



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

(Incorporated in Bermuda with limited liability)  
(於百慕達註冊成立之有限公司)



**Interim Report 中期報告 2003**



The Board of Directors (the “Board”) of NewOcean Green Energy Holdings Limited (the “Company”) announces that the unaudited condensed consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30th June, 2003 together with comparative figures for the six months ended 31st March, 2002 are as follows:—

## CONDENSED CONSOLIDATED INCOME STATEMENT

		6 months ended 30.06.2003 (Unaudited) HK\$'000	6 months ended 31.03.2002 (Unaudited) HK\$'000
	<i>Note</i>		
Turnover	2	<b>176,021</b>	163,334
Cost of sales		<b>(149,937)</b>	(128,718)
Gross profit		<b>26,084</b>	34,616
Other operating income		<b>1,993</b>	1,449
Selling and distribution expenses		<b>(3,188)</b>	(1,781)
Administrative expenses		<b>(11,562)</b>	(13,706)
Loss on disposals of property, plant and equipment		<b>(1)</b>	(2,048)
Profit from operations	3	<b>13,326</b>	18,530
Finance costs		<b>(1,837)</b>	(1,299)
Profit before taxation		<b>11,489</b>	17,231
Taxation	4	<b>264</b>	—
Profit before minority interests		<b>11,753</b>	17,231
Minority interests		<b>110</b>	(85)
Net profit for the period		<b>11,863</b>	17,146
Earnings per share	5		
Basic and diluted		<b>0.37 cents</b>	0.54 cents

**CONDENSED CONSOLIDATED BALANCE SHEET**

		<b>30.06.2003</b>	31.12.2002
		<b>(Unaudited)</b>	(Audited)
	<i>Note</i>	<b>HK\$'000</b>	<b>HK\$'000</b>
<b>Non-current assets</b>			
Property, plant and equipment		<b>96,479</b>	82,139
Goodwill	6	<b>29,168</b>	18,735
Other assets		<b>—</b>	24,528
		<b>125,647</b>	125,402
<b>Current assets</b>			
Inventories		<b>3,519</b>	7,013
Trade debtors	7	<b>27,309</b>	11,072
Other debtors, deposits and prepayments		<b>15,757</b>	8,213
Amounts due from minority shareholders of subsidiaries		<b>526</b>	524
Amount due from a former shareholder of a subsidiary		<b>6,550</b>	6,550
Pledged bank deposits		<b>1,000</b>	1,662
Bank balances and cash		<b>9,659</b>	9,584
		<b>64,320</b>	44,618
<b>Current liabilities</b>			
Trade creditors	8	<b>6,384</b>	9,106
Bills payable		<b>—</b>	1,302
Other creditors and accrued charges		<b>12,483</b>	7,839
Tax liabilities		<b>232</b>	300
Borrowings		<b>46,318</b>	42,915
		<b>65,417</b>	61,462
<b>Net current liabilities</b>		<b>(1,097)</b>	(16,844)
		<b>124,550</b>	108,558
<b>Capital and reserves</b>			
Share capital	9	<b>32,489</b>	324,894
Share premium and reserves	10	<b>85,338</b>	(218,924)
		<b>117,827</b>	105,970
<b>Minority interests</b>		<b>2,478</b>	2,588
<b>Non-current liabilities</b>		<b>4,245</b>	—
Deferred taxation		<b>4,245</b>	—
		<b>124,550</b>	108,558



## CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	<b>6 months ended 30.06.2003 (Unaudited) HK\$'000</b>	6 months ended 31.03.2002 (Unaudited) HK\$'000
Net cash generated from (used in) operating activities	<b>(3,064)</b>	7,395
Net cash generated from (used in) investing activities	<b>(258)</b>	229
Net cash generated from (used in) financing activities	<b>3,403</b>	(1,940)
	<hr/>	<hr/>
Net increase in cash and cash equivalents	<b>81</b>	5,684
Cash and cash equivalents at beginning of the period	<b>9,584</b>	3,032
Effect of foreign exchange rate changes	<b>(6)</b>	(73)
	<hr/>	<hr/>
Cash and cash equivalents at end of the period, represented by bank balances and cash	<b>9,659</b>	8,643
	<hr/> <hr/>	<hr/> <hr/>
Analysis of the balances of cash and cash equivalents		
Cash and cash equivalents as previously reported	—	8,230
Effect of reclassification of packing loans	—	413
	<hr/>	<hr/>
	<b>—</b>	8,643
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## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	<b>Total equity HK\$'000</b>
At 1st October, 2001	40,075
Exercise of share options at premium	1,336
Conversion of mandatory convertible notes	46,000
Exchange differences arising from translation of financial statements of overseas subsidiaries not recognised in the income statement	(211)
Shares issued at a discount	7,800
Profit for the period	10,970
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At 31st December, 2002 (Audited)	105,970
Exchange differences arising from translation of financial statements of overseas subsidiaries not recognised in the income statement	(6)
Profit for the period	11,863
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At 30th June, 2003 (Unaudited)	117,827
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## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 1. Principal Accounting Policies and Basis of Preparation

