NewOcean Energy Holdings Limited
(新海能源集團有限公司)*
(Incorporated in Bermuda with limited liability)
(Stock Code: 342)
website: http://www.newoceanhk.com

AUDITED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2011

FINANCIAL HIGHLIGHT

- Revenue increased by 19% to HK$10,117 million

- Profit for the year attributable to the owners of the Company increased by 124% to HK$306 million

The Board of Directors (the "Board") of NewOcean Energy Holdings Limited (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2011 together with comparative figures for the year ended 31 December 2010 as follows:

* *For identification purposes only.*

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	**2011** *HK$'000*	2010 *HK$'000*
Revenue	*2*	**10,116,643**	8,477,715
Cost of sales		**(9,689,988)**	(8,030,917)
Gross profit		**426,655**	446,798
Interest income on pledged Renminbi ("RMB") bank deposits		**77,718**	47,088
Interest income from entrusted loan	*4*	**160,710**	2,600
Net exchange gain	*4*	**175,314**	58,462
Other income	*4*	**8,664**	7,170
Selling and distribution expenses		**(99,275)**	(79,093)
Administrative expenses		**(180,861)**	(136,432)
Impairment on goodwill recognised		**(40,000)**	-
Changes in fair values of derivative financial instruments		**8,495**	(82,087)
Interests on bank trust receipts loans pledged with RMB bank deposits		**(60,877)**	(40,946)
Other finance costs		**(144,526)**	(68,348)
Share of profit of a jointly controlled entity		**927**	239
Profit before taxation	*6*	**332,944**	155,451
Taxation charge	*5*	**(29,915)**	(18,067)
Profit for the year		**303,029**	137,384
Other comprehensive income			
Exchange differences arising on translation		**59,676**	33,511
Total comprehensive income for the year		**362,705**	170,895
Profit (loss) for the year attributable to:			
Owners of the Company		**306,159**	136,647
Non-controlling interests		**(3,130)**	737
		303,029	137,384
Total comprehensive income (expense) attributable to:			
Owners of the Company		**365,741**	169,778
Non-controlling interests		**(3,036)**	1,117
		362,705	170,895
Earnings per share			
Basic	*7*	**HK23.45 cents**	HK11.59 cents
Diluted	*7*	**HK23.09 cents**	HK11.42 cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2011

	Note	**2011**	2010
		HK$'000	*HK$'000*
Non-current assets			
Property, plant and equipment		**941,784**	668,263
Land use rights		**250,842**	64,631
Prepaid lease payments for coast		**10,811**	11,106
Goodwill		**96,429**	130,224
Other intangible assets		**8,929**	12,498
Interest in a jointly controlled entity		**9,201**	7,861
Available for sale investment		**3,701**	3,526
Derivative financial instruments		**45,715**	-
Entrusted loan		**644,423**	-
Other assets		**175,883**	125,613
Deferred tax assets		**1,781**	1,610
		2,189,499	1,025,332
Current assets			
Inventories		**433,595**	469,727
Trade debtors and bills receivable	*8*	**2,127,923**	756,361
Other debtors, deposits and prepayments		**565,394**	446,371
Derivative financial instruments		**28,815**	44,023
Entrusted loan		**-**	638,053
Lands use rights		**3,024**	2,880
Prepaid lease payments for coast		**846**	806
Properties under development for sales		**185,867**	-
Pledged bank deposits		**4,209,577**	2,035,865
Bank balances and cash		**877,595**	380,181
		8,432,636	4,774,267
Current liabilities			
Trade creditors and bills payable	*9*	**1,074,288**	460,611
Other creditors and accrued charges		**294,057**	124,127
Amount due to a jointly controlled entity		**-**	458
Derivative financial instruments		**106,727**	88,172
Tax liabilities		**44,790**	26,401
Borrowings - repayable within one year		**6,782,885**	3,341,329
Obligation for put option to non-controlling shareholder of a subsidiary		**5,550**	5,288
		8,308,297	4,046,386
Net current assets		**124,339**	727,881
Total assets less current liabilities		**2,313,838**	1,753,213

	Note	2011 HK$'000	2010 HK$'000
Capital and reserves			
Share capital	*10*	**130,586**	130,586
Share premium and other reserves		**1,693,168**	1,338,122
Equity attributable to equity holders of the Company		**1,823,754**	1,468,708
Non-controlling interests		**23,781**	9,883
Total equity		**1,847,535**	1,478,591
Non-current liabilities			
Deferred tax liabilities		**21,461**	20,376
Borrowings - repayable over one year		**444,842**	254,246
		466,303	274,622
		2,313,838	1,753,213

Notes:

1. **Application of new and revised Hong Kong Financial Reporting Standards ("HKFRSs")**

In the current year, the Group has applied the following new and revised HKFRSs issued by the Hong Kong Institute of Certified Public Accountants.

Amendments to HKFRSs	Improvements to HKFRSs issued in 2010
HKAS 24 (as revised in 2009)	Related party disclosures
Amendments to HKAS 32	Classification of rights issues
Amendments to HK(IFRIC) – INT 14	Prepayments of a minimum funding requirement
HK(IFRIC) – INT 19	Extinguishing financial liabilities with equity instruments

The application of the new and revised HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or the disclosures set out in these consolidated financial statements.

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

HKFRS 1 (Amendments)	Severe hyperinflation and removal of fixed dates for first-time adopters[1]
HKFRS 7 (Amendments)	Disclosures – Transfers of financial assets[1]
HKFRS 7 (Amendments)	Disclosures – Offsetting financial assets and financial liabilities[2]
HKFRS 9	Financial instruments[3]
HKFRS 9 and HKFRS 7 (Amendments)	Mandatory effective date of HKFRS 9 and transition disclosures[3]
HKFRS 10	Consolidated financial statements[2]
HKFRS 11	Joint arrangements[2]
HKFRS 12	Disclosure of interests in other entities[2]
HKFRS 13	Fair value measurement[2]
HKAS 1 (Amendments)	Presentation of items of other comprehensive income[5]
HKAS 12 (Amendments)	Deferred tax: Recovery of underlying assets[4]
HKAS 19 (Revised 2011)	Employee benefits[2]
HKAS 27 (Revised 2011)	Separate financial statements[2]
HKAS 28 (Revised 2011)	Investments in associates and joint ventures[2]
HKAS 32 (Amendments)	Offsetting financial assets and financial liabilities[6]
HK(IFRIC) – INT 20	Stripping costs in the production phase of a surface mine[2]

[1] Effective for annual periods beginning on or after 1 July 2011.

