
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in TSC Offshore Group Limited (the “Company”), you should at once hand this circular, together with the enclosed form of proxy to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



TSC Offshore Group Limited

TSC 海洋集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8149)

GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE ITS OWN SHARES, PROPOSED RE-ELECTION OF DIRECTORS, AND NOTICE OF ANNUAL GENERAL MEETING

This circular, 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 of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this circular 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 circular misleading; and (3) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

The notice convening the annual general meeting of the Company to be held at Function Room I, Ground Floor, City Garden Hotel, 9 City Garden Road, North Point, Hong Kong on Tuesday, 22 April 2008 at 10:00 a.m. or any adjournment thereof is set out on pages 14 to 18 of this circular. A form of proxy for use at the annual general meeting of the Company or any adjournment thereof is enclosed. Whether or not you propose to attend the annual general meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company's principal place of business at Unit 1612, 16/F, China Merchants Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the annual general meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the annual general meeting or any adjournment thereof should you so wish.

This circular will remain on the GEM website at www.hkgem.com on the “Latest Company Announcements” page for at least seven (7) days and on the website of the Company at www.tscoffshore.com on a continuous basis for at least 5 years from the date of its posting.

* For identification purposes only

31 March 2008

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the Internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM-listed issuers.

LETTER FROM THE BOARD OF DIRECTORS



TSC Offshore Group Limited

TSC 海洋集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8149)

Executive Directors:

Mr. Jiang Bing Hua

Mr. Zhang Menggui

Mr. Chen Yunqiang

Mr. Zhang Hongru

Registered Office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Non-executive Director:

Mr. Jiang Longsheng

Head Office and Principal

Place of Business:

Unit 1612, 16/F

China Merchants Tower

Shun Tak Centre

200 Connaught Road Central
Hong Kong

Independent non-executive Directors:

Mr. Chan Ngai Sang, Kenny

Mr. Bian Junjiang

Mr. Guan Zhichuan

31 March 2008

To the shareholders of the Company

Dear Sir or Madam,

**GENERAL MANDATES TO ISSUE SHARES AND
REPURCHASE ITS OWN SHARES,
PROPOSED RE-ELECTION OF DIRECTORS, AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide the shareholders of the Company (the "Shareholders") with information relating to the ordinary resolutions (the "Ordinary Resolutions") to be proposed at the forthcoming annual general meeting of the Company to be held at Function Room I, Ground Floor, City Garden Hotel, 9 City Garden Road, North Point, Hong Kong on Tuesday, 22 April 2008 at 10:00 a.m. (the "AGM") so as to enable the Shareholders to make an informed decision on whether to vote for or against the Ordinary Resolutions.

* For identification purposes only

LETTER FROM THE BOARD OF DIRECTORS

The Ordinary Resolutions include granting to the directors of the Company (the “Directors”) general mandates to issue and repurchase shares of the Company (the “Shares”) and re-electing the Directors.

A notice convening the AGM setting out the details of the Ordinary Resolutions to be proposed therein is set out on pages 14 to 18 of this circular.

GENERAL MANDATE TO REPURCHASE SHARES

At the AGM, an ordinary resolution will be proposed to grant the Directors general mandate to exercise the power of the Company to repurchase Shares subject to the criteria set out in this circular (the “Repurchase Mandate”). Shareholders should note that the maximum number of shares that may be repurchased is up to 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing such resolution. The Repurchase Mandate to repurchase shares will remain in effect until whichever is the earliest of (i) the conclusion of the next annual general meeting; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company (the “Articles”) or any other applicable laws of the Cayman Islands to be held; and (iii) the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors by this resolution.

Set out in Appendix I to this circular is the explanatory statement which is required by Rule 13.08 of the Rules Governing the Listing of Securities on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “GEM Listing Rules”) to be sent to Shareholders in connection with the proposed Repurchase Mandate. The explanatory statement contains all the information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolutions.