The interim financial statements have been prepared in accordance with the Statement of Standard Accounting Practice (“SSAP”) No. 25 “Interim Financial Reporting” issued by the Hong Kong Society of Accountants.

The accounting policies and methods of computation used in preparation of these unaudited condensed consolidated interim financial statements are consistent with those used in the annual financial statements for the period from 1st October, 2001 to 31st December, 2002 except that the Group has adopted the revised SSAP No. 12 “Income Taxes” issued by the Hong Kong Society of Accountants which is effective for accounting periods commencing on or after 1st January, 2003.

In the current period, the Group has adopted, for the first time, the revised SSAP 12. The principle effect of the implementation of SSAP 12 (Revised) is in relation to deferred tax. The adoption of the new standard has had no significant effect on the results for the prior accounting period.

### 2. Segmental Information

The Group is principally engaged in sale and distribution of liquefied petroleum gas and sale of electronic products. These businesses are the basis on which the Group reports its primary segment information.

Segment information about these businesses is presented below:

#### *Business segments*

Six months ended 30th June, 2003 (Unaudited)

	Liquefied Petroleum Gas HK\$'000	Electronic Products HK\$'000	Unallocated HK\$'000	Consolidated HK\$'000
<b>Segment revenues</b>	<b>172,076</b>	<b>3,945</b>	<b>—</b>	<b>176,021</b>
<b>Segment results</b>	<b>20,446</b>	<b>(2,839)</b>	<b>1,253</b>	<b>18,860</b>
Amortization of goodwill	(703)	(102)	—	(805)
Loss on disposals of property, plant and equipment	—	—	(1)	(1)
Unallocated corporate expenses	—	—	(4,728)	(4,728)
Profit (loss) from operations	<b>19,743</b>	<b>(2,941)</b>	<b>(3,476)</b>	<b>13,326</b>
Finance costs	—	—	(1,837)	(1,837)
Profit (loss) before taxation	<b>19,743</b>	<b>(2,941)</b>	<b>(5,313)</b>	<b>11,489</b>



Six months ended 31st March, 2002 (Unaudited)

	Liquefied Petroleum Gas HK\$'000	Electronic Products HK\$'000	Unallocated HK\$'000	Consolidated HK\$'000
<b>Segment revenues</b>	<u>92,555</u>	<u>70,779</u>	<u>—</u>	<u>163,334</u>
<b>Segment results</b>	19,486	2,954	1,094	23,534
Amortization of goodwill	(470)	(364)	—	(834)
Loss on disposals of property, plant and equipment	—	—	(2,048)	(2,048)
Unallocated corporate expenses	<u>—</u>	<u>—</u>	<u>(2,122)</u>	<u>(2,122)</u>
Profit (loss) from operations	19,016	2,590	(3,076)	18,530
Finance costs	<u>—</u>	<u>—</u>	<u>(1,299)</u>	<u>(1,299)</u>
Profit (loss) before taxation	<u>19,016</u>	<u>2,590</u>	<u>(4,375)</u>	<u>17,231</u>

#### **Geographical segments**

The following table provides an analysis of the Group's revenue by geographical market, irrespective of the origin of the goods and services:

	Revenue	
	6 months ended 30.06.2003 (Unaudited) HK\$'000	6 months ended 31.03.2002 (Unaudited) HK\$'000
The People's Republic of China (the "PRC")	175,340	148,365
Europe	681	10,509
South East Asia, Japan and Australia	—	4,404
Hong Kong	<u>—</u>	<u>56</u>
	<u>176,021</u>	<u>163,334</u>

### **3. Profit From Operations**

Profit from operations is stated after charging the following:

	6 months ended 30.06.2003 (Unaudited) HK\$'000	6 months ended 31.03.2002 (Unaudited) HK\$'000
Depreciation and amortization		
Owned assets	4,377	3,030
Goodwill	<u>805</u>	<u>834</u>
	<u>5,182</u>	<u>3,864</u>



#### 4. Taxation

	6 months ended 30.06.2003 (Unaudited) HK\$'000	6 months ended 31.03.2002 (Unaudited) HK\$'000
Profits Tax for the period		
Hong Kong	—	—
Other jurisdictions	—	—
Deferred tax income	<u>264</u>	<u>—</u>
	<u><u>264</u></u>	<u><u>—</u></u>

No provision for Hong Kong Profits Tax has been made in the financial statements as the Group incurred a tax loss for the period.

