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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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

**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)

**PROPOSED CHANGE OF COMPANY NAME**

**AND**

**REFRESHMENT OF THE SCHEME MANDATE LIMIT**

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A letter from the board of the directors of NewOcean Green Energy Holdings Limited is set out on pages 3 to 8 of this circular.

A notice convening the special general meeting of NewOcean Green Energy Holdings Limited (the “Special General Meeting”) to be held at 20/F., Times Tower, 393 Jaffe Road, Wanchai, Hong Kong at 10:30 a.m. on Thursday, 27 April 2006 is set out on page 9 to 10 of this circular. A form of proxy for use by the Shareholders at the Special General Meeting is enclosed herein. Whether or not you intend to attend and vote at the Special General Meeting in person, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the branch share registrar of the Company in Hong Kong, Secretaries Limited at 26/F., Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong as soon as possible but in any event not later than 48 hours before the time for holding the Special General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Special General Meeting or any adjourned meeting should you so wish.

3 April 2006

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# CONTENTS

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	<i>Page</i>
<b>Definitions</b> .....	1
<b>Letter from the Board</b>	
1. Introduction .....	3
2. Change of Company Name .....	4
3. Refreshment of Scheme Mandate Limit .....	5
4. Application for Listing .....	7
5. Special General Meeting .....	7
6. Right to Demand Poll .....	8
7. Document Available for Inspection .....	8
8. Recommendation .....	8
<b>Appendix</b>	
Notice of Special General Meeting .....	9

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## DEFINITIONS

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

“Board”	the board of Directors
“Bye-laws”	the Bye-laws of the Company
“Company”	NewOcean Green Energy Holdings Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Stock Exchange
“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
“Latest Practicable Date”	1 April 2006, being the latest practicable date for ascertaining certain information for inclusion into this circular
“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 exclude Hong Kong
“Scheme Mandate Limit”	the 10 per cent. limit on grant of options under the Share Option Scheme and any other option schemes of the Company
“Share Option Scheme”	The share option scheme adopted by the Company on 18 June 2003
“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)

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## DEFINITIONS

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“Special General Meeting”	the special general meeting of the Company to be held at 20th Floor, Times Tower, 393 Jaffe Road, Wanchai, Hong Kong on Thursday, 27 April 2006 at 10:30 a.m. notice of which is set out on pages 9 and 10 of this circular
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

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LETTER FROM THE BOARD

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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)

*Executive Directors:*

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

*Registered office:*

Clarendon House  
2 Church Street  
Hamilton HM11  
Bermuda

*Independent non-executive Directors:*

Cheung Kwan Hung, Anthony  
Young Wing Chun, Michael Frederick  
Ma Man Hoi, Joseph  
Chan Yuk Wai, Benedict

Head office and principal place  
of business:

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

3 April 2006

*To the Shareholders*

Dear Sir or Madam,

**PROPOSED CHANGE OF COMPANY NAME**

**AND**

**REFRESHMENT OF THE SCHEME MANDATE LIMIT**

**1. INTRODUCTION**

The purpose of this circular is to provide you with the relevant information regarding the proposal announced by the Board on 20 March 2006 in relation to the change of the Company's name, and also the Board's proposal for refreshment of the Scheme Mandate Limit.

\* *for identification purposes only*

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## LETTER FROM THE BOARD

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### 2. CHANGE OF COMPANY NAME

In year 2000 the Company's entered the energy market in with green energy, namely LPG, as its core business. Following the acquisition of the Company's LPG sea terminal in Zhuhai in 2004, the Company rapidly became an important energy importer, distributor and retailer, particularly in the Guangdong-Guangxi region. The Company's sea terminal, popularly known in the energy industry as the "NewOcean Energy Terminal", is now a major LPG logistics base in the Zhujian delta region. To make full use of this logistics base, the Company applied for and obtained from the PRC Government permission to construct and operate a petroleum storage and handling depot on the unused land in the NewOcean Energy Terminal, opening up the way for the Company to enter the mainstream petroleum business.

