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If you have sold or transferred all your shares in NewOcean Green Energy Holdings Limited, you should at once hand this circular to the purchaser or transferee or to the licensed securities dealer or registered institution in securities or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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NewOcean Green Energy Holdings Limited
(新海環保能源集團有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock Code: 342)

DISCLOSEABLE TRANSACTION
ACQUISITION OF THE ENTIRE INTEREST IN
深圳市寶潤燃氣有限公司
(SHENZHEN BAORUN LIQUEFIED PETROLEUM GAS CO., LTD)*

27 January 2006

* for identification purposes only

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DEFINITIONS

In this circular, the following expressions shall have the following meanings unless the context otherwise requires:

“Acquisitions”	the acquisition of the entire interest in Shenzhen Baorun by the Purchaser from Vendor A and Vendor B under the Agreements
“Agreement A”	the agreement dated 31 December 2005 entered into between the Purchaser and Vendor A in relation to the acquisition by the Purchaser of an 80% equity interest in Shenzhen Baorun beneficially owned by Vendor A
“Agreement B”	the agreement dated 31 December 2005 entered into between the Purchaser and Vendor B in relation to the acquisition by the Purchaser of an 20% equity interest in Shenzhen Baorun beneficially owned by Vendor B
“Agreements”	Agreement A and Agreement B
“Board”	the board of Directors
“Company”	NewOcean Green Energy Holdings Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Stock Exchange
“Completion”	completion of the Agreements
“connected persons”	has the same meaning as defined in the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	person(s), or in the case of companies, their ultimate beneficial owner(s), who are independent of and not connected with the Company and its connected persons
“Latest Practicable Date”	25 January 2006, being the latest practicable date before the printing of this circular for ascertaining certain information contained herein

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“LPG”	liquefied petroleum gas
“PRC”	the People’s Republic of China, which shall for the purpose of this circular excludes Hong Kong
“PRC GAAP”	generally accepted accounting principles in the PRC
“Purchaser”	新海能源珠海有限公司 (NewOcean Energy (Zhuhai) Holdings Limited)*, a company incorporated in the PRC and a wholly-owned subsidiary of the Company
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Shenzhen Baorun”	深圳市寶潤燃氣有限公司 (Shenzhen Baorun Liquefied Petroleum Gas Co., Ltd)*, a company incorporated with limited liability under the laws of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor A”	深圳市中科財實業發展有限公司 (Shenzhen Zhong Ke Cai Development Co. Ltd.)*, a company incorporated with limited liability under the laws of the PRC and its beneficial owners, being 中國科技國際信託投資有限責任公司 (China Technology International Trust Investment Co. Ltd)*, which, in turn, is owned by 17 shareholders and to the best knowledge of the Directors, majority of which, are stated owned enterprises and 北京惠德科貿中心 (Beijing Huide Ke Mao Centre)* which is owned by a state owned enterprise’s employees, are Independent Third Parties

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“Vendor B”	深圳市基業隆實業有限公司 (Shenzhen Ji Ye Long Industrial Co. Ltd)*, a company incorporated with limited liability under the laws of the PRC and its beneficial owners, being 樂小英 (Le Xiao Ying)* and 韓潔 (Han Jie)*, whom are Independent Third Parties
“Vendors”	Vendor A and Vendor B
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

For the purpose of this circular, the conversion of RMB into HK\$ is based on the approximate exchange rate of RMB1.04 = HK\$1.00. Such conversion should not be construed as a representation that the amount in question has been, could have been or could be converted at such particular rate or at all.