[2] Effective for annual periods beginning on or after 1 January 2013.

[3] Effective for annual periods beginning on or after 1 January 2015.

[4] Effective for annual periods beginning on or after 1 January 2012.

[5] Effective for annual periods beginning on or after 1 July 2012.

[6] Effective for annual periods beginning on or after 1 January 2014.

HKFRS 9 Financial Instruments

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 amended in 2010 includes the requirements for the classification and measurement of financial liabilities and for derecognition.

Key requirements of HKFRS 9 are described as follows:

- HKFRS 9 requires all recognised financial assets that are within the scope of HKAS 39 "Financial instruments: Recognition and measurement" to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent reporting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

- The most significant effect of HKFRS 9 regarding the classification and measurement of financial liabilities relates to the presentation of changes in the fair value of a financial liability (designated as at fair value through profit or loss) attributable to changes in the credit risk of that liability. Specifically, under HKFRS 9, for financial liabilities that are designated as at fair value through profit or loss, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Previously, under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as at fair value through profit or loss was presented in profit or loss.

The Group has an available-for-sales investment of 5% registered capital of Lianxin Energy Development Limited ("Lianxin") and call option. This available-for-sales investment is measured at amortised cost as at 31 December 2011 and 31 December 2010. The call option is measured at cost less impairment as at 31 December 2011 and 31 December 2010. Under HKFRS 9 the classification and measurement of those financial assets of the available-for-sales investment and call option will be affected. It is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

The application of the other new and revised standards and interpretations issued but not yet effective is not expected to have a material effect.

2. Revenue

Revenue represents the fair value of amounts received and receivable for goods sold by the Group to outside customers, less discount, related taxes and returns and rental income of liquefied petroleum gas ("LPG") bottles for the year. An analysis of the Group's revenue for the year is as follows:

	2011	2010
	HK$'000	*HK$'000*
Sale and distribution of LPG	**9,151,443**	7,216,004
Sale of electronic components	**733,470**	897,650
Sale of mobile phones	**208,245**	347,771
Rental of LPG bottles	**23,485**	16,290
	10,116,643	8,477,715

3. Segment information

Information reported to the Chairman of the Company, being the chief operating decision maker ("CODM"), for the purpose of resources allocation and assessment of segment performance focuses on nature and location of the goods being sold. These revenue streams and the basis of the internal reports about components of the Group are regularly reviewed by the CODM in order to allocate resources to segments and to assess their performance.

Specifically, the Group's reportable and operating segments under HKFRS 8 are as follows:

1. Sales and distribution of LPG through Zhuhai terminal and in the international market
2. Sales and distribution of LPG through retail networks in the PRC and Macau
3. Sales of electronic products

Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable and operating segment.

For the year ended 31 December 2011

	Sales and distribution of LPG through Zhuhai terminal and in the international market *HK$'000*	**Sales and distribution of LPG through retail networks in the PRC and Macau** *HK$'000*	**Sale of electronic products** *HK$'000*	**Consolidated** *HK$'000*
Segment revenue	**7,576,205**	**1,598,723**	**941,715**	**10,116,643**
Segment profit	**283,386**	**17,101**	**66,441**	**366,928**
Interest income on pledged RMB bank deposits				**77,718**
Other interest income				**5,175**
Interest income from entrusted loan				**160,710**
Central administration costs and directors' salaries				**(40,679)**
Change in fair values of derivative financial instruments				**8,495**
Impairment on goodwill				**(40,000)**
Interests on bank trust receipts loans pledged with RMB bank deposits				**(60,877)**
Other finance costs				**(144,526)**
Profit before taxation				**332,944**

For the year ended 31 December 2010

	Sales and distribution of LPG through Zhuhai terminal and in the international market *HK$'000*	Sales and distribution of LPG through retail networks in the PRC and Macau *HK$'000*	Sale of electronic products *HK$'000*	Consolidated *HK$'000*
Segment revenue	5,904,895	1,327,399	1,245,421	8,477,715
Segment profit	216,356	50,537	77,843	344,736
Interest income on pledged RMB bank deposits				47,088
Other interest income				2,192
Interest income from entrusted loan				2,600
Central administration costs and directors' salaries				(49,784)
Change in fair values of derivative financial instruments				(82,087)
Interests on bank trust receipts loans pledged with RMB bank deposits				(40,946)
Other finance costs				(68,348)
Profit before taxation				155,451

The accounting policies of the reportable segments are the same as the Group's accounting policies. All of the segment revenue reported above is from external customers. Segment profit represents the profit earned by each segment without allocation of central administration costs and directors' salaries, impairment on goodwill, change in fair values of derivative financial instruments, interest income on pledged RMB bank deposits, other interest income, interest income from entrusted loan, interests on bank trust receipts loans pledged with RMB bank deposits and other finance costs.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating segment:

Segment assets

	2011	2010
	HK$'000	*HK$'000*
Sales and distribution of LPG through Zhuhai terminal and in the international market	**3,236,231**	1,561,433
Sales and distribution of LPG through retail networks in the PRC and Macau	**634,735**	489,197
Sale of electronic products	**457,296**	513,066
Total segment assets	**4,328,262**	2,563,696
Available for sale investment	**3,701**	3,526
Deferred tax assets	**1,781**	1,610
Bank balances and cash	**877,595**	380,181
Pledged bank deposits	**4,209,577**	2,035,865
Derivative financial instruments	**74,530**	44,023
Entrusted loan	**644,423**	638,053
Properties under development for sales	**185,867**	-
Other unallocated assets	**296,399**	132,645
Consolidated assets	**10,622,135**	5,799,599