#### 5. Earnings Per Share

The calculation of the basic and diluted earnings per share is based on the following data:

	6 months ended 30.06.2003 (Unaudited) HK\$'000	6 months ended 31.03.2002 (Unaudited) HK\$'000
Profit for the purposes of calculation of basic and diluted earnings per share	<u>11,863</u>	<u>17,146</u>
Weighted average number of shares for the purposes of calculation of basic earnings per share	<b>3,248,936,873</b>	3,178,519,291
Effect of dilutive potential shares: convertible notes	<u>—</u>	<u>25,000,000</u>
Weighted average number of shares for the purposes of calculation of diluted earnings per share	<u><b>3,248,936,873</b></u>	<u>3,203,519,291</u>

The exercise of the Company's options outstanding during the period would not result in any dilutive effect for both periods ended 30th June, 2003 and 31st March, 2002.

#### 6. Goodwill

During the period, a goodwill of HK\$11,239,000 arose on the acquisition of 100% of equity interest in 「清新縣百富洋石油化工有限公司」 and is amortized over 20 years, reflecting its expected useful life.



## 7. Trade Debtors

The credit terms of the Group range from 0 to 90 days. The ageing analysis of trade debtors is as follows:

	<b>30.06.2003</b> <b>(Unaudited)</b> <b>HK\$'000</b>	31.12.2002 (Audited) HK\$'000
0 - 30 days	15,646	1,068
31 - 60 days	2,781	6,559
61 - 90 days	6,488	101
91 - 120 days	582	1,595
More than 120 days	1,812	1,749
	<u>27,309</u>	<u>11,072</u>

## 8. Trade Creditors

The ageing analysis of trade creditors is as follows:

	<b>30.06.2003</b> <b>(Unaudited)</b> <b>HK\$'000</b>	31.12.2002 (Audited) HK\$'000
0 - 30 days	995	3,511
31 - 60 days	603	1,068
61 - 90 days	518	1,385
91 - 120 days	294	1,284
More than 120 days	3,974	1,858
	<u>6,384</u>	<u>9,106</u>

## 9. Share Capital

Ordinary shares of par value of HK\$0.01 each

	Number of Shares 30.06.2003 (Unaudited)	Number of Shares 31.12.2002 (Audited)	Amount 30.06.2003 (Unaudited) HK\$'000	Amount 31.12.2002 (Audited) HK\$'000
Authorised:	<u>200,000,000,000</u>	<u>20,000,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>
Issued and fully paid:				
At the beginning of the period	3,248,936,873	2,675,936,873	324,894	267,594
Issue of shares as consideration for acquisition	—	100,000,000	—	10,000
Issue of shares upon conversion of mandatory convertible notes	—	460,000,000	—	46,000
Exercise of share options	—	13,000,000	—	1,300
Capital reduction	—	—	(292,405)	—
At the end of the period	<u>3,248,936,873</u>	<u>3,248,936,873</u>	<u>32,489</u>	<u>324,894</u>

*Note:* By a special resolution passed at the special meeting on 18th June, 2003, the paid-up capital of each of the issued shares is reduced from HK\$0.1 to HK\$0.01 each by the cancellation of HK\$0.09 of the paid-up capital on each issued share.



**10. Share Premium and Reserves**

	Share Premium HK\$'000	Special Reserve HK\$'000	Asset Revaluation Reserve HK\$'000	Exchange Reserve HK\$'000	Contributed Surplus Account HK\$'000	Deficit HK\$'000	Total HK\$'000
The Group							
At 1st October, 2001	461,757	122,085	1,331	1,436	—	(814,128)	(227,519)
Premium arising from exercise of share options	36	—	—	—	—	—	36
Released upon disposal of property, plant and equipment	—	—	(719)	—	—	719	—
Exchange differences arising from translation of financial statements of overseas subsidiaries	—	—	—	(211)	—	—	(211)
Premium utilized for shares issued at a discount	(2,200)	—	—	—	—	—	(2,200)
Profit for the period	—	—	—	—	—	10,970	10,970
At 31st December, 2002 (Audited)	459,593	122,085	612	1,225	—	(802,439)	(218,924)
Exchange differences arising from translation of financial statements of overseas subsidiaries	—	—	—	(6)	—	—	(6)
Capital re-organisation	(459,593)	—	—	—	1,666	750,332	292,405
Profit for the period	—	—	—	—	—	11,863	11,863
At 30th June, 2003 (Unaudited)	—	122,085	612	1,219	1,666	(40,244)	85,338