GENERAL MANDATE TO ISSUE SHARES

At the AGM, an ordinary resolution will be proposed to grant the Directors general mandate to exercise the power of the Company to allot, issue and otherwise deal with additional Shares up to a maximum of 20% of the issued share capital of the Company at the date of passing such resolution (the “New Issue Mandate”). In addition, conditional upon the proposed resolution to grant to the Directors the Repurchase Mandate being passed, an ordinary resolution will be proposed to authorise the Directors to allot, issue and otherwise deal with new Shares up to an amount equal to the aggregate nominal amount of the Shares repurchased by the Company in order to provide flexibility for issuing new Shares when it is in the interests of the Company.

The New Issue Mandate will remain in effect until whichever is the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of the Company, or any other applicable laws of the Cayman Islands to be held; and (iii) the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors by this resolution.

LETTER FROM THE BOARD OF DIRECTORS

PROPOSED RE-ELECTION OF DIRECTORS

Pursuant to Article 87 of the Articles, Mr. Jiang Bing Hua, Mr. Zhang Hongru and Mr. Guan Zhichuan will retire at the AGM and, being eligible, would offer themselves for re-election.

The biographical details of the Directors proposed to be re-elected at the AGM are set out in Appendix II to this circular.

ANNUAL GENERAL MEETING

The notice convening the AGM at which the Ordinary Resolutions will be proposed to approve the New Issue Mandate, the Repurchase Mandate and the re-election of Directors are set out on pages 14 to 18 of this circular.

A form of proxy for the AGM is enclosed. Whether you intend to attend the AGM or not, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return the same to the Company's principal place of business at Unit 1612, 16/F, China Merchants Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM or any adjournment thereof in person if you so wish.

PROCEDURE BY WHICH THE SHAREHOLDERS MAY DEMAND A POLL AT A GENERAL MEETING PURSUANT TO THE ARTICLES

The following procedure by which the Shareholders may demand a poll at a general meeting of the Company (including the AGM) pursuant to the Articles.

Pursuant to Article 66 of the Articles, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded: (a) by the chairman of such meeting; or (b) by at least three Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or (c) by a Shareholder or Shareholders present in person or in the case of a Shareholder being a corporation, by its duly authorised representative or by proxy and representing not less than one-tenth of the total voting rights of all Shareholders having the right to vote at the meeting; or (d) by a Shareholder or Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorised representative or by proxy and holding the Shares conferring a right to vote at the meeting being Shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all Shares conferring that right; or (e) by any Director or Directors who, individually or collectively, hold proxies in respect of the Shares representing 5% or more of the total voting rights at such meeting.

LETTER FROM THE BOARD OF DIRECTORS

RECOMMENDATION

The Directors are of the opinion that the proposals in relation to the New Issue Mandate, the Repurchase Mandate and re-election of Directors referred to this circular are in the best interests of the Company and the Shareholders as a whole and recommend the Shareholders to vote in favour of all the resolutions to be proposed at the AGM.

Yours faithfully,
On behalf of the Board
TSC Offshore Group Limited
Jiang Bing Hua
Executive Chairman

This explanatory statement relates to the resolution proposed to be passed at the AGM authorising the grant of the Repurchase Mandate. It contains all the information required under Rule 13.08 of the GEM Listing Rules to be given to the Shareholders to enable them to make an informed decision on whether to vote for or against such ordinary resolution.

(i) GEM Listing Rules

The GEM Listing Rules permit companies with a primary listing on GEM to purchase their securities subject to certain restrictions. Repurchases must be funded out of funds legally available for the purpose and in accordance with the company's constitutional documents and the applicable laws of the jurisdiction in which the company is incorporated or otherwise established. Any repurchase must be made out of funds which are legally available for the purpose and in accordance with the laws of the Cayman Islands and the Articles of the Company. Any premium payable on any purchase over the par value of the shares may be effected out of funds of the company which would otherwise be available for dividend or distribution or out of the company's share premium account.

(ii) Share capital

As at 26 March 2008, being the latest practicable date prior to the printing of this circular (the "Latest Practicable Date"), the issued share capital of the Company comprised 393,908,004 Shares of HK\$0.10 each. In addition, as at the Latest Practicable Date, share options carrying the rights to subscribe up to an aggregate of 29,513,200 Shares had remained outstanding. If such outstanding share options are exercised in full on or prior to the date of the passing of the resolution in respect of the Repurchase Mandate, a further 29,513,200 Shares will be in issue.