Segment liabilities

	2011	2010
	HK$'000	*HK$'000*
Sales and distributions of LPG through Zhuhai terminal and in the international market	**1,239,981**	496,540
Sales and distribution of LPG through retail networks in the PRC and Macau	**75,351**	33,802
Sale of electronic products	**129**	20,247
Total segment liabilities	**1,315,461**	550,589
Derivative financial instruments	**106,727**	88,172
Tax liabilities	**44,790**	26,401
Deferred tax liabilities	**21,461**	20,376
Borrowings	**7,227,727**	3,595,575
Other unallocated liabilities	**58,434**	39,895
Consolidated liabilities	**8,774,600**	4,321,008

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to reportable segments (other than available for sale investment, deferred tax assets, bank balances and cash, pledged bank deposits, derivative financial instruments, entrusted loan and certain other assets, certain other receivables, properties under development for sales and certain property, plant and equipment); and

- all liabilities are allocated to reportable segments (other than current and deferred tax liabilities, bank borrowings, derivative financial instruments and certain other payables).

Other segment information

For the year ended 31 December 2011

	Sales and distribution of LPG through Zhuhai terminal and in the international market *HK$'000*	**Sales and distribution of LPG through retail networks in the PRC and Macau** *HK$'000*	**Sale of electronic products** *HK$'000*	**Unallocated** *HK$'000*	**Consolidated** *HK$'000*
Amounts included in the measure of segment profit or segment assets:					
Addition to non-current asset *(Note)*	**284,895**	**13,922**	**-**	**185,867**	**484,684**
Depreciation of property, plant and equipment	**31,703**	**22,323**	**-**	**118**	**54,144**
Amortisation of other intangible assets	**-**	**3,977**	**-**	**-**	**3,977**
Amortisation of land use rights	**2,106**	**685**	**-**	**-**	**2,791**
Amortisation of prepaid lease payments for coast	**825**	**-**	**-**	**-**	**825**
Loss (gain) on disposal and written off of property, plant and equipment	**(188)**	**40**	**-**	**-**	**(148)**
Shares of profit of a jointly controlled entity	**-**	**(927)**	**-**	**-**	**(927)**
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or loss or segment assets:					
Impairment of goodwill recognised	**-**	**40,000**	**-**	**-**	**40,000**

For the year ended 31 December 2010

	Sales and distribution of LPG through Zhuhai terminal and in the international market *HK$'000*	Sales and distribution of LPG through retail networks in the PRC and Macau *HK$'000*	Sale of electronic products *HK$'000*	Unallocated *HK$'000*	Consolidated *HK$'000*
Amounts included in the measure of segment profit or segment assets:					
Addition to non-current asset *(Note)*	33,929	91,163	-	413	125,505
Depreciation of property, plant and equipment	27,882	16,063	2	145	44,092
Amortisation of other intangible assets	-	3,820	-	-	3,820
Amortisation of land use rights	2,948	652	-	-	3,600
Amortisation of prepaid lease payments for coast	786	-	-	-	786
Loss (gain) on disposal and written off of property, plant and equipment	73	(173)	-	-	(100)
Share of profit of a jointly controlled entity	-	(239)	-	-	(239)

Note: Non-current assets excluded financial instruments and deferred tax assets.

Geographical information

The Group's operations are located in Hong Kong (country of domicile) and the PRC, Thailand, Philippines and other countries.

Information about the Group's revenue from operations from external customers is presented based on customers' location of the operations. Information about the Group's non-current assets is presented based on the geographical location of the assets:

	Revenue from external customers		Non-current assets	
	2011	2010	**2011**	2010
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong (country of domicile)	**240,701**	160,209	**5,645**	20,184
The PRC (excluding Hong Kong)	**6,430,512**	4,195,631	**1,481,079**	992,501
Thailand	**2,371,215**	3,206,121	**-**	-
Philippines	**589,305**	294,273	**-**	-
Other countries	**484,910**	621,481	**7,155**	7,511
Total	**10,116,643**	8,477,715	**1,493,879**	1,020,196

Note: Non-current assets excluded deferred tax assets and financial instruments.

Information about major customers

Revenues from customers contributing over 10% of the total sales of the Group in year 2011 and corresponding figures in 2010 are as follows:

	2011	2010
	HK$'000	*HK$'000*
Customer A	**1,565,933**	480,168
Customer B	**1,429,500**	1,233,200

Note: Revenue generated from Customers A and B are related to the LPG business. The revenue generated from Customer A was less than 10% of the total sales of the Group in year 2010.

4. Other income, interest income from entrusted loan and net exchange gain

	2011	2010
	HK$'000	*HK$'000*
Interest income	**5,175**	2,192
Others	**3,489**	4,978
	8,664	7,170
Interest income from entrusted loan *(Note 1)*	**160,710**	2,600
Net exchange gain *(Note 2)*	**175,314**	58,462

Notes:

1. The interest income is related to entrusted loan based on the terms set out in the agreement.

2. The amount included net exchange gain arising from pledged RMB bank deposits for USD borrowings amounted to approximately HK$148,078,000 (2010: HK$66,097,000).

5. Taxation charge

The amount of taxation charged to the consolidated statement of comprehensive income represents:

	2011	2010
	HK$'000	*HK$'000*
Other regions in the PRC		
Current tax	**29,917**	17,914
Deferred tax		
Current year	**(2)**	153
	29,915	18,067

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards.

Pursuant to the relevant laws and regulations in the PRC, 新海能源(珠海)有限公司 ("新海(珠海)") is entitled to exemption from the PRC enterprise income tax for the two years starting from its first profit making year, following by a 50% tax relief for the next three years. The tax charge provided has been made after taking these tax incentive into account. The first profit making year of 新海(珠海) was 2006. Year 2010 was the last year to obtain tax relief under relevant laws and regulations in the PRC. Starting from year 2011, the tax charge for 新海(珠海) is changed to 25% from 1 January 2011 onwards.