* for identification purposes only



NewOcean Green Energy Holdings Limited
(新海環保能源集團有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock Code: 342)

Executive Directors:

Shum Siu Hung (*Chairman*)
Chiu Sing Chung, Raymond (*Managing Director*)
Wu Hong Cho
Cen Ziniu
Shum Chun, Lawrence

Registered office:

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Independent non-executive Directors:

Young Wing Chun, Michael Frederick
Cheung Kwan Hung, Anthony
Ma Man Hoi, Joseph

*Head office and principal
place of business:*

20th Floor, Times Tower
393 Jaffe road, Wanchai
Hong Kong

27 January 2006

*To the Shareholders and, for information only,
holders of share options of the Company*

Dear Sir or Madam,

DISCLOSEABLE TRANSACTION
ACQUISITION OF THE ENTIRE INTEREST IN
深圳市寶潤燃氣有限公司
(SHENZHEN BAORUN LIQUEFIED PETROLEUM GAS CO., LTD)*

1. INTRODUCTION

The Board announced on 12 January 2006 that the Purchaser, a wholly-owned subsidiary of the Company, entered into two separate agreements (both dated 31 December 2005, but legally effected on 5 January 2006) with Vendor A and Vendor B respectively. Pursuant to Agreement A, the Purchaser conditionally agreed to purchase 80% interest in Shenzhen Baorun from Vendor A for a cash consideration of RMB22,000,000 (approximately HK\$21,154,000). Pursuant to Agreement B, the Purchaser conditionally agreed to purchase the remaining 20% interest in Shenzhen Baorun from Vendor B for a cash consideration of RMB13,600,000 (approximately HK\$13,077,000).

* *for identification purposes only*

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To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of Vendor A and Vendor B, their ultimate beneficial owners are independent third parties, are not connected persons of the Company and are independent of the Company and their respective associates (as defined in the Listing Rules).

The respective consideration for Agreement A and Agreement B was arrived at after arm's length negotiation and was agreed on normal commercial terms between the Company and the respective Vendors.

Given the reasons and benefits for the Acquisitions, the Directors consider the terms of the Agreements to be fair and reasonable and the Acquisitions are in the interests of the Company and the Shareholders as a whole.

As the applicable percentage ratios for the Acquisitions is more than 5% but less than 25% under Rule 14.06(2) of the Listing Rules, the Acquisitions constitute a discloseable transaction for the Company.

The purpose of this circular is to provide the Shareholders with further details of the Agreements.

2. THE AGREEMENT DATED 31 DECEMBER 2005

The Agreements were dated and signed by the respective parties on 31 December 2005. Due to the transfer of state owned assets, the terms of Agreement A has to be verified by 深圳國際高新技術產權交易所 (China Hi-tech Property Exchange)* as stated under "2.3 Consideration" below and Agreement B has to be witnessed by China Hi-tech Property Exchange in order to be validated, before the Agreements could become legally effective.

The above verification/witnessing procedure by China Hi-tech Property Exchange was completed on 5 January 2006.

2.1 Parties

Agreement A

- (a) Vendor A, an Independent Third Party; and
- (b) the Purchaser

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Agreement B

- (a) Vendor B, an Independent Third Party; and
- (b) the Purchaser

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of Vendor A and Vendor B, their ultimate beneficial owners are independent third parties, are not connected persons of the Company and are independent of the Company and their respective associates (as defined in the Listing Rules).

2.2 Assets to be acquired

Pursuant to the Agreement A, the Purchaser conditionally agreed to acquire 80% of the equity interests in Shenzhen Baorun from Vendor A.

Pursuant to the Agreement B, the Purchaser conditionally agreed to acquire 20% of the equity interests in Shenzhen Baorun from Vendor B.

2.3 Consideration

The aggregate consideration of RMB35,600,000 (approximately HK\$34,231,000) will be satisfied in cash. The Company intends to fund such payment by the Group's internal resources. The respective consideration for Agreement A and Agreement B was arrived at after arm's length negotiation and was agreed on normal commercial terms between the Company and the respective Vendors.

Agreement A

The consideration of RMB22,000,000 (approximately HK\$21,154,000) for Agreement A was negotiated with reference to the audited net asset value of Shenzhen Baorun as at 31 October 2005 (prepared in accordance with PRC GAAP) of approximately RMB16,989,000 (approximately HK\$16,336,000).