Subject to the passing of the resolution regarding the Repurchase Mandate, the Company would be allowed to repurchase Shares up to a maximum of 39,390,800 Shares, representing 10% of the then issued share capital of the Company, on the basis that (i) no further Shares will be issued whether as a result of the exercise of any options granted under the share option schemes adopted by the Company on 19 and 20 October 2005 respectively as stated in its prospectus issued on 21 November 2005 or otherwise issued prior to the date of the AGM; and (ii) no Shares will be repurchased by the Company prior to the AGM. Assuming that all exercisable outstanding share options of 29,513,200 are exercised in full on or before the date of the passing of the resolution in respect of the Repurchase Mandate and assuming no further Shares are issued or repurchased by the Company, the total number of Shares in issue will be 423,421,204 Shares and the Company will be allowed under the Repurchase Mandate to repurchase up to 42,342,120 Shares.

(iii) Reasons for repurchases

Although the Directors have no present intention of repurchasing the Shares, they believe that it is in the best interests of the Company and the Shareholders for the Directors to have a general authority from the Shareholders to enable the Company to repurchase Shares in the market. Such repurchase may, depending on the market conditions and funding arrangement at the time, lead to an enhancement of the net assets value of the Company and/or its earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole.

(iv) Funding of repurchases

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Articles of the Company, the GEM Listing Rules and the applicable laws and regulations of the Cayman Islands.

The laws of the Cayman Islands provide that the amount of capital repaid in connection with a share repurchase may only be paid out of those funds legally permitted to be utilised in this connection, including capital paid up on the relevant Shares, or out of funds of the Company otherwise available for dividend or distribution or the proceeds of a fresh issue of shares made for the purpose. The amount of premium payable on repurchase may only be paid out of funds of the Company otherwise available for dividend or distribution or out of the share premium account of the Company.

(v) Financial effect of repurchases

There might be an adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited accounts contained in the Company's annual report for the year ended 31 December 2007 in the event that the Repurchase Mandate was to be exercised in full at any time during the relevant period. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

(vi) Share prices

The highest and lowest prices at which the Shares have been traded on GEM during each of the twelve months preceding the Latest Practicable Date were as follows:

	Share Prices	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2007		
March	1.750	1.458
April	2.600	1.583
May	3.500	2.220
June	3.150	2.450
July	7.100	3.000
August	6.450	2.350
September	5.750	4.600
October	5.500	4.800
November	5.950	5.050
December	5.750	5.290
2008		
January	5.480	2.970
February	4.000	2.600
March (up to the Latest Practicable Date)	3.300	1.900

(vii) Hong Kong Code on Takeovers and Mergers

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of Hong Kong Code on Takeovers and Mergers (the "Takeovers Code"). Accordingly, a Shareholder or group of Shareholders acting in concert, depending on the level of increase in the Shareholders' interest, could obtain or consolidate control of the Company and become(s) obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, the register of interests maintained by the Company pursuant to Section 336 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (“SFO”) showed that the Company had been notified of the following interests, being 5% or more of the Company’s issued share capital:

Name of Shareholders	Number of Shares held	Before repurchase	After repurchase
Mr. Zhang Menggui	137,735,200 Shares	34.97%	38.85%
Mr. Jiang Bing Hua	137,735,200 Shares	34.97%	38.85%
Madam Chen Fengying (<i>Note 1</i>)	137,735,200 Shares	34.97%	38.85%
Madam Zhang Jiuli (<i>Note 2</i>)	137,735,200 Shares	34.97%	38.85%
Global Energy Investors, LLC (<i>Note 3</i>)	136,871,200 Shares	34.75%	38.61%
Mr. Brian Chang (<i>Note 4</i>)	58,872,800 Shares	14.95%	16.61%
YRS Investments Limited (<i>Note 4</i>)	42,800,000 Shares	10.87%	12.07%
Yantai Raffles Shipyard Limited (<i>Note 4</i>)	42,800,000 Shares	10.87%	12.07%
Keywise Greater China Opportunities Master Fund (<i>Note 5</i>)	41,488,000 Shares	10.53%	11.70%
Keywise Capital Management (HK) Limited (<i>Note 5</i>)	41,488,000 Shares	10.53%	11.70%
NESTOR Fernost Fonds (<i>Note 6</i>)	22,828,000 Shares	5.80%	6.44%
NESTOR Investment Management S.A. (<i>Note 6</i>)	22,828,000 Shares	5.80%	6.44%
Mr. Ou Yaping (<i>Note 7</i>)	22,000,000 Shares	5.59%	6.21%
Asia Pacific Promotion Limited (<i>Note 7</i>)	22,000,000 Shares	5.59%	6.21%

