

Chairman's Statement 主席報告

On behalf of NewOcean Green Energy Holdings Limited (the "Company"), I am pleased to present the audited financial results of the Company and its subsidiaries (collectively the "Group") for the year ended December 31, 2005.

In 2005, the trend of unabated rise in international crude oil prices continued from the previous year, bringing difficulties to Group's LPG operation as a whole. To meet the challenges expected during the year, since the beginning of 2005 the management implemented a number of measures aiming at the world supply situation. These included a time charter taken out on a coastal LPG barge for fast shuttling of LPG, and joint purchasing arrangements for lowering purchasing cost and price risks. Due to the success of these measures, the Group achieved substantial growth in turnover and net earnings for the year despite the rising cost of supply. Together with improvements in operation, the Group's Zhuhai LPG terminal moved up in its ranking in the industry and is now placed as the 8th largest importer of LPG in China. The terminal's daily wholesale LPG price quotation is used as a constituent for calculation of the South China LPG Price Index by the Guangdong Oil & Gas Association. All these show that the Group has established a strong foothold and is having increasing market influence in the South China LPG market.

The Group achieved a revenue of HK\$1,615,479,000 in the year of 2005, a substantial growth of 57.8% from the amount of HK\$1,023,782,000 for the year ended December 31, 2004. Net profit attributable to the equity holders of the Company was HK\$35,702,000, a substantial increase of 76.9% from the amount of HK\$20,178,000 for the year of 2004. Since its turnaround in 2002, the Group has continuously maintained profit making operation with improving profitability.

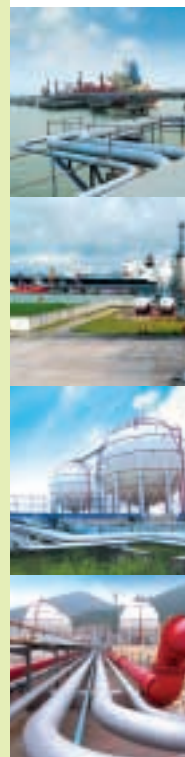
After taking devoted effort in the past few years, the Group has successfully established a fully-fledged supply chain in the LPG market of Southern China. We are now able to bring refrigerated LPG from Middle East and even South America into China and we have strengthened capability in both sea and road transportation. The solid foundation that we have built enables the steady growth in the wholesaling business and ensures the prompt supply of LPG to the Group's bottle filling plants. In the downstream markets, each of the Group's bottle filling plants has a fleet of sufficient trucks for LPG bottle delivery and optimum numbers of retail outlets in the distribution network. It all works to provide quality and timely service.

本人謹代表新海能源集團有限公司(「本公司」)董事會欣然向股東提呈本公司及其附屬公司(統稱「本集團」)截至2005年12月31日止之經審核業績報告。

承接2004年國際油價的上升趨勢，2005年整體而言，在液化氣的經營上仍然有著不少的困難。儘管如此，管理層在年初已經為迎接國際油價的挑戰作好準備，採用的措施包括租賃駁船以進行快速駁運及聯合採購等對策，以降低採購成本及價格風險。由於施行得宜，雖然年內來貨價上升，全年的業績無論在營業額及純利上最終均錄得可觀的增長。與此同時，珠海碼頭的液化氣進口量在2005年躍升至全中國的第八位，其所報批發價更被廣東油氣商會採納為計算液化氣華南指數的成份價格之一，足可見本集團在華南地區的液化氣市場已經建立了相當的影響力，亦已成功地奠定其市場地位。

本集團於2005年度全年錄得收入1,615,479,000港元，較截至2004年12月31日止12個月之收入1,023,782,000港元，大幅上升57.8%。2005年本公司之權益持有人應佔溢利為35,702,000港元，比對2004年同期20,178,000港元，上升76.9%。本集團自2002年轉虧為盈，連續四年保持盈利，而且持續改進本集團的盈利能力。

本集團經過多年的努力，目前已經成功地在華南地區建立了比較完善的液化氣供應鏈，通過珠海碼頭從中東甚至南美地區大量進口冷凍液化氣。集團擁有不斷擴充海上及陸上運輸的能力，亦擁有穩固的基礎，支援批發業務不斷擴大，同時亦可以對本集團下屬三級氣站提供及時補給。本集團下屬三級氣站均配備充足的鋼瓶運輸車輛，並已經在其所處地區建立了適量的門市部。無論在液化氣的質量上、在運送上均可以向客戶提供優質的服務。



Chairman's Statement (Con't)

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Looking ahead, the Group would endeavor to complete the expansion of the storage at Zhuhai sea terminal (from the existing 2,100 MTs to 15,600 MTs), to look for opportunities to acquire bottle filling plants, and to further establish the retail network. Also, the Group would proceed to complete the 80,000 MTs oil storage facility at the sea terminal of Zhuhai and expand horizontally into the storage and wholesale business of oil products such as gasoline and diesel. The Group has determined to put its focus on the energy business of the Southern China. To highlight this new business focus, the Board proposed on March 20, 2006 to change the Company name from "NewOcean Green Energy Holdings Limited" to "NewOcean Energy Holdings Limited". It is anticipated that substantial business growth will be maintained for the year 2006 and 2007, and a business volume of 1,000,000 MTs of LPG and 1,000,000 MTs of oil products will be achieved in 2008. The Group will then become one of the major energy operators in Southern China.

The Board proposes to declare a final dividend to our shareholders for 2005 and shall take it as our commitment to share the Group's profit with our shareholders.

I would like to take this opportunity to express my sincere appreciation to all the Group's employees for their dedicated work in the past year.

Shum Siu Hung
Chairman

Hong Kong, April 7, 2006

進入新年度，本集團將致力儘快完成珠海碼頭庫容的擴建工程（由目前2,100噸擴展至15,600噸）；繼續尋找機會收購三級氣站、進一步加強零售網絡的建設；並會在不久將來完成在珠海碼頭建設80,000噸成品油油庫的工程、進軍汽油及柴油等的倉儲及批發業務。本集團已將未來的發展方向鎖定在中國華南地區的能源市場，並已於2006年3月20日公告本公司名稱擬由「新海環保能源集團有限公司」更改為「新海能源集團有限公司」。本集團預計2006年及2007年將可繼續保持能源業務的高增長，並在2008年實現一百萬噸液化氣及一百萬噸成品油的銷售量，成為華南地區能源市場的主要運營商之一。

本集團於本年度建議向股東派發末期股息，與股東們分享集團的經營成果。

本人借此機會，代表董事會感謝本集團全體員工在過去一年所作出的努力及貢獻。

主席
岑少雄

香港，2006年4月7日