The Board proposes to change the name of the Company to "NewOcean Energy Holdings Limited", and the Chinese name adopted by the Company for identification purposes to "新海能源集團有限公司", to reflect the Company's new position in the petroleum business. The Company plans to develop the business of importing, cargo handling and sale of both gaseous and liquid petroleum products. The Board believes that the new name appropriately reflects this strategy.

The change of Company name is subject to the satisfaction of the following conditions:

- (i) The passing of a special resolution by the Shareholders at the Special General Meeting approving the change of name; and
- (ii) The approval of the change of name by the Registrar of Companies in Bermuda.

The change of Company name will take effect from the date on which the new name "NewOcean Energy Holdings Limited" is registered by the Registrar of Companies in Bermuda in place of the existing name.

The stock short name for trading in the Shares on the Stock Exchange (i.e. "NewOcean Energy" in English and "新海能源" in Chinese) and the stock code of the Company (342) will remain unchanged.

The change of Company name will not affect any of the rights of the Shareholders. All existing share certificates in issue bearing the current name of the Company will continue to be evidence of title and be valid for trading, settlement and registration purposes. Once the change of name becomes effective, any new share certificates of the Company will be issued in the new name "NewOcean Energy Holdings Limited". Accordingly, there will not be any arrangement for an exchange of existing share certificates of the Company for new share certificates bearing the new Company name and the board lot size will remain unchanged after the change of name.

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## LETTER FROM THE BOARD

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### 3. REFRESHMENT OF THE SCHEME MANDATE LIMIT

Pursuant to the rules of the Share Option Scheme adopted by the Company at the special general meeting of the Company held on 18 June 2003, the total number of shares in respect of which options may be granted under the Share Option Scheme and any other share option schemes shall not exceed 10 per cent. of the total number of shares of the Company in issue on the adoption day. As at 18 June 2003, the total number of shares of the Company in issue were 3,248,936,873 shares of HK\$0.01 each, and the Company had no share option scheme other than the Share Option Scheme. Accordingly the 10 per cent. Scheme Mandate Limit was then 324,893,687 shares of HK\$0.01 each.

Following the adoption of the Share Option Scheme, the number of issued shares of the Company changed on a number of occasions due to fund raising and acquisition involving the issue of new shares, and also due to a share consolidation as follows:

<b>Date</b>	<b>Event of Change</b>	<b>Par Value of Shares</b>	<b>Number of Shares in Issue</b>
18 June 2003	Adoption of Share Option Scheme	HK\$0.01	3,248,936,873
11 December 2003	Issue of 416,280,000 new shares for fund raising purpose	HK\$0.01	3,665,216,873
5 March 2004	Issue of 82,800,000 new shares for fund raising purpose	HK\$0.01	3,748,016,873
5 March 2004	Issue of 468,750,000 new shares as part consideration for the acquisition of Zhuhai sea terminal company	HK\$0.01	4,216,766,873
23 March 2004	Issue of 600,000,000 new shares for fund raising purpose	HK\$0.01	4,816,766,873
9 November 2004	10 to 1 consolidation of shares of HK\$0.01 each into Shares of HK\$0.10 each	HK\$0.10	481,676,687

As a result of the 10 to 1 consolidation of the Company's shares on 9 November 2004, the Scheme Mandate Limit was adjusted to 32,489,368 Shares in accordance with the provisions of the Share Option Scheme. As at the Latest Practical Date, no options have been granted under the Share Option Scheme. Under the old share option scheme of the Company adopted on 9 April 1999 and terminated on 18 June 2003, there were outstanding options granted to eligible persons to subscribe for an aggregate of 14,000,000 Shares (after adjustment for the 10 to 1 share consolidation).