Except for the profit generated by subsidiaries in Hong Kong is wholly absorbed by tax losses brought forward, there is no provision for Hong Kong Profits Tax has been made in the consolidated financial statements as the Company and other subsidiaries had no assessable profits arising in Hong Kong.

The taxation charge for the year can be reconciled to the profit per the consolidated statement of comprehensive income as follows:

	2011	2010
	HK$'000	*HK$'000*
Profit before taxation	**332,944**	155,451
Tax at the domestic tax rate 25%	**83,236**	38,863
Tax effect of expenses not deductible for tax purpose	**15,619**	26,813
Tax effect of income not taxable for tax purpose	**(34,013)**	(15,497)
Tax effect of profit which are exempted from tax or under tax concessions	**(70,515)**	(59,697)
Tax effect of tax losses not recognised	**32,971**	25,333
Tax effect of deductible temporary differences not recognised	**4,343**	2,605
Utilisation of tax losses previously not recognised	**(1,726)**	(353)
Taxation charge for the year	**29,915**	18,067

The domestic tax rate (which is the PRC enterprise income tax rate) in the jurisdiction where the operation of the Group is substantially based is used.

6. Profit before taxation

	2011	2010
	HK$'000	*HK$'000*
Profit before taxation has been arrived at after charging (crediting):		
Amortisation of land use rights (included in administrative expenses)	**2,791**	3,600
Amortisation of prepaid lease payments for coast (included in cost of sales)	**825**	786
Amortisation of other intangible assets (included in cost of sales)	**3,977**	3,820
Auditor's remuneration	**2,800**	2,300
Depreciation for property, plant and equipment	**54,144**	44,092
Gain on disposal of property, plant and equipment	**(148)**	(100)
Minimum lease payments under operating leases:		
- Premises	**11,934**	9,666
Staff costs		
Directors' fees	**330**	380
Directors' other emoluments	**6,802**	9,178
Contributions to retirement benefits schemes excluding HK$84,000 (2010: HK$90,000) included in directors' emoluments	**3,469**	2,487
Staff salary and bonus	**47,102**	33,517
	57,703	45,562

7. Earnings per share

The calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the Company is based on the following data:

	2011	2010
	HK$'000	*HK$'000*
Earnings		
Earnings for the purposes of basic and diluted earnings per share (profit for the year attributable to the owners of the Company)	**306,159**	136,647
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	**1,305,853,374**	1,179,278,032
Effect of dilutive ordinary shares		
Share options	**19,822,931**	17,793,666
Weighted average number of ordinary shares for the purposes of diluted earnings per share	**1,325,676,305**	1,197,071,698

8. Trade debtors and bills receivable

	2011	2010
	HK$'000	*HK$'000*
Trade debtors	**1,939,828**	749,481
Bills receivable	**188,095**	6,880
	2,127,923	756,361

The Group allows an average credit period of 90 days. The bills receivable are matured within the range of 30 days to 90 days for the year ended 31 December 2011. The following is an aged analysis of trade debtors and bills receivables at the end of the reporting period presented based on the invoice date:

	2011	2010
	HK$'000	*HK$'000*
0 to 30 days	**864,702**	371,195
31 to 60 days	**183,772**	22,958
61 to 90 days	**317,612**	135,222
91 to 180 days	**690,510**	224,790
Over 180 days	**71,327**	2,196
	2,127,923	756,361

Included in the Group’s trade debtors, are debtors of approximately HK$150,769,000 (2010: HK$57,176,000) denominated in USD, which is not the functional currency of the relevant group entities.

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customers. Recoverability of the existing customers is reviewed by the Group regularly. Included in the Group's trade receivable balance are receivables with aggregate carrying amount of approximately HK$1,252,925,000 (2010: HK$533,049,000), which are neither past due nor impaired.

Included in the Group’s trade debtors balance are debtors with aggregate carrying amount of approximately HK$874,998,000 (2010: HK$223,312,000) which are past due at the reporting date for which the Group has not provided for impairment loss. The Group does not hold any collateral over these balances. The trade debtors past due but not provided for were either subsequently settled as at the date of this report or no historical default of payments by the respective customers. The average age of these receivables is 131 days (2010: 100 days). As at 31 December 2011 and 2010, the Group has no provision for allowance for doubtful debts.

Ageing of trade receivables based on the invoice date which are past due but not impaired

	2011	2010
	HK$’000	*HK$’000*
61 to 90 days	**169,749**	234
91 to 180 days	**634,508**	221,284
181 to 365 days	**70,741**	1,794
Total	**874,998**	223,312

Included in other debtors, there are trade deposits paid to suppliers of approximately HK$441,381,000 (2010: HK$369,893,000) in relation to the purchase of LPG which will be delivered within one year commencing from the date of the signed purchase contract.

9. Trade creditors and bills payable

	2011	2010
	HK$’000	*HK$’000*
The aged analysis of trade creditors is as follows presented based on invoice date:		
0 to 30 days	**337,726**	182,133
31 to 60 days	**67**	6,795
61 to 90 days	**-**	1,552
91 to 180 days	**318,283**	-
Over 180 days	**118**	1,589
	656,194	192,069
The aged analysis of bills payables is as follows:		
0 to 30 days	**175,451**	84,942
31 to 60 days	**194,221**	96,195
61 to 90 days	**48,422**	87,405
	418,094	268,542
	1,074,288	460,611

As at 31 December 2010, included in the Group's trade creditors and bills payable, there were amounts of approximately HK$18,949,000 denominated in USD, which was not the functional currency of the relevant group entities.