**11. Related Party Transactions**

During the period, the Group entered into the following significant transactions with related parties:

	6 months ended 30.06.2003 (Unaudited) HK\$'000	6 months ended 31.03.2002 (Unaudited) HK\$'000
Hunsworth Industrial Limited ("Hunsworth") Rental expenses paid to	520	600

Shum Siu Hung and his spouse, Tong Shiu Ming, both are directors of the Company (resigned on 18th June, 2003 and 11th March, 2003 respectively). Shum Siu Hung is a director and a shareholder of Hunsworth. Tong Shiu Ming is a shareholder of Hunsworth.

On 1st March, 2003, Sound Management Services Limited, a wholly owned subsidiary of the Company, renewed an office tenancy agreement with Hunsworth for the use of office premises provided by Hunsworth located at 8A, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong at HK\$80,000 per calendar month for a period of one year commencing 1st March, 2003.

Shum Siu Hung has given a personal guarantee to secure loan of HK\$3,000,000 (31.12.2002: HK\$1,000,000) granted to the Group. The facilities utilized by the Group at 30th June, 2003 amounted to HK\$3,000,000 (31.12.2002: Nil). The loan was fully repaid in August 2003.



## 12. Contingent Liabilities

At 30th June, 2003 and 31st December, 2002, the Company has given unlimited guarantees to financial institutions in respect of general facilities granted to the Group. The facilities utilised by the Group at 30th June, 2003 amounted to HK\$3,629,000 (31.12.2002: HK\$1,983,000).

## 13. Pledge of Assets

At 30th June, 2003, the Group has pledged land and buildings having net book value of HK\$2,210,000 (31.12.2002: HK\$2,236,000) and bank deposits amounting to HK\$1,000,000 (31.12.2002: HK\$1,662,000) to secure general banking facilities granted to the Group. At 31st December, 2002, plant and machinery with net book value of HK\$2,932,000 had also been pledged.

## 14. Lease Commitments

### The Group as lessee

At 30th June, 2003, the Group had commitments for future minimum lease payments under non-cancellable operating leases, in respect of rented premises, which fall due as follows:

	The Group		The Company	
	30.06.2003 (Unaudited) HK\$'000	31.12.2002 (Audited) HK\$'000	30.06.2003 (Unaudited) HK\$'000	31.12.2002 (Audited) HK\$'000
Within one year	1,422	928	—	—
In the second to fifth years inclusive	527	750	—	—
Over five years	—	—	—	—
	<u>1,949</u>	<u>1,678</u>	<u>—</u>	<u>—</u>

### The Group as lessor

At 30th June, 2003, the Group had contracted with tenants for the following future minimum lease payments:

	The Group		The Company	
	30.06.2003 (Unaudited) HK\$'000	31.12.2002 (Audited) HK\$'000	30.06.2003 (Unaudited) HK\$'000	31.12.2002 (Audited) HK\$'000
Within one year	2,213	1,792	—	—
In the second to fifth years inclusive	1,815	2,257	—	—
Over five years	—	—	—	—
	<u>4,028</u>	<u>4,049</u>	<u>—</u>	<u>—</u>

**15. Other Commitments**

Capital expenditure contracted for but not provided in the financial statements in respect of:

	<b>The Group</b>		<b>The Company</b>	
	<b>30.06.2003</b> <b>(Unaudited)</b> <b>HK\$'000</b>	31.12.2002 (Audited) HK\$'000	<b>30.06.2003</b> <b>(Unaudited)</b> <b>HK\$'000</b>	31.12.2002 (Audited) HK\$'000
Investment in subsidiaries	5,622	5,688	—	—
Investment in an investee company	1,885	1,885	—	—
Purchase of plant and equipment	274	274	—	—
	<u>7,781</u>	<u>7,847</u>	<u>—</u>	<u>—</u>

**16. Comparative figures**

Certain of comparative figures have been re-stated to conform with the current period's presentation.

**INTERIM DIVIDEND**

The Board does not recommend the payment of interim dividend for the six months ended 30th June, 2003 (six months ended 31st March, 2002: Nil).

