

Chairman's Statement 主席報告

On behalf of NewOcean Energy Holdings Limited (the "Company"), I am delighted to present the audited financial statement of the Company and its subsidiaries (collectively the "Group") for the year ended December 31, 2006.

The market of liquefied petroleum gas ("LPG") is basically a highly open market in China. Except in the years 2002 and 2005 when there were instances of temporary government intervention, the government now only retains control on auto-gas prices. The price of household and industrial LPG is entirely determined by the supply and demand of the market. This huge and highly open market offers vast business opportunities for the Group. At the same time, the Group has to face the severe competition and response to the rapid changes of the market with courage and caution.

Over the years, the Group has adopted various measures in building a wide working relationship with various parties and reducing market risks for our business expansion. The effectiveness of those measures are well proven by the Group's continuous growth in revenue and profit.

2006 had been the busiest year in the Group's history. At the same time when the Group was implementing business measures as planned, we committed substantial resources in expanding the sale network and our logistic capability. The work laid a strong foundation for future growth and further improvement in profitability.

Profit for the year attributable to equity holders of the Company after deducting the recognition of share-based payments of approximately HK\$5,855,000 (2005: nil) was approximately HK\$44,130,000, an increase of 23.61% over the amount for 2005 of approximately HK\$35,702,000 (profit for the year attributable to equity holders of the Company before deducting the recognition of share-based payments was approximately HK\$49,985,000).

In addition to financial performance, the Group's subsidiary, Zhuhai Terminal company, went ahead with stage I of its storage expansion work in full force, increasing its capacity from 2,100 tons to 9,600 tons in 2006. At the same time, it achieved an import volume of over 470,000 tons making it the 5th largest LPG terminal in China (Zhuhai Terminal was the 8th largest in 2005).

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2006年12月31日期間經審核財務報表。

中國的液化石油氣(「液化氣」)市場基本上已經是一個完全開放的市場。除了在2002年及2005年曾經出現過兩次短暫的價格控制外，政府目前僅對車用液化氣的零售價格有所管制；民用及工業用氣的價格已經完全由市場的供求來決定。一個龐大的、高度開放的液化氣市場對本集團而言，意味著無限商機，同時亦意味著本集團必須勇敢地面對激烈的市場競爭、必須審慎地應付頻繁的市場變化。

本集團一直以來均採取靈活多變的經營方針，以廣泛地建立合作夥伴及利用有效方法規避各種市場風險來達到擴大市場佔有率的目的。我們這政策的有效性，從過去幾年持續增長的營業額及不斷上升的盈利，得到了充分的印證。

2006年是本集團有史以來工作量最繁重的一年，在延續既定經營方針的同時，投入了大量的資源，增強本集團的銷售網絡及物流能力，為進一步擴大市場及提高盈利，奠定了良好的基礎。

本年已扣除確認以股份為基礎之支出約5,855,000港元(2005：無)後之本公司之權益持有人應佔溢利約為44,130,000港元，比較2005年之本公司之權益持有人應佔溢利約35,702,000港元增加23.61%。(本年未扣除確認以股份為基礎之支出前之淨溢利約為49,985,000港元)。

除了財務數據以外，更值得欣喜的是本集團下屬珠海碼頭在2006年內全面開展了擴充倉儲容量的第一期工程(由2,100噸增至9,600噸)，與此同時實現了470,000噸的吞吐量，位列全國第五大液化氣碼頭(2005年為第八位)。



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On the LPG retailing side, the Group acquired three retailers located respectively in Shenzhen, Guangzhou and Deqing in 2006 and early 2007. The acquisition strengthens our retail network and will provide profit contribution to the Group in 2007.

The Board has recommended a final dividend of HK 1 cent per share to our shareholders for 2006.

The Group's achievement during the year 2006 is especially remarkable when one takes into account the magnitude of the challenges facing the LPG industry during the year. I would like to take this opportunity to express my sincere appreciation to all the Group's employees for their dedicated work, and for their performance and contribution in the past year.

Shum Siu Hung

Chairman

Hong Kong, April 18, 2007

在液化氣零售方面，本集團在2006年及2007年年初共購入位於深圳、廣州及德慶三家運營商，使我們的零售網絡更加完善，並可以為本集團在2007年帶來更大的盈利貢獻。

董事會建議派發2006年度末期股息，每股1港仙。

回顧2006年，液化氣行業經歷了重大的考驗。年度內集團仍能創出上佳的業績，誠為可貴。本人借此機會，謹代表董事會對本集團全體員工過去一年的辛勤、努力、表現及貢獻表示感謝。

主席
岑少雄

香港，2007年4月18日