The Purchaser will pay Vendor A a sum of RMB18,000,000 (approximately HK\$17,308,000) upon the Company having received evidence, namely the relevant business licences and the relevant approvals from various government agencies for operating LPG business, as part of the due diligence performed by the Group to ascertain the validity of the share transfer and being satisfied that the share transfer procedures have been verified (“鑒證”) by 深圳國際高新技術產權交易所 (China Hi-tech Property Exchange)* and accepted by 深圳市工商管理部 (Administrative of Industry and Commerce of Shenzhen Municipality)* and

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the remaining balance of RMB4,000,000 (approximately HK\$3,846,000) will be payable upon the duly transferred of the title of the piece of land located at Songang District, Shenzhen (深圳市松崗區), which is currently occupied by the operation of Shenzhen Baorun, from 深圳市寶安區管道燃氣有限公司 (Shenzhen Baoan Gas Limited)*, an Independent Third Party, to Shenzhen Baorun. The aforesaid transfer is the final step of an agreement reorganisation between 深圳市寶安區管道燃氣有限公司 (Shenzhen Baoan Gas Limited)* and Shenzhen Baorun.

The Directors expect that the above due diligence process and the abovementioned acceptance by Administrative of Industry and Commerce of Shenzhen Municipality will be completed by the end of February 2006.

No additional consideration is required by Shenzhen Baorun for the transfer of the title of the land as mentioned above. The Directors expect the aforesaid transfer of the title of the land will be completed around April 2006.

Agreement B

The consideration of RMB13,600,000 (approximately HK\$13,077,000) for Agreement B.

The Directors consider that it is essential to secure full control of Shenzhen Baorun as explained under “3. Information about the Group and Shenzhen Baorun” below. Accordingly, the consideration for the remaining 20% of Shenzhen Baorun was separately negotiated with Vendor B on arm’s length basis with reference to the audited net asset value of Shenzhen Baorun as at 31 October 2005 and the future prospects of securing a position in the sale and distribution of LPG in Shenzhen and Dongguang area.

The Purchaser will pay Vendor B a sum of RMB13,600,000 (approximately HK\$13,077,000) upon Completion.

The Directors consider the terms of the Agreements, based on the reasons for and benefits of the Acquisitions as stated below, to be fair and reasonable and the Acquisitions are in the interests of the Company and the Shareholders as a whole.

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2.4 Conditions precedent of the Agreements

Agreement A

Completion of Agreement A is conditional upon fulfillment of the following conditions:

- (a) the Purchaser having been satisfied with the result of the due diligence review on the legal, financial, taxation, business and customer base of Shenzhen Baorun and Vendor A shall deliver to the Purchaser the following documents:
 - (i) document evidencing that the board of directors of Shenzhen Baorun and its shareholders, being the Vendors, authorising the entering into of Agreement A;
 - (ii) financial report of Shenzhen Baorun and business licence; and
 - (iii) all consents or approvals of any relevant governmental authorities or other relevant regulatory bodies in the PRC for conducting distribution of LPG in the Guangdong Province, the PRC, which shall be confirmed by a PRC legal opinion opining on the legality and enforceability of such documents; and
- (b) the directors of Shenzhen Baorun appointed by Vendor A shall be duly resigned.

The Directors expect the above conditions precedent will be completed by the end of February 2006. The completion of Agreement A is not conditional on the completion of the acquisition of the 20% interest in Shenzhen Baorun under Agreement B.

As at the Latest Practicable Date, none of the above conditions have been fulfilled.

Agreement B

Completion of Agreement B is subject to, inter alia, the completion of the acquisition of the 80% interest in Shenzhen Baorun under Agreement A.

In the event of any breach of contract by any vendors, the Purchaser can terminate the agreement and the vendor has to return the amount paid by the Purchaser and an additional 10% of that amount paid as compensation to the Purchaser within 5 days from the date of notice of termination. In the event of any breach of contract

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by the Purchaser, the vendor can terminate the agreement and the Purchaser has to pay an amount equal to 10% of the amount already paid by the Purchaser as compensation to the vendor within 5 days from the date of notice of termination.

To the best knowledge of the Directors, two of the directors of Shenzhen Baorun are appointed by Vendor B, who will resign upon Completion.

