



新奥燃气控股有限公司 XinAo Gas Holdings Limited

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2688)

(Website: www.xinaogas.com)

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR

The board of directors (the "Board") of XINAO GAS HOLDINGS LIMITED (the "Company") announces that Ms. Yien Yu Yu, Catherine ("Ms. Yien") was appointed as an Independent Non-Executive Director and a member of the audit committee of the Company with effect from 28 September 2004.

Ms. Yien, aged 34, is currently an assistant director of N M Rothschild & Sons (Hong Kong) Limited. She graduated from the Imperial College of Science, Technology and Medicine of University of London in England with a Joint Honours Degree in Mathematics with Management (BSc Hons). Ms. Yien is a holder of the Chartered Financial Analyst designation and an ordinary member of the Hong Kong Securities Institute. She has extensive experience in the areas of corporate finance, investment, mergers and acquisitions.

There is no service contract between Ms. Yien and the Company and she has not been appointed for a specific term. Ms. Yien is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles of Association of the Company. The Director's fee of Ms. Yien is determined by the Board from time to time and subject to the approval of the shareholders of the Company at the annual general meeting. She will receive a director's fee of HK\$120,000 per annum, which is determined with reference to her duties and responsibilities with the Company, the Company's remuneration policy and the market benchmark.

In the last three years, Ms. Yien has not held any other directorships in any listed public companies and any positions with the Company or other members of the Company's group. Ms. Yien does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the date hereof, she does not have any interests in the shares of the Company within the meanings of Part XV of the Securities and Futures Ordinance.

The Board would like to confirm that there are no other matters related to the appointment that need to be brought to the attention of holders of securities of the Company and takes this opportunity to welcome Ms. Yien to join the Board.

As at the date of this announcement, the Board comprises nine executive Directors, namely WANG Yusuo (Chairman), Mr. YANG Yu (Chief Executive Officer), Mr. CHEN Jiacheng, Mr. ZHAO Jinfeng, Mr. QIAO Limin, Mr. JIN Yongsheng, Mr. YU Jianchao, Mr. CHEUNG Yip Sang and Mr. CHENG Chak Ngok; one non-executive Director, namely Ms. ZHAO Baoju; and three independent non-executive Directors, namely Mr. WANG Guangtian, Mr. XU Liang and Ms. YIEN Yu Yu, Catherine.

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

Hong Kong, 28 September 2004

Please also refer to the published version of this announcement in The Standard and Hong Kong Economic Times.