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## LETTER FROM THE BOARD

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The rules of the Share Option Scheme provide that the Company may seek the approval of the Shareholders in general meeting for refreshing the Scheme Mandate Limit provided that:

- (a) the Scheme Mandate Limit so refreshed shall not exceed 10 per cent. of the total number of issued Shares as at the date of the Shareholders' approval to the refreshment; and
- (b) options previously granted under the Share Option Scheme or any other share option schemes of the Company (including options outstanding, cancelled, lapsed or exercised in accordance with the terms of the Share Option Scheme or any other share option scheme of the Company) will not be counted for the purpose of calculating the limit as "refreshed" options.

Notwithstanding the foregoing, the maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme(s) of the Company must not in aggregate exceed 30 per cent. of the total number of Shares in issue from time to time.

The purpose of the Share Option Scheme is to provide incentive or reward to eligible persons for their contribution to, and continuing efforts to promote the interests of the Company. Subsequent to the adoption of the Share Option Scheme, the issued share capital of the Company was considerably enlarged as a result of successful fund raising exercises and business acquisition. In view of the benefit to the Group brought about by the fund raising and acquisition the Board therefore proposes to refresh the Scheme Mandate Limit. The Directors consider that the refreshing of the Scheme Mandate Limit is in the interests of the Company and its Shareholders as it restores in full the flexibility of the Board to grant options under the Share Option Scheme as incentive and reward for eligible persons.

Based on the 481,676,687 Shares in issue at the Latest Practicable Date and assuming no further issue or repurchase of Shares prior to the Special General Meeting, upon refreshment of the Scheme Mandate Limit by Shareholders at the Special General Meeting, the Company may, subject to the rules of the Share Option Scheme, grant options entitling holders thereof to subscribe for up to a maximum of 48,167,668 Shares, representing 10 per cent. of the issued share capital of the Company as at the date of the Special General Meeting. No options may be granted if this will result in the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme(s) of the Company in aggregate exceed 30 per cent. of the total number of Shares in issue from time to time.



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## LETTER FROM THE BOARD

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The refreshment of the Scheme Mandate Limit is conditional on:

- (a) the passing of an ordinary resolution to approve the refreshment of the Scheme Mandate Limit by the Shareholders at the Special General Meeting; and
- (b) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Shares (representing a maximum of 10 per cent. of the Shares in issue as at the date of passing the resolution of refreshment of the Scheme Mandate Limit at the Special General Meeting) which may fall to be issued pursuant to the exercise of the options under the Share Option Scheme and any other share option scheme(s) of the Company.

#### **4. APPLICATION FOR LISTING**

Application has been made by the Company to the Stock Exchange for the listing of, and permission to deal in, the new Shares to be issued by the Company (representing a maximum of 10 per cent. of the Shares in issue as at the date of passing the resolution of refreshment of the Scheme Mandate Limit at the Special General Meeting) which may fall to be issued pursuant to the exercise of options under the Share Option Scheme and any other share option scheme(s) of the Company.

#### **5. SPECIAL GENERAL MEETING**

A notice convening the Special General Meeting to be held at 20th Floor, Times Tower 393 Jaffe Road, Wanchai, Hong Kong at 10:30 a.m. on Thursday, 27 April 2006. is set out on pages 9 to 10 of this circular for the purpose of considering and, if thought fit, passing the resolutions in respect of:

- (a) the change of the Company's name; and
- (b) the refreshment of the Scheme Mandate Limit.

A form of proxy for use by the Shareholders at the Special General Meeting is enclosed. Whether or not you are able to attend the meeting in person, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon to the branch share registrars of the Company in Hong Kong, Secretaries Limited of 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event, not later than 48 hours before the time appointed for holding such meeting or any adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the Special General Meeting or any adjourned meeting thereof (as the case may be) should you so wish.