In the event that the above conditions precedent is not fulfilled by the end of April 2006, the Agreements will lapse.

3. INFORMATION ABOUT THE GROUP AND SHENZHEN BAORUN

The principal activities of the Group are the sale and distribution of LPG and leasing of property, plant and equipment.

In order to expand the Group's distribution of LPG business, the Group began to seek for investment opportunities in the sale and distribution of LPG business in the PRC. In mid-September 2005, Vendor A announced its intention to dispose of its interest in Shenzhen Baorun through 深圳國際高新技術產權交易所 (China Hi-tech Property Exchange)*. Following certain research in the Shenzhen/Dongguang area, the Group approached the Vendors for a possible sale of their interest in Shenzhen Baorun and eventually the Agreements were signed on 31 December 2005.

Shenzhen Baorun is principally engaged in warehousing, packaging, wholesale and retail sales and distribution of LPG in Shenzhen. Based on the audited financial of Shenzhen Baorun (prepared in accordance with the PRC GAAP), the results for each of the two years ended 31 December 2004 and the ten months ended 31 October 2005 are as follows:

	For the year		For the
	ended 31 December		ten months ended
	2003	2004	31 October 2005
	<i>RMB</i>	<i>RMB</i>	<i>RMB</i>
Turnover	134,391,455.96	132,010,021.79	131,355,977.96
Net loss	(881,347.05)	(1,529,143.19)	(3,399,209.31)

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	As at 31 December		As at
	2003	2004	31 October 2005
	RMB	RMB	RMB
Total assets	25,322,616.49	22,387,327.30	20,888,394.32
Total liabilities	1,217,233.03	1,999,100.24	3,899,376.57
Net assets	24,105,383.46	20,388,227.06	16,989,017.75

For the ten months ended 31 October 2005, Shenzhen Baorun recognised a loss of approximately RMB2,200,000 being the set up cost previously not being amortised. Save for this expense, the loss recorded by Shenzhen Baorun for ten months ended 31 October 2005 was at approximately the same level as of the year ended 31 December 2004.

Despite of the continuing loss for Shenzhen Baorun which was partly due to operational inefficiency, such as high operating and material costs, for the two years ended 31 December 2004 and the ten months ended 31 October 2005, taking into account that (i) the acquisition of Shenzhen Baorun would expedite the Group's expansion of its business in the Shenzhen/Dongguang area; (ii) the reduction of operating costs of Shenzhen Baorun through cost saving exercise such as bulk purchase to achieve economies of scale and saving on logistic arrangement; and (iii) the utilisation of the Group's sales and distribution network to achieve economies of scale, the Directors are confident that by capitalising the management expertise in distribution of LPG, the Group can turnaround the business of Shenzhen Baorun. Besides, all the directors of Shenzhen Baorun will be resigned upon Completion.

As far as the Directors are aware, Vendor A is an investment holding company, mainly in property investment and Vendor B is an investment holding company for the purpose of holding the 20% interest in Shenzhen Boarun.

4. REASONS FOR AND BENEFITS OF THE ACQUISITIONS

During the two years ended 31 December 2003 and 2004, Shenzhen Baorun has sold approximately 38,800 tons and approximately 31,700 tons of LPG. For the ten months ended 31 October 2005, Shenzhen Baorun has sold approximately 30,000 tons of LPG.

According to the latest available published figures from National Bureau of Statistics of China (“中華人民共和國國家統計局”), Shenzhen and Dongguang have a population of over 13,450,000 in 2000. In view of the continued economic development in the coastal region of the PRC, rural population is moving to the cities for jobs. Given

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Shenzhen Special Economic Zone was first developed since 1980 and gradually expanded to Baoan/Dongguang area, public utilities infrastructure (such as LPG pipelines) were not that developed or well connected to the commercial or residential areas. Accordingly, the public are still heavily relied upon the supply of bottled LPG delivered to commercial or residential areas. In addition, Shenzhen Baorun is strategically located between Shenzhen and Dongguang, which are populated and heavily industrialised areas. On this basis, the Directors are confident about the potential growth and development of Shenzhen Baorun.