10. Share capital

	Number of shares	Amount
		HK$'000
Ordinary shares of HK$0.1 each (2010: HK$0.1 each)		
Authorised share capital:		
At 1 January 2010, 31 December 2010 and 2011	20,000,000,000	2,000,000
Issued and fully paid share capital:		
At 1 January 2010	1,155,853,374	115,586
Issue of shares due to placing *(Note)*	150,000,000	15,000
At 31 December 2010 and 2011	1,305,853,374	130,586

Note: On 5 November 2010, 150,000,000 shares of HK$0.1 each were issued by way of placing at a placing price of HK$1.78 per share. These shares rank pari passu in all respects with other shares in issue.

FINAL DIVIDEND

The Directors have recommended a final dividend of HK2.3 cents per share (2010: HK1.0 cent per share) to be paid to shareholders on the register of members on 30 May 2012. Subject to shareholders' approval at the forthcoming annual general meeting to be held on 21 May 2012, the final dividend will be paid on or about 8 June 2012.

ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS

The annual general meeting of the Company will be held on 21 May 2012. A notice convening the annual general meeting will be published and dispatched to the shareholders in due course in the manner required under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules").

The Register of Members of the Company will be closed on 21 May 2012 for the purpose of ascertaining shareholders' entitlement to attend and vote at the annual general meeting. In order to qualify for attendance and voting at the annual general meeting, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's Share Registrars, Tricor Secretaries Limited, at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Friday, 18 May 2012.

In addition, the Register of Members of the Company will be closed from 28 May 2012 to 30 May 2012, both days inclusive, for the purpose of ascertaining shareholders' entitlement to the proposed final dividend. In order to qualify for the proposed final dividend, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's Share Registrars, Tricor Secretaries Limited, at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Friday, 25 May 2012.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group achieved remarkable results with continual business growth and more than two-fold profit increase in the year 2011. Notwithstanding the unstable global economy and generally difficult business environment, the energy market in South China was least affected and performance of the Group's Liquefied Petroleum Gas ("LPG") business continued to be outstanding. The energy market in Southern China which is backed by the strong and sustainable demand on energy products has a promising development potential. In 2011, in addition to further intensifying its LPG downstream market expansion as planned, the Group accelerated the construction of its oil products project aiming to start off another line of energy business in the near future, and within a few years, to promote the Group to become a major supplier of energy products in Southern China.

1. Overall Performance

In 2011, the Group achieved total turnover of approximately HK$10.117 billion, 19.3% growth as compared with that of approximately HK$8.478 billion in 2010. Profit attributable to the owners of the Company increased vastly by about 124.1% to approximately HK$306 million in comparison with that of approximately HK$137 million in 2010. No fund raising from the equity market has been conducted in 2011, and the Company had 1,305,853,374 weighted average number of ordinary shares as at 31 December 2011 (1,305,853,374 shares as at 31 December 2010); basic earnings per share for the year ended 31 December 2011 was HK23.45 cents, a leap of approximately 102.3% from that of HK11.59 cents for the year ended 31 December 2010.

1.1 Segment Performance

LPG Business

LPG sales volume reached about 1,450,000 tons in the year 2011, an increase of about 19.0% in comparison with that of about 1,219,000 tons in the year 2010. LPG turnover surged to approximately HK$9.175 billion, a growth of about 26.9% comparing with that of about HK$7.232 billion in 2010. LPG turnover went up at a higher rate than the sales volume as a result of the general increase of LPG market price in 2011. Accordingly, LPG contribution rose to about 90.7% of the Group's total turnover (2010: 85.3%).

For an analysis of the Group's gross margin, the Management adopts a definition of gross profit which takes into account the effect of the matching financial transactions carried out for its overseas purchases. We deemed it more appropriate to set off the net foreign exchange gain (generated from the matching foreign exchange forward transactions that are structured into the arrangement for payment for these LPG purchases) from the cost of LPG goods sold in arriving at the gross profit. As a matter of fact, the sole purpose of entering into the structured matching transactions is effectively to peg the purchase price at a favourable exchange rate (instead of the spot rate) for the Group to ultimately change its available funds in its principle currency (i.e. RMB) into foreign currency for settlement of the overseas LPG purchases. The Management holds the view that the cost of the Group's overseas purchase operations is the result of bargains made simultaneously at both the international supply market as well as the foreign exchange market. The actual gross profit of the Group's LPG business therefore should equal the result of adding the gross profit recorded in our books to the aggregate of the foreign exchange gain achieved for its oversea purchases.

Accordingly, the LPG gross profits for the years 2011 and 2010 are about HK$557 million and HK$434 million respectively. The gross profit of 2011 well exceeded that of 2010 by approximately HK$123 million, contributing to the significant growth of the Group's net profit in 2011.

Adopting the same calculation, the gross profit margins of 2011 and 2010 were respectively about 6.1% and 6.0%. During the year, the Group has taken appropriate measures (including entering into the structured matching transactions) to tightly control the costs incurred in every link in the price chain. As a result, while the LPG market price has gone up 8% - 10%, the 2011 gross profit margin was successfully kept at the same level as that of 2010.

Income from the Lianxin Acquisition Project

Under the Framework Agreement signed on 21 October 2010, the Company agreed to acquire Lianxin Energy Development Limited ("Lianxin"), a business enterprise in China which owns and operates a network of 17 autogas refueling stations in Guangzhou by acquiring 5% of its share capital, provision of a RMB580 million loan to the vendor for the financial restructuring of Lianxin and exercise of an option to acquire the remaining 95% share capital. All the matters involved in the acquisition of 5% of the registered capital of Lianxin and the provision of a RMB580 million loan to the vendor for the financial restructuring of Lianxin were completed at the end of December 2010. Since the Group only held a 5% stake in Lianxin for the period from 1 January 2011 to 31 December 2011, the financial results of Lianxin were not consolidated into the financial statements of the Group for the year ended 31 December 2011. However, the cash interest income amounting to approximately HK$120 million related to the loan granted by the Group under the Framework Agreement (being one of the transactions under the Framework Agreement) has been duly received and booked under the heading "interest income from Entrusted Loan". The income contributed significantly to the profit growth of the Group in 2011. Acquisition of the remaining 95% stake in Lianxin was completed in January 2012.

