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CHINA NENG XIAO TECHNOLOGY (GROUP) LIMITED

中國能效科技(集團)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 8047)

COMPLETION OF THE TOP-UP PLACING AND THE TOP-UP SUBSCRIPTION

The Board is pleased to announce that the Top-up Placing was completed on 8 March 2013 and the Top-up Subscription was completed on 12 March 2013 respectively in accordance with the terms and conditions of the Top-up Placing and Subscription Agreement.

Reference is made to the announcement of China Neng Xiao Technology (Group) Limited (the “**Company**”) dated 28 February 2013 (the “**Announcement**”) in relation to, inter alia, the Top-up Placing, the Top-up Subscription and the New Placing. Unless otherwise defined, capitalised terms used herein shall have the same meanings as defined in the Announcement.

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* *For identification purpose only*

An aggregate of 345,000,000 Top-up Placing Shares had been successfully placed by the Placing Agent to not less than six Placees which (including their ultimate beneficial owners, where applicable) are Independent Third Parties at a price of HK\$0.072 per Top-up Placing Share. Pursuant to the Top-up Placing and Subscription Agreement, the Subscriber had subscribed 345,000,000 Top-up Subscription Shares at the Top-up Subscription Price of HK\$0.072 per Top-up Subscription Share, representing approximately 10.33% of the issued share capital of the Company as enlarged by the allotment and issued of the 345,000,000 Top-up Subscription Shares.

CHANGES OF SHAREHOLDING STRUCTURE

The following table sets out the shareholding structure of the Company (i) immediately before completion of the Top-up Placing and the Top-up Subscription; and (ii) immediately after completion of the Top-up Placing and the Top-up Subscription:

Shareholders	Issued share capital immediately before the Top-up Placing and the Top-up Subscription		Issued share capital immediately after the Top-up Placing and the Top-up Subscription	
	No. of Shares	Approximate	No. of Shares	Approximate
		percentage (%)		percentage (%)
The Subscriber (Note 1)	519,607,023	17.36	519,607,023	15.56
Mr. Lau (Note 1)	6,724,800	0.23	6,724,800	0.20
Ms. Chan Yiu Kan, Katie (Note 2)	2,220,000	0.07	2,220,000	0.07
Other parties acting in concert with Mr. Lau	1,613,332	0.05	1,613,332	0.05
Brilliant Bloom Investments Limited (Note 3)	487,500,000	16.28	487,500,000	14.60
Public Placees of the Top-up Placing	–	–	345,000,000	10.33
Other public Shareholders	<u>1,976,028,329</u>	<u>66.01</u>	<u>1,976,028,329</u>	<u>59.19</u>
Total	<u>2,993,693,484</u>	<u>100.00</u>	<u>3,338,693,484</u>	<u>100.00</u>

Notes:

1. The Subscriber, a company incorporated in the British Virgin Islands with limited liability, is wholly and beneficially owned by Mr. Lau. Mr. Lau is deemed to be interested in 519,607,023 Shares held by the Subscriber under the SFO. In addition, by virtue of being the spouse of Ms. Chan Yiu Kan Katie, Mr. Lau is also deemed to be interested in 2,220,000 Shares held by Chan Yiu Kan, Katie under the SFO.
2. Ms. Chan Yiu Kan, Katie, being the spouse of Mr. Lau is deemed to be interested in 519,607,023 Shares held by the Subscriber and 6,724,800 Shares held by Mr. Lau under the SFO.
3. Brilliant Bloom Investments Limited, a company incorporated in the British Virgin Islands with limited liability, is wholly and beneficially owned by Mr. Ng Yui Wah Sonny. Mr. Ng Yui Wah Sonny is deemed to be interested in 487,500,000 Shares held by Brilliant Bloom Investments Limited.

By order of the Board
China Neng Xiao Technology (Group) Limited
Chan Francis Ping Kuen
Executive Director

Hong Kong, 12 March 2013

As at the date of this announcement, the executive Directors are Mr. Chan Francis Ping Kuen and Mr. Chan Hin Wing, James. The independent non-executive Directors are Mr. Kwok Chi Sun, Vincent, Mr. Yeung Kam Yan and Mr. Cheung Chi Hwa, Justin.

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 the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website (www.hkgem.com) for at least 7 days from the date of its posting and the Company’s website at www.nengxiao.com.hk.