The Directors are aware that the price paid to Vendor B for the 20% interest is higher than the price paid to Vendor A for the 80% interest in Shenzhen Baorun. Despite the fact that the Company could control the board of Shenzhen Baorun (assuming Agreement A is completed only), the Directors are of the view that in order to (i) secure the Group's position to sell and distribute bottled LPG in Shenzhen and Dongguang; (ii) utilise its existing sales and distribution network to achieve economies of scale; (iii) enjoy the potentials of the growing prospects of such business operation; (iv) capitalise the Group's experience and management expertise in the distribution of LPG business; and (v) avoid any potential conflict/disagreement with the minority shareholder of Shenzhen Baorun which might hinder the operation of and business opportunities for Shenzhen Baorun in future, it is important to acquire the entire interest and obtain full control in Shenzhen Baorun to carry out its intended business re-engineering of the operation of Shenzhen Baorun in an efficient and effective manner.

The Directors consider that it is a strategic step for the Group to secure full control of Shenzhen Baorun and are confident to improve the efficiency of Shenzhen Baorun. The Directors are also of the view that the benefits of securing full control of Shenzhen Baorun outweigh the cost of paying a premium to the minority shareholder of Shenzhen Baorun.

5. POSSIBLE FINANCIAL IMPACT

Upon completion of the Agreements, Shenzhen Baorun will become an indirect wholly-owned subsidiary of the Company and the financial results of Shenzhen Baorun will be consolidated into those of the Group.

Given the Acquisitions are to be satisfied in cash and with reference to the audited net asset value of Shenzhen Baorun, there will not be any material effect to the net asset value of the Group following completion of the Agreements.

The Directors believe that the Acquisitions will contribute to the earnings base of the Group, but the quantitative impact in this regard will depend on the business performance of Shenzhen Baorun after completion of the Agreements. In light of the fact that (i) the continuing expansion of the population in Shenzhen and Dongguang area; (ii) the

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potentials to expand market coverage from Shenzhen to Dongguang due to its strategically located between these two densely populated areas; and (iii) the consideration of the Acquisitions were payable in cash (as opposed to the issuance of Shares as consideration which would result in a dilution on the earnings of the Group), the Directors consider the Acquisitions to be a sound strategy and allows the Group to accelerate its pace to penetrate into bottled LPG market in Shenzhen and Dongguang, which in turn would further broaden the future earnings potential of the Group as a whole.

6. GENERAL

Your attention is also drawn to the additional information set out in the appendix to this circular.

Yours faithfully,
By Order of the Board
NewOcean Green Energy Holdings Limited
Shum Siu Hung
Chairman

* *for identification purposes only*

1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

2. DISCLOSURE OF INTEREST IN SHARES AND RIGHTS TO ACQUIRE SHARES

As at the Latest Practicable Date, the interests of the Directors and chief executives and their associates in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which are required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers to be notified to the Company and the Stock Exchange were as follows:

(a) Long positions in Shares

Name of Director	Capacity	Number of issued Shares held	Percentage of the issued share capital of the Company
Shum Siu Hung	Beneficial owner	20,811,779	4.32
Wu Hong Cho	Other (<i>Note</i>)	6,660,631	1.38
Cen Ziniu	Other (<i>Note</i>)	1,332,126	0.28
Shum Chun, Lawrence	Other (<i>Note</i>)	19,981,893	4.15

Note: These interests reflect the interests in the 133,212,621 Shares held by Uniocean Investments Limited (“Uniocean”). Uniocean is owned as to 15% by Shum Chun, Lawrence (“SCL”), 15% by a brother of SCL, 64% by Tong Shiu Ming, mother of SCL, 5% by Wu Hong Cho and 1% by Cen Ziniu.