Electronics

In the year 2011, the trading volume of mobile phones and electronics components ("Electronics") was reduced in line with the Group's policy of focusing on energy products development, and accordingly its contribution reduced to about 9.3% of the Group's total turnover (2010: 14.7%). Electronics business continued to adopt the same business model with Thailand as the major market. Turnover diminished by about 24.4% to about HK$942 million as compared with that of about HK$1.245 billion in 2010. Gross profit decreased from approximately HK$77 million in 2010 to approximately HK$62 million in 2011 while gross profit was slightly raised to about 6.6% from that of about 6.2% in 2010.

1.2 Operating Costs

Financial Expenditure

The Group incurred financial expenditure of about HK$144 million in the year 2011, an increase of about 111.5% as compared with that of about HK$68 million in 2010. This is the item of expenditure that recorded the largest increase. In this period, RMB interest rate went up substantially and, for US$, although the basic rates (in general, the LIBOR rate) stayed at a low level, interest margins were widened. Interest rates actually charged on the borrowings in both currencies were therefore much higher in 2011 than those in 2010. Other than the above, the Group had increased substantially its actual borrowings. Additional RMB working capital loans were raised to fund the RMB account receivables generated from the increase in domestic sales to the industrial customers, and a US$42 million term loan was taken out in early 2011 to finance the acquisition of Lianxin. Both these financing activities resulted in additional interests and bank charges for the year.

Sales and Distribution Expenses

The sales and distribution expenses of the Group, which comprised mainly salary, transportation cost, warehouse rental, demurrage charges and the vehicles depreciations, amounted to about HK$99 million in 2011, an increase of about 25.5% in comparison with that of about HK$79 million in 2010. Except demurrage charges, all other expenses were increased as more resources have been deployed for effective expansion of industrial customers base and the sales of bottled LPG. During this year, the Management persistently enhanced the logistic efficiency and applied the cost savings in wholesaling to make up for the cost increase in retailing. Accordingly, such costs bear approximately the same percentage to the Group's total turnover for the two years of 2011 (about 0.98%) and 2010 (about 0.93%).

Administrative Expenses

The administrative expenses of the Group for 2011 amounted to about HK$181 million, an increase of about 32.6% when compared with that of about HK$136 million for 2010. Amongst all the administrative expenses items, staff salary and depreciation recorded the most obvious increase. Additional human resources were continually deployed for execution of the expansion plan and day to day operation. Massive pre-opening expenses and professional charges were incurred to accelerate the construction of the oil products project, the addition of two berths at the Zhuhai Terminal and strengthening the bottled LPG development in Hong Kong and Macau. We anticipate that further administrative expenses will be incurred in 2012 when the Guangzhou autogas refueling business is fully consolidated into the Group.

1.3 Conclusion

Notwithstanding that the acquisition of Lianxin only brought about an interest income in 2011, and that during the year financial expenditures, sales and distribution expenses and administrative expenses all recorded relatively high increment, the Group still achieved a net profit exceeding HK$300 million. The approach of tapping the end-users market demonstrates its effectiveness in profitability improvement and is now leading the Group into a harvest cycle.

2. LPG Business

2.1 Market Situation

Guangdong LPG Market

Unit: thousand tons	**2011**		2010	
China total Consumption	**24,920**	**100%**	23,377	100%
Guangdong Consumption	**5,190**	**21%**	5,100	22%

Source: Guangdong Oil & Gas Association

Unit: thousand tons	**2011**		2010	
China total import	**3,260**	**100%**	3,196	100%
Guangdong import	**2,340**	**72%**	2,271	71%
China total export	**1,140**	**100%**	916	100%
Guangdong export	**870**	**76%**	729	80%

Source: Guangdong Oil & Gas Association

Guangdong has always been the province that has the largest LPG consumption in China. Traditionally, about 70% of the LPG consumption was for household use while the remaining 30% was for commercial, industrial and transportation use. Notwithstanding that the demand growth in recent years has shown signs of a slow down (growth in 2011 was less than 2%) as a result of shifting to new energy products in certain part of the household market, we still have strong confidence in the future of Guangdong LPG market. First of all, the application of LPG as feedstock for petrochemical production has just started. The gradual completion of such petrochemical facilities in coastal Quangdong, which follows the policy of the central government to develop Golan Harbour, the location of "NewOcean Terminal", as a major petrochemical hub for Southern China, will soon boost up the demand of LPG (as feedstock) in the coastal areas. Secondly, more factories and vehicles are converting themselves from using oil to gas as the fuel. We anticipate that these driving forces shall reinstate the demand growth in Guangdong to the level of 8% to 10% per annum in the coming 5 years.

Guangzhou Autogas Market

Guangzhou has an autogas demand of about 400,000 tons to 420,000 tons per annum. As at the end of 2011, there were 38 autogas refueling stations in Guangzhou serving about 8,000 buses and 20,000 taxies. Out of the 38 stations, Lianxin owned 17, SHV China owned 11, Sino Gas owned 6, and each of the remaining operators owns only one or two stations. The 3 largest operators together own about 90% of all the stations and obviously dominate the market. As the pump price is adjustable monthly in accordance with a price formula and the provision of autogas service is very much limited to the area of the stations, hostile competition is unlikely to occur.

2.2 LPG Purchase

The Group acquired in total about 1,450,000 tons of LPG in the year of 2011, an increase of about 19% as compared with that of about 1,219,000 tons in 2010. The Group purchased two types of LPG, the imported gas and the domestic gas. Imported gas that was sourced mainly from the Middle East amounted to about 843,000 tons, about 74% more than that of about 485,000 tons in 2010. Domestic gas that was sourced from the oil refineries in Guangdong, Guangxi, Hunan and Hubei amounted to about 607,000 tons, about 17% less than that of about approximately 734,000 tons in 2010.