Name of Shareholders	Number of Shares held	Before repurchase	After repurchase
Enerchina Holdings Limited (Note 7)	22,000,000 Shares	5.59%	6.21%
Multiwin Corporation (Note 7)	22,000,000 Shares	5.59%	6.21%
Roxy Link Limited (Note 7)	22,000,000 Shares	5.59%	6.21%
Mr. Zhang Hongru	20,919,600 Shares	5.31%	5.90%
Madam Gao Haiping (Note 8)	20,919,600 Shares	5.31%	5.90%

Notes:

1. These interests represent the same block of Shares held by Mr. Zhang Menggui. Since Madam Chen Fengying is the spouse of Mr. Zhang Menggui, she is deemed to be interested in the Shares and share options held by him under Part XV of the SFO.
2. These interests represent the same block of Shares held by Mr. Jiang Bing Hua. Since Madam Zhang Jiuli is the spouse of Mr. Jiang Bing Hua, she is deemed to be interested in the Shares and share options held by him under Part XV of the SFO.
3. This interest represents the same block of corporate interest held by Mr. Zhang Menggui and Mr. Jiang Bing Hua equally.
4. YRS Investments Limited is ultimately wholly-owned by Yantai Raffles Shipyard Limited (“YRS”), a company incorporated in Singapore and the shares of which are traded on the Oslo Over-the-Counter Market. Accordingly, YRS is deemed to be interested in 42,800,000 Shares held by YRS Investments Limited.

YRS is owned as to approximately 45% by Mr. Brian Chang and his associates. Mr. Brian Chang is deemed to be interested in 42,800,000 Shares held by YRS Investments Limited as he holds more than one third interest of the issued share capital of YRS Investments Limited. Mr. Brian Chang is also deemed to be interested in 16,072,800 Shares held by his wholly-owned company, Asian Infrastructure Limited.

5. Keywise Greater China Opportunities Master Fund is an investment fund registered in the Cayman Islands and is wholly-owned by Keywise Capital Management (HK) Limited, a company incorporated in Hong Kong.
6. NESTOR Investment Management S.A. held the 22,828,000 Shares on behalf of NESTOR Fernost Fonds, an undertaking for collection investments under the laws of the Grand Duchy von Luxembourg.
7. Roxy Link Limited (“Roxy”) is the beneficial owner of 22,000,000 Shares of the Company. Roxy is a wholly-owned subsidiary of Multiwin Corporation (“Multiwin”), which in turn is a wholly-owned subsidiary of Enerchina Holdings Limited (“Enerchina”).

Asia Pacific Promotion Limited (“Asia Pacific”) is wholly-owned by Mr. Ou Yaping (“Mr. Ou”). Enerchina is owned as to approximately 32.5% held by Asia Pacific and approximately 0.17% held by Mr. Ou directly respectively. Therefore, Mr. Ou, Asia Pacific, Enerchina and Multiwin are deemed to be interested in the 22,000,000 Shares of the Company held by Roxy under Part XV of the SFO.

8. These interests represent the same block of Shares held by Mr. Zhang Hongru. Since Madam Gao Haiping is the spouse of Mr. Zhang Hongru, she is deemed to be interested in the Shares and share options held by him under Part XV of the SFO.

In the event that the Repurchase Mandate was exercised in full and given the Repurchase Mandate has been approved by Shareholders, the total interests of the above Shareholders would be increased to approximately the respective percentages shown in the last column above. On the basis of the shareholdings held by the Shareholders named above, an exercise of the Repurchase Mandate in full will give rise to an obligation on the part of the shareholding in the company of Mr. Zhang Menggui and Mr. Jiang Bing Hua to make a mandatory offer under Rule 26 of the Takeovers Code.

