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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)

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

The Board is pleased to announce that an ordinary resolution approving the withdrawal of the listing of the Shares on GEM was passed by the Shareholders at the Extraordinary General Meeting held on 21 May 2002. Notice is hereby given that the last day of dealings in the Shares on GEM will be 31 May 2002 and the listing of the Shares on GEM will be withdrawn with effect from 9:30 a.m. on 3 June 2002. It is expected that dealings in the Shares on the Main Board (stock code: 2688) will commence at 9:30 a.m. on 3 June 2002.

The Proposed Withdrawal and the Introduction will not have any effect on the existing share certificates and the share certificates will continue to be good evidence of legal title and does not involve any transfer or exchange of the existing share certificates. No change is proposed to be made to the board lot size, trading currency of the Shares and the share registrars of the Company in connection with the Proposed Withdrawal and the Introduction.

Reference is made to the announcement of XinAo Gas Holdings Limited (the "Company") dated 22 April 2002. Unless otherwise stated, terms used in this announcement shall have the same meanings as defined in the announcement of the Company dated 22 April 2002.

The Board is pleased to announce that the following resolutions were duly passed by the Shareholders at the Extraordinary General Meeting held on 21 May 2002:

1. the ordinary resolution approving the Proposed Withdrawal and the reduction of the notice period for the Proposed Withdrawal required under Rule 9.19(3) of the GEM Listing Rules to a minimum of five clear Business Days after the approval of the Shareholders for the Proposed Withdrawal shall have been obtained;
2. the ordinary resolution approving the termination of the Share Option Scheme and the adoption of the Proposed Share Option Scheme; and
3. the special resolution approving the Proposed Articles of Association in substitution for all the Articles of Association.

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The listing of the Shares on the Main Board by way of introduction will be treated as a new listing. As a result, the closing price on the last day of dealings in the Shares on GEM will not be disclosed as the previous closing price of the Shares on the date of commencement of dealings in the Shares on the Main Board.

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

Hong Kong, 21 May 2002

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 “www.hkgem.com” on the “Latest Company Announcements” page for seven days from the day of its posting.

* For identification only