5.32% of the enlarged issued share capital of the Company immediately after the completion the Capitalisation Issue, the Conversion and the Placing without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option or the exercise of any options which have been granted under the Pre-IPO Share Option Plan or which may be granted under the Share Option Scheme. Fidelity is independent of and not connected with any of the directors, chief executive, substantial shareholders, initial management shareholders and significant shareholders of the Company and its subsidiaries, or any of their respective associates or any person or group of persons as referred to in Rule 10.12(4) of the GEM Listing Rules.

The following tables set out the distribution of the Placing Shares under the Placing, without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option or the exercise of any options which have been granted under the Pre-IPO Share Option Plan or which may be granted under the Share Option Scheme:

Number of Placing Shares allocated	Number of places
2,000 to 20,000	56
20,001 to 100,000	24
100,001 to 500,000	17
500,001 to 1,000,000	15
1,000,001 to 2,000,000	6
2,000,001 to 3,000,000	5
3,000,001 to 5,000,000	5
5,000,001 to 10,000,000	6
10,000,001 to 20,000,000	1
20,000,001 to 30,000,000	1
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Total	<u>136</u>

	Aggregate number of the Placing Shares held	Approximate percentage of the total number of the Placing Shares (including 13,200,000 Shares to be borrowed from XGII by the Lead Manager)	Approximate percentage of shareholding immediately after completion of the Capitalisation Issue, the Conversion and the Placing
Top placee	23,000,000	17.27%	5.32%
Top 5 placees	55,380,000	41.58%	12.82%
Top 10 placees	81,980,000	61.55%	18.98%
Top 15 placees	98,570,000	74.00%	22.82%
Top 20 placees	109,590,000	82.27%	25.37%
Top 25 placees	115,890,000	87.00%	26.83%

All places under the Placing are independent of and not connected with any of the directors, chief executive, substantial shareholders, initial management shareholders and significant shareholders of the Company and its subsidiaries, or any of their respective associates or any person or group of persons as referred to in Rule 10.12(4) of the GEM Listing Rules.

Investors should be aware that there is a concentration of the Placing Shares held by a small number of Shareholders, which may affect the liquidity of the Shares in the secondary market. Consequently, Shareholders and potential investors are advised to exercise extreme caution in dealing in the Shares.

MINIMUM PUBLIC FLOAT REQUIREMENT

Pursuant to Rule 11.23(1) of the GEM Listing Rules, the Company is required to maintain a public float of not less than 25% of its issued share capital at the time the Shares commence dealings on GEM and at all times thereafter. The Lead Manager would exercise the stock borrowing arrangement under the stock borrowing agreement to be entered into between XGII and the Lead Manager whereby XGII would lend 13,200,000 Shares to the Lead Manager to cover over-allocation in connection with the Placing. Immediately after completion of the Capitalisation Issue, the Conversion and the Placing (including the 13,200,000 Shares to be borrowed from XGII by the Lead Manager to cover the over-allocation in connection with the Placing) without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option or the exercise of any options which have been granted under the Pre-IPO Share Option Plan or which may be granted under the Share Option Scheme, the public float of the Company will be approximately 30.83% of the enlarged issued share capital of the Company.

The Over-allotment Option will be exercised no earlier than the date of the Prospectus and will expire at 5:00 p.m. on the date which is the 30th day after the date of the Prospectus. Pursuant to the Over-allotment Option, the Lead Manager may require the Company to issue up to 13,200,000 additional Shares, representing 11% of the total number of the Placing Shares initially available under the Placing, solely for the purpose of covering over-allocations in connection with the Placing. These Shares will be issued at the Placing Price. Should the Lead Manager exercise the Over-allotment Option, a separate announcement will be made upon exercise of the Over-allotment Option.

DEPOSIT OF SHARE CERTIFICATES INTO CCASS

Subject to the granting of the listing of, and permission to deal in, the Shares on GEM as well as compliance with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

The share certificates issued in respect of the Placing Shares will be deposited into CCASS on Monday, 17 October 2005 for credit to the respective CCASS participants' stock accounts or investor participants' stock accounts designated by the Underwriters or the placees. If any events set out under the paragraph headed "Grounds for termination" in the section headed "Underwriting" in the Prospectus occur at any time at or prior to 8:00 a.m. (Hong Kong time) on the Listing Date, the Lead Manager (for itself and on behalf of the Underwriters) shall be entitled to terminate the Underwriting Agreement by notice in writing to the Company, and should this happen, an announcement will be made accordingly.

COMMENCEMENT OF DEALINGS

Dealings in the Shares (Stock code: 8289) on GEM are expected to commence at 9:30 a.m. (Hong Kong time) on Tuesday, 18 October 2005. The Shares will be traded in board lots of 2,000 Shares.

DIRECTORS

As at the date of this announcement, the executive Directors are Mr. Wang Yusuo, Mr. Cai Hongqiu, Mr. Yu Jianchao, Mr. Zhao Xiaowen and Mr. Zhou Kexing; the non-executive Director is Ms. Zhao Baoju; and the independent non-executive Directors are Mr. Gao Zhengping, Mr. Shou Binan and Mr. Wong Chun Ho.

By order of the Board
Enric Energy Equipment Holdings Limited
Wang Yusuo
Chairman

Hong Kong, 13 October 2005

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 enquires, 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.

This announcement and a copy of the Prospectus will remain on the GEM website at <http://www.hkgem.com> and in the case of this announcement, on the "New Listings" page for at least 7 days from the date of its posting.