(b) Share options

Name of Director	Capacity	Subscription price per Share (HK\$)	Number of underlying Shares	Outstanding at Latest Practicable Date
Shum Siu Hung	Beneficial owner	1.30	3,000,000	3,000,000
	Family interest (<i>Note</i>)	1.00	3,500,000	3,500,000
Cen Ziniu	Beneficial owner	1.30	3,000,000	3,000,000
Wu Hong Cho	Beneficial owner	1.00	1,000,000	1,000,000

Note: Options to subscribe for 3,500,000 Shares were held by Shum Siu Hung, spouse of Tong Siu Ming, as family interests.

Save as disclosed above and other than the non-beneficial interests of Directors in the nominee shares in certain subsidiaries held by certain Directors subject to the terms of a written, valid and legally enforceable declaration of trust in favour of the Company, as at the Latest Practicable Date, no Directors or chief executive of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are deemed or taken to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO to be entered in the register referred to therein or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, to be notified to the Company and the Stock Exchange.

3. SUBSTANTIAL SHAREHOLDERS

Save as disclosed below, as at the Latest Practicable Date, according to the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO and so far as is known to the Directors no person, other than Directors whose interests are disclosed above, had an interest or short position in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under provisions of Divisions 2 and 3 of Part XV of the SFO, or, was directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in

all circumstances at general meeting of any other member of the Group or had any option in respect of such capital:

(a) Long positions in Shares

Name of Shareholder	Capacity	Number of issued Shares held	Percentage of the issued share capital of the Company
Tong Shiu Ming	Held by corporation (Note 1)	133,212,621	27.66
	Family interest (Note 2)	20,811,779	4.32
Cheah Cheng Hye	Held by corporation (Note 3)	53,799,000	11.17
Yam Tak Cheung	Held by corporation (Note 4)	30,000,000	6.23

Notes:

- 133,212,621 Shares were held by Uniocean.
- 20,811,779 Shares were deemed to be interested by Tong Shiu Ming, spouse of Shum Siu Hung, as family interests.
- 35,124,000 Shares were held by Value Partners A Fund, a fund managed by Value Partners Limited (“Value Partners”), and 18,675,000 Shares of the Company were held by Value Partners. Cheah Cheng Hye owned 31.82% of Value Partners and was deemed to be the controlling shareholder of Value Partners.
- 30,000,000 Shares were held by Integrated Asset Management (Asia) Limited (“Integrated Asset”). Yam Tak Cheung owned 100% of Integrated Asset and was deemed to be the controlling shareholder of Integrated Asset.

(b) Share options

Name of shareholder	Capacity	Subscription price per Share (HK\$)	Number of underlying Shares	Outstanding at Latest Practicable Date
Tong Shiu Ming	Beneficial owner	1.00	3,500,000	3,500,000
	Family interest (Note)	1.30	3,000,000	3,000,000

Note: Options to subscribe for 3,000,000 Shares were held by the spouse of Tong Shiu Ming, and were deemed to be the family interest of Tong Shiu Ming.

4. LITIGATION

As at the Latest Practicable Date, neither the Company nor any other member of the Group was engaged in any litigation or claim of material importance and, so far as the Directors were aware, no litigation or claim of material importance was pending or threatened against the Company or any other member of the Group.

5. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with the Company or any member of the Group which is not expiring or terminable by the Group within one year without payment of compensation (other than statutory compensation).

6. DIRECTORS' INTERESTS IN COMPETING BUSINESSES

As at the Latest Practicable Date, none of the Directors or their respective associates had any interest in businesses, which are considered to compete or are likely to compete, either directly or indirectly, with the business of the Group as required to be disclosed pursuant to the Listing Rules.

7. MISCELLANEOUS

- (a) The secretary of the Company is Mr. Wu Hong Cho, who had over 10 years experience practicing as a solicitor in Hong Kong.
- (b) The qualified accountant of the Company is Mr. Wu Yip Kai, CPA.
- (c) The principal share registrar and transfer office of the Company is Butterfield Fund Services (Bermuda) Limited at Rosebank Centre, 11 Bermudiana Road, Pembroke, Bermuda.
- (d) The Hong Kong branch share registrar and transfer office of the Company is Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.
- (e) In the event of inconsistency, the English text of this circular will prevail over the Chinese text.