2.3 LPG Sales

LPG Wholesaling

The Group's LPG wholesaling business covers mainly the Southern China region and neighboring cities and countries. Its target customers include overseas buyers, industrial customers, auto-gas refueling operators and other bottling plants in the region. Total wholesaling volume reached about 1,233,000 tons in 2011, an increase of about 22% as compared with that of about 1,010,000 tons in 2010.

Industrial Customers

The Group's industrial customers in the region include petrochemical plants, aluminum mills, air-conditioner manufacturers, lighter manufacturers, ceramic factories, glass factories and automobile manufacturers. Sales to the industrial customers amounted to about 434,000 tons, an increase of about 26% in comparison with that of about 343,000 tons in 2010. In the meantime, many factories in Guangdong are still using heavy oil as fuel for production. The demand for heavy oil is huge, about 5 million tons per annum. Under the policy of the Chinese government for environmental protection, many factories are required to undergo oil to gas conversion. We have strong confidence that our participation in the promotion of the oil to gas conversion campaign shall create sales opportunities. Technical and financial supports are provided, and in return long term supply contracts are entered into with the factories to enhance sales to the industrial customers.

Auto-gas Operators

The Group is wholesaling to auto-gas operators in Guangzhou and Wuhan. Benefiting from the synergy brought about by the Lianxin acquisition, wholesaling of auto-gas grew by a significant 84% to about 239,000 tons (2010: about 130,000 tons). However, such wholesaling volume will not be maintained in the coming year. Since January 2012 when the Group has completed the acquisition of the entire registered capital of Lianxin, the wholesaling volume in question shall be re-classified as the Group's Autogas Refueling Sales.

Overseas Customers

Overseas customers are mostly located in Hong Kong, Macau, Philippines and Vietnam. Sales in this respect in 2011 amounted to about 430,000 tons, an increase of about 89% as compared with that of about 227,000 tons in 2010. Amongst the increased sales, the majority of the cargo had not been brought to the bonded warehouse of our Zhuhai Terminal. The cargo was instead trans-shipped through other terminals, then to the buyer's destination in order to maximize the logistic efficiency. The profitability of this type of transaction is quite moderate and it is anticipated to reduce gradually in line with the improvement of Zhuhai Terminal's throughput capability.

Other Bottling Plants

Being the leading LPG wholesaler in Guangdong, the Group is a natural candidate for wholesale supply to other bottling plants (which serves mainly the household market) in the region. Since 2006 when industrial and auto-gas customers were designated as the targets for long term development, the Group has changed its business strategy regarding supplies to other bottling plants. Sales to these bottling plants in the region have been restricted to mainly domestic gas, and the volume of purchase for this business sector would be strictly determined by sales secured. With such restrictions, the volume of wholesaling to other bottling plants is expected to fluctuate from time to time. For 2011, sales in this respect amounted to about 130,000 tons, down by about 58% from that of about 310,000 tons in 2010.

LPG Retailing

Bottled LPG

LPG retailing refers to sales of bottled LPG conducted by the Group's bottling plants. As at the end 2011, the Group owned and operated 16 bottling plants and about 220 retail outlets situated in 11 cities in Southern China including Guilin, Lipu, Wuzhou, Cangwu of Guangxi Province and Guangzhou, Shenzhen, Zhuhai, Maoming, Huadu, Deqing, Qingyuan of Guangdong Province. In addition, the Group acquired a distributor in Macau in March 2010 to start its bottled LPG sales in Macau.

Targeted customers of bottled LPG are mainly household and commercial users (such as restaurants, food outlets). Traditionally, retail business could only be expanded by the increase in number of retail outlets. As the major cities of Guangdong become more and more commercialized, to identify suitable shop space for LPG retail outlets is no longer an easy task. In order that business development is not to be hindered by this problem, the Group established a computerized customer service centre in Zhuhai at the end of year 2010. Customers in the whole of Guangdong can place orders by dialing one phone number - the service hot-line. The service centre will immediately notify the bottle wagon closest to the customer to make prompt delivery of the bottle and complete the transaction. The sales model integrates the bottle wagon with the efficient telecommunication system built around the service hot-line and turns the wagon into a mobile LPG sales outlet.

The establishment of the customer service centre has effectively helped to boost retailing sales. For 2011, sales of bottled LPG reached about 217,000 tons, an increase of about 4% in comparison with that of about 209,000 tons in 2010. As at the end of 2011, the Group has about 762,000 captive household customers, an increase of about 11% as compared with that of about 686,000 captive household customers in 2010. As the same time, the Group has about 3,900 commercial customers, an increase of about 2.6% as compared with that of about 3,800 commercial customers in 2010.

Autogas Refueling

As the financial results of Lianxin were not yet consolidated into the financial statements of the Group in 2011, the Group had not recorded LPG sales under the category of autogas refueling. Based on the volume of autogas currently supplied to autogas operators (including Lianxin), sales under this category is assessed to be about 240,000 tons to 250,000 tons per annum.

Proportion of Wholesaling and Retailing

The wholesaling and retailing proportion was about 85:15 in the year 2011. As compared with that of 83:17 in the year 2010, the wholesaling portion was slightly raised. We however anticipate that the retailing portion will record a substantial growth in the coming year as the majority of wholesaling to autogas operators shall be re-classified as the Group's autogas refueling sales for the entire year of 2012.

2.4 Logistics and Distribution

Since the beginning of this year, the Group has continually strengthened its distribution capability in order that any possible bottle-neck problem could be tackled in advance. Currently, the Group owns 10 tanker trucks mainly for bulk distribution of LPG to industrial customers that demand for assurance in quality. Also, there are about 150 bottle wagons shuttling around the locations with a high density of customers, ready to carry out job orders from the service centre and ensure prompt delivery of the bottles. More tanker trucks and bottle wagons are anticipated to be added to the fleet in the coming year for further enhancement of the logistic efficiency. With respect to the Zhuhai Terminal, other than the addition of two berths which started construction during the year, application has been made for construction of two additional LPG storage tanks each of 2,500 tons. Site preparation is now under way and construction is scheduled to complete by middle of next year. By then, the Zhuhai Terminal is able to distribute routinely about 6,000 tons of LPG per day, and its throughput capacity will be expanded to about 2,100,000 tons per annum.