Assuming that there is no issue of Shares between the Latest Practicable Date and the date of a repurchase, an exercise of the Repurchase Mandate whether in whole or in part will result in less than relevant prescribed minimum percentage of the Shares of the Company being held by the public as required by the Stock Exchange. The Directors have no intention to exercise the Repurchase Mandate to an extent which may result in a public shareholding of less than such minimum percentage.

(viii) Connected persons

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates, have any present intention to sell any Shares to the Company or any of its subsidiaries under the Repurchase Mandate if such is approved by the Shareholders of the Company.

No connected person (as defined in the GEM Listing Rules) of the Company has notified the Company that he has a present intention to sell Shares to the Company or its subsidiaries, or has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders at the AGM.

(ix) Undertaking

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the GEM Listing Rules and the applicable laws of the Cayman Islands.

(x) Shares purchase made by the Company

The Company had not purchased any Shares (whether on GEM or otherwise) in the six months prior to the Latest Practicable Date.

DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED

The details of the Directors proposed to be re-elected at the AGM are set out as follows:

Mr. Jiang Bing Hua, aged 57, is an executive Director and executive Chairman of the Company. He is also an authorised representative (for the purpose of the GEM Listing Rules) and a member of the remuneration committee of the Company. Mr. Jiang obtained his bachelor degree in offshore structure engineering from the Tianjin University (天津大學) in the PRC in 1980 and acquired his master degree in business of administration from the University of Dallas in the USA in 1993. Mr. Jiang has 34 years of experience in the oil and gas industry.

Mr. Jiang entered into a service contract with the Company for a term of three years commencing from 28 November 2005 and expiring on 27 November 2008. Under the service contract, Mr. Jiang is entitled to an annual remuneration of US\$195,000 and a discretionary management bonus of HK\$497,495 payable in 2007. Mr. Jiang's emoluments, including the annual remuneration and the discretionary management bonus, are determined with reference to his qualification and experience, responsibilities to be undertaken and the prevailing market level of remuneration of similar position.

As at the Latest Practicable Date, Mr. Jiang was interested in total 137,735,200 Shares of the Company, representing approximately 34.97% of the entire issued share capital of the Company of which 136,871,200 Shares were held equally by Mr. Jiang and Mr. Zhang Menggui, executive Director of the Company; 864,000 Shares were personally held by Mr. Jiang; and 2,592,000 share options granted under the Pre-IPO share option scheme of the Company. Mr. Jiang is a director of Oxford Asia Investments Limited, Richie Tunnel Corp., Classic Price Inc., Thousand Code Limited, EMER International Limited ("EMERHK"), FG Manufacturing Limited ("FGM"), TSC Product Development Limited, Top Sino Industrial Limited, Haier Haisi (Xi'an) Control Technologies Limited ("HHCT"), TSC Manufacturing and Supply LLC ("TSCUSA"), TSC (Qingdao) Manufacture Co., Ltd. ("TSCQD"), Qingdao TSC Offshore Equipment Co., Ltd., Zhengzhou Highlight Energy Technology Co., Ltd. ("Highlight") and Positive Reflect Consultants Limited, all being subsidiaries of the Company. Mr. Jiang is the younger brother of Mr. Jiang Bing Yang, the deputy general manager of TSCQD.

As at the Latest Practicable Date and to the best knowledge and belief of the Board, the Directors confirmed that (a) Mr. Jiang was not related to any director, senior management, management shareholders, substantial shareholder or controlling shareholder of the Company and did not hold any directorship in other listed companies in the last three years; and (b) there is no other information to be disclosed pursuant to the requirements of Rule 17.50(2) of the GEM Listing Rules relating to Mr. Jiang.