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## LETTER FROM THE BOARD

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### 6. RIGHT TO DEMAND POLL

In accordance with the Company's bye-laws, resolutions proposed at the Special General 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 by proxy for the time being entitled to vote at the meeting; or
- (c) by a Shareholder or Shareholders present in person or by proxy and representing not less than one-tenth of the total voting rights of all the Shareholders having the right to vote at the Special General Meeting; or
- (d) by a Shareholder or Shareholders present in person or by proxy and holding shares in the Company conferring a right to vote at the Special General 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 the shares conferring that right.

### 7. DOCUMENT AVAILABLE FOR INSPECTION

Copy of the Share Option Scheme will be available for inspection during normal business hours on any week days (except public holidays) at the principal place of business of the Company at 20th Floor, Times Tower, 393 Jaffe Road, Wanchai, Hong Kong up to and including 27 April 2006 and will also be available for inspection at the Special General Meeting.

### 8. RECOMMENDATION

The Directors consider that the proposals for the change of Company name and the refreshment of the Scheme Mandate Limit are in the best interest of the Company and its Shareholders and recommend the Shareholders to vote in favour of the resolutions to be proposed at the Special General Meeting.

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

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## NOTICE OF SPECIAL GENERAL MEETING

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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)

**NOTICE IS HEREBY GIVEN** that a special general meeting of NewOcean Green Energy Holdings Limited (the “Company”) will be held at 20th Floor, Times Tower, 393 Jaffe Road, Wanchai, Hong Kong at 10:30 a.m. on Thursday, 27 April 2006 for the purpose of considering and, if thought fit, passing the following resolutions respectively as special resolution and ordinary resolution of the Company:

#### SPECIAL RESOLUTION

1. **“THAT** subject to and conditional upon the approval of the Registrar of Companies in Bermuda, the name of the Company be changed from “NewOcean Green Energy Holdings Limited” to “NewOcean Energy Holdings Limited” and that the Chinese name adopted by the Company for identification purpose be changed from “新海環保能源集團有限公司” to “新海能源集團有限公司”.”

#### ORDINARY RESOLUTION

2. **“THAT**, subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting listing of, and permission to deal in, the shares of HK\$0.10 each (“Shares”) in the share capital of the Company to be issued pursuant to the exercise of options which may be granted under the Refreshed Limit (as defined below), the refreshment of the scheme mandate limit under paragraph 8.01(b) of the Company’s share option scheme adopted on 18th June, 2003 (the “Share Option Scheme”) be and is hereby approved provided that (i) the total number of Shares which may be issued upon the exercise of all options granted or to be granted under the Share Option Scheme and any other share option schemes of the Company shall not exceed 10 per cent of the number of Shares in issue as at the date of passing this resolution (the “Refreshed Limit”) and (ii) options previously granted under the Share Option Scheme and any other share option scheme of the Company (including those outstanding,

\* *for identification purposes only*

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## NOTICE OF SPECIAL GENERAL MEETING

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cancelled, lapsed or exercised in accordance with the Share Option Scheme and any other share option schemes of the Company) shall not be counted for the purpose of calculating of the Refreshed Limit and that the directors of the Company be and are hereby authorised, from time to time, to offer or grant options pursuant to the Share Option Scheme subject to the Refreshed Limit and to exercise any power of the Company to allot and issue Shares upon the exercise of any such options.”

By Order of the Board of  
**NewOcean Green Energy Holdings Limited**  
**Wu Hong Cho**  
*Company Secretary*

Hong Kong, 3 April, 2006

*Notes:*

1. A member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and, on a poll, vote on his stead. A proxy need not be a member of the Company but must be present in person to represent the member.
2. To be valid, the form of proxy, together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power of attorney must be deposited at the Company's branch share registrar at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for the Meeting or any adjourned thereof.
3. Where there are joint holders of a share, any one of such holders may vote at the Meeting, either personally 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 the Meeting personally or by proxy, that one of such holders so present whose name stands first on the register of members of the Company shall alone be entitled to vote in respect of such share.