3. Business Outlook

3.1 To cater for the long term need for a self-owned property as the business and administration centre in China, during the year the Group acquired a land site of approximately 15,000 square metres located in the Xiang Zhou District of Zhuhai. The site is currently in the land-use planning stage. It is intended that approximately 50% of approved gross floor area will be used as the Group's sales and administration headquarters in China and for rental purposes, and the remainder will be used as a property development for sale.

3.2 With the completion of the second stage of Lianxin acquisition at the beginning of 2012, the Group is now engaging directly in the autogas refueling business. The autogas business is anticipated to generate LPG retail sales of about 250,000 tons per annum and produce a much higher gross profit margin. Immediately after completion of the acquisition, the Group has put forth a series of development plans related to autogas refueling. In particular, the Group will make use of the Guangzhou model to expand into the autogas market of other cities in the Guangdong Province. We are confident that autogas refueling will become a new driving force to enhance the Group's earning capability.

3.3 In respect of the plan to sell bottled LPG in Hong Kong, the license of "Registered Gas Supply Company" has been awarded by the Hong Kong Government in September 2011. In the meantime, the Building Department is processing our application for approval of the construction plans of the transit warehouse that will be built in Tuen Mun. Construction of the warehouse shall take about 3 months from the time the approval is obtained. By then, the sales of bottled LPG in Hong Kong under the NewOcean brand will commence.

3.4 Proximity of the Zhuhai Hengqin Bottling Plant to the Macau/Zhuhai border has given a predominant niche to the Group which has been promoting cross border bottle refilling services to the Macau distributors. Through the adoption of this service model, transportation distance will be shortened, logistic efficiency enhanced and transportation cost reduced. All these benefit both the buyer and the seller mutually. In the second half of 2011, some transactions on trial were concluded with encouraging response from the counterparts. Rapid growth of this business in 2012 is expected.

3.5 In respect of the oil products project, construction of all storage tanks has been completed by the end of 2011. Meanwhile, the pipeline system and auxiliary facilities are being installed with all works scheduled to complete in the third quarter of 2012. In operating the oil products business, a strategy similar to that of LPG will be adopted, that is to say, emphasis will be put on high storage turnover and low inventory; an integrated supply chain and extensive distribution networks will also be built at the same time targeting continual market share expansion. The Group will capitalize on the experience gained from building the foundation for our LPG business in the development of the oil products business, and is now poised to meet the challenging goal of achieving 2,000,000 tons of annual sales in a few years' time.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2011, the net current assets of the Group amounted to approximately HK$124,339,000 (2010: HK$727,881,000) and the Group's bank balances and cash was approximately HK$877,595,000 (2010: HK$380,181,000). At the end of reporting date, current ratio was 1.01:1 (2010: 1.18:1), quick ratio was 0.96:1 (2010: 1.06:1), gearing ratio was 0.24:1 (2010: 0.17:1) which was calculated based on total long term borrowings of approximately HK$444,842,000 (2010: HK$254,246,000) and total equity of approximately HK$1,847,535,000 (2010: HK$1,478,591,000).

CONTINGENT LIABILITIES

The Group had no significant contingent liabilities at 31 December 2011 and 2010.

PLEDGE OF ASSETS

At 31 December 2011, the Group pledged its bank deposits amounting to approximately HK$4,209,577,000 (2010: HK$2,035,865,000) to secure general banking facilities granted to the Group.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2011, the Group employed 740 (2010: 630) full time employees in Hong Kong, Macau and the PRC. The Group remunerated the employees based on their performance, experience and prevailing market practice. Employee benefits provided by the Group include a provident fund scheme, medical insurance scheme and an employee share option scheme.

PURCHASE, SALE AND REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any if its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2011.

CORPORATE GOVERNANCE

In the opinion of the Directors, the Company has complied with the Code on Corporate Governance (the "CG Code") as set out in Appendix 14 to the Listing Rules throughout the year ended 31 December 2011, except that the Independent Non-executive Directors of the Company are not appointed for terms of office determined according to a fixed period of time in accordance with the CG Code. Nevertheless, such Directors were appointed to their offices for such term of office and are subject to retirement in accordance with the provisions in the Bye-laws of the Company.

MODEL CODE FOR SECURITIES TRANSACTION BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by directors as set out in Appendix 10 of the Listing Rules. The Company has made specific enquiries of all Directors and all Directors confirmed they have complied with the required standard of dealings set out therein during the year.

REVIEW OF ANNUAL RESULTS

The Audit Committee of the Company has reviewed with external auditors and the management the accounting principles and practices adopted by the Group and discussed financial reporting matters including the review of the audited financial statements for the year ended 31 December 2011.

PUBLICATION OF RESULTS AND ANNUAL REPORT

This results announcement is published on the Company's website at www.newoceanhk.com and the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk. The 2011 Annual Report will be dispatched to shareholders in due course and will be published at the websites of the Company and The Stock Exchange of Hong Kong Limited at the same time.

By order of the Board
NewOcean Energy Holdings Limited
Shum Siu Hung
Chairman

Hong Kong, 16 March 2012

As at the date of this announcement, the Board of the Company comprises Mr. Shum Siu Hung, Mr. Lawrence Shum Chun, Mr. Cai Xikun, Mr. Cen Ziniu, Mr. Raymond Chiu Sing Chung, Mr. Brian Siu Ka Fai and Mr. Wang Jian,, being the Executive Directors, Mr. Anthony Cheung Kwan Hung, Mr. Benedict Chan Yuk Wai and Dr. Xu Mingshe being the Independent Non-executive Directors.