**MANAGEMENT DISCUSSION AND ANALYSIS****Business Analysis**

During the period under review, the Group succeeded in continuing its profitable business trend following the business turnaround of the last year. Turnover for the period reached HK\$176,021,000, an increase of 7.8% when compared with the amount of HK\$163,334,000 for the six months ended 31st March, 2002. Net profit for the period was HK\$11,863,000 (six months ended 31st March, 2002: HK\$17,146,000). Earnings per share were 0.37 HK cents (six months ended 31st March, 2002: 0.54 HK cents).

The green energy business of the Group overcame the especially adverse situations that prevailed in the Liquefied Petroleum Gas ("LPG") market during the first quarter and most of the second quarter of 2003. The upsurge of LPG cost that began prior to the outbreak of hostilities in the Middle East persisted until March 2003. The record high prices of imported LPG were met by similar price increases for LPG produced in China. Consequently, the Group suffered from a major decline in its profit margin. The event was immediately followed by the outbreak of the Severe Acute Respiratory Syndrome in China, which imposed great impact on the sale of bottled LPG, affecting mainly the catering industry customers and certain industrial customers of the Group. It was through the dedicated effort of our staff that the Group still achieved a growth in the overall sales.



During the period, the Group successfully developed major markets in the Guangdong and Guangxi provinces in China. The management took advantage of the geographical advantage enjoyed by the Group in these regions, coupled with the streamlining of the business in other regions, to improve operational efficiency. Operation costs were also reduced as a result. This move has been a major factor for the Group to remain profitable despite the severe market conditions in the first half of 2003. Although the Group's profit was affected during the period, in the process a solid foundation was laid for the Group's operations.

The Group's electronic business has been placed under the management of contractors. As a result, the Group was not affected by market variations occurring in the first half of 2003.

### **Green Energy Business**

Turnover for the green energy business was HK\$172,076,000 (six months ended 31st March, 2002: HK\$92,555,000), contributing to 97.8% of the Group's total turnover (six months ended 31st March, 2002: 56.7%). Profit before tax generated from the business amounted to HK\$19,743,000 (six months ended 31st March, 2002: HK\$19,016,000), providing to the Group a major profit contribution.

Following the entry into the Guangdong and Guangxi markets, turnover and profit contribution from distribution and retail of bottled LPG continued to rise. Compared with year 2002, the group's number of customers increased significantly and network coverage has widened.

The acquisition of 「清新縣百富洋石油化工有限公司」 in the Guangdong district was successfully completed in early 2003. The 32 sale and distribution points operated by that company have contributed to an increase in the Group's customer base, and provided a springboard for further expansion of the Group's business in that district.

In the Guangxi district, a joint venture arrangement between a wholly owned subsidiary of the Group and 「廣西梧州駿豐燃氣有限公司」 took effect as from the beginning of 2003. Pursuant to the arrangement, the parties merged their LPG operations in the Wuzhou area, resulting in a marked increase in the Group's market share and reducing competition in the district.



Other business developments in the Guangdong and Guangxi districts proceeded smoothly. During the period, construction work for facilities related to individual projects experienced some delays due to the SARS epidemic, but the effect on the business generally has been slight.

In comparison with other regions of China, the Guangdong-Guangxi districts provide benefits of having better market accessibility, a higher profit margin, and a more comprehensive business infrastructure. On top of these, the Group enjoys geographic advantage in these districts. For these reasons, the management has chosen the Guangdong-Guangxi districts as the Group's target market and has succeeded to capture an important share of the market in certain of its cities. In order to achieve better business efficiency, the management has decided to curtail development of new businesses in regions such as North-Eastern China. The Guangdong-Guangxi districts will be positioned as the Group's business hub, through which the Group plans to further develop its market in Southern China and the coastal provinces.

### **Electronic Business**

Starting from early 2003, the Group contracted out the manufacture and sale arms of the electronics business. Contractors are selected from independent parties with good experience and track record. Contracting out the electronics business enables the Group to achieve considerable savings in administration expenses. The contractor fee and rental of the factory premises also provided a stable annual income.

### **Business Prospect**

The management believes the market for different forms of gaseous fuels in China will grow in tandem with the continuing improvement of living standards in China and increased emphasis on the use of clean fuels. LPG will continue to capture a very significant share of the market, particularly in second- and third-tier cities.

Reorganization of the electronic business and the streamlining of the LPG business have contributed to the continued profitability of the Group during the first half of 2003. Petroleum product prices having settled back into the normal trend, the Group looks forward to satisfactory results for the full year 2003. With Guangdong-Guangxi districts as the business hub, the management will strive to further develop the Group's LPG business and increase its sales and service networks in these and neighbouring regions. The