APPENDIX II DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED

Mr. Zhang Hongru, aged 44, is an executive Director, the Chief Financial Officer and the Vice President of the Company. He is also the compliance officer, the authorised representative of the Company for acceptance of service of process and a member of the compliance committee of the Company. Mr. Zhang holds a master degree in geography obtained from the Chinese Academy of Science in 1986 and a master degree in economics of natural resources obtained from University of Alaska-Fairbanks, USA in 1989. Mr. Zhang has 18 years of experience in the field of banking, finance and corporate management. Prior to joining the Group in October 2004, Mr. Zhang held various positions in DBS Asia Capital Limited, Grand Generale Asia Limited, Crosby Securities Limited and The Hongkong and Shanghai Banking Corporation Limited. Mr. Zhang once was the chief financial officer and an executive director of SYSCAN Technology Holdings Limited, a GEM listed company, for the period from February 2001 to April 2003. He was also an independent non-executive director of another GEM listed company, China Advance Holdings Limited, from September 2004 to November 2005.

Mr. Zhang entered into a service contract with the Company for a term of three years commencing from 28 November 2005 and expiring on 27 November 2008. Under the service contract, Mr. Zhang is entitled to an annual remuneration of HK\$1,100,000 and a discretionary management bonus of HK\$497,495 payable in 2007. Mr. Zhang's emoluments, including the annual remuneration and discretionary management bonus, are determined with reference to his qualification and experience, responsibilities to be undertaken and the prevailing market level of remuneration of similar position.

As at the Latest Practicable Date, Mr. Zhang was interested in total 20,919,600 Shares of the Company, representing approximately 5.31% of the entire issued Share Capital of the Company of which 16,228,800 Shares were held indirectly through Osbeck Investments Limited which is an investment holding company wholly owned by Mr. Zhang, and 4,690,800 Shares were personally held by Mr. Zhang, and 1,555,200 share options granted under the Pre-IPO share option scheme of the Company. Mr. Zhang is a director of Oxford Asia Investments Limited, Richie Tunnel Corp., Classic Price Inc., Thousand Code Limited, EMERHK, FGM, TSC Product Development Limited, Top Sino Industrial Limited, HHCT, TSCQD, Qingdao TSC Offshore Equipment Co., Ltd., Highlight and Positive Reflect Consultants Limited, all being subsidiaries of the Company.

As at the Latest Practicable Date and to the best knowledge and belief of the Board, the Directors confirmed that (a) Mr. Zhang was not related to any director, senior management, management shareholders, substantial shareholder or controlling shareholder of the Company and did not hold any directorship in other listed companies in the last three years; and (b) there is no other information to be disclosed pursuant to the requirements of Rule 17.50(2) of the GEM Listing Rules relating to Mr. Zhang.

APPENDIX II DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED

Mr. Guan Zhichuan, aged 49, was appointed as an independent non-executive Director in October 2005. Mr. Guan obtained a doctorate in engineering from the University of Petroleum (Beijing) (石油大學) in 1995 and pursued his research in the field of oil and gas drilling engineering and fluid mechanic. He presently serves as the vice president of the College of Petroleum Engineering of the China University of Petroleum (中國石油大學石油工程學院).

Mr. Guan entered into a service contract with the Company for a term of three years commencing from 20 October 2005 and expiring on 19 October 2008. Under the service contract, Mr. Guan's emoluments, which are determined based on the prevailing market conditions and his role and responsibilities, are HK\$120,000 per annum. As at the Latest Practicable Date, Mr. Guan does not have any interest in the Shares within the meaning of Part XV of the SFO.

As at the Latest Practicable Date and to the best knowledge and belief of the Board, the Directors confirmed that (a) Mr. Guan was not related to any director, senior management, management shareholders, substantial shareholder or controlling shareholder of the Company and did not hold any directorship in other listed companies in the last three years; and (b) there is no other information to be disclosed pursuant to the requirements of Rule 17.50(2) of the GEM Listing Rules relating to Mr. Guan.

NOTICE OF ANNUAL GENERAL MEETING



TSC Offshore Group Limited

TSC 海洋集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8149)

NOTICE IS HEREBY GIVEN that an annual general meeting of TSC Offshore Group Limited (the “Company”) will be held at Function Room I, Ground Floor, City Garden Hotel, 9 City Garden Road, North Point, Hong Kong on Tuesday, 22 April 2008, at 10:00 a.m. for the following purposes:

1. To receive and consider the audited financial statements and the reports of the directors and auditors for the year ended 31 December 2007;
2. To re-elect retiring directors of the Company (the “Directors”) and to authorise the board of directors (the “Board”) of the Company to fix their remuneration;
3. To re-appoint KPMG as auditors of the Company and to authorise the Board to fix their remuneration;
4. As special business, to consider and, if thought fit, to pass with or without amendments the following resolution as an ordinary resolution of the Company:

“THAT

- (i) subject to paragraph (iii) of this resolution, pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market (“GEM”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares) which might require the exercise of such powers be and is hereby generally and unconditionally approved;

* For identification purposes only

NOTICE OF ANNUAL GENERAL MEETING

- (ii) the approval in paragraph (i) of this resolution shall authorise the Directors during the Relevant Period (as defined below) to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period (as defined below);

- (iii) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (i) of this resolution, otherwise than pursuant to (a) a Rights Issue (as defined below); (b) the exercise of warrants to subscribe for shares of the Company or the exercise of options granted under any share option scheme adopted by the Company; or (c) an issue of shares of the Company in lieu of whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution and this approval shall be limited accordingly; and

- (iv) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;

- (b) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands or any applicable laws to be held; and

- (c) the date on which the authority sets out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means offer of shares of the Company open for a period fixed by the Directors to holders of shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of, any recognised regulatory body or any stock exchange in any territory applicable to the Company).”;

NOTICE OF ANNUAL GENERAL MEETING

5. As special business, to consider and, if thought fit, to pass with or without amendments the following resolution as an ordinary resolution of the Company:

“THAT

- (i) subject to paragraph (ii) of this resolution, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to repurchase issued shares in the capital of the Company on GEM or any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose, subject to and in connection with all applicable laws and/or the requirements of the Stock Exchange or of any other stock exchange and the Hong Kong Code on Share Repurchases as amended from time to time, be and the same is hereby generally and unconditionally approved;
- (ii) the aggregate nominal amount of shares of the Company which the Company is authorised to repurchase pursuant to the approval in paragraph (i) of this resolution shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution, and this approval shall be limited accordingly; and
- (iii) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands or any applicable laws to be held; and
- (c) the date on which the authority sets out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”;

NOTICE OF ANNUAL GENERAL MEETING

6. As special business, to consider and, if thought fit, to pass with or without amendments the following resolution as an ordinary resolution of the Company:

“**THAT** conditional upon ordinary resolutions nos. 4 and 5 above being passed, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and deal with additional shares of the Company pursuant to ordinary resolution no. 4 above be and is hereby extended by the addition thereto the aggregate nominal amount of the share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted and issued by the Directors pursuant to such general mandate of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted to the Directors pursuant to the ordinary resolution no. 5 above, provided that such an amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution.”

By Order of the Board
TSC Offshore Group Limited
Jiang Bing Hua
Executive Chairman

Hong Kong, 31 March 2008

Notes:

1. The register of members of the Company will be closed from Friday, 18 April 2008 to Tuesday, 22 April 2008, both days inclusive, during which period no transfer of shares can be registered. In order to qualify for the entitlement to attend and vote at the meeting, all transfer documents, accompanied by the relevant share certificates, must be duly completed and lodged with the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong not later than 4:00 p.m. on 17 April 2008.
2. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint another person as his proxy to attend and vote in his stead. A member who is the holder of two or more shares may appoint more than one proxy to attend and vote on his behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed. A proxy need not be a member of the Company, but must attend the meeting in person to represent you.
3. To be valid, a form of proxy, together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be deposited at the principal place of business of the Company in Hong Kong at Unit 1612, 16/F, China Merchants Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjourned meeting.
4. Completion and delivery of the form of proxy will not preclude a member from attending and voting in person at the meeting if the member so desires and in such event, the instrument appointing a proxy shall be deemed to be revoked.

NOTICE OF ANNUAL GENERAL MEETING

5. Where there are joint holders of any share, any one of such persons may vote at any meeting, either in person or by proxy, in respect of such share as if he was solely entitled thereto; but if more than one of such joint holders be present at any meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.

6. An explanatory statement containing further details regarding resolutions nos. 4 to 6 above as required by the Rules Governing the Listing of Securities on GEM of the Stock Exchange is set out in Appendix I to this circular which will be dispatched to shareholders together with the annual report of the Company for the year ended 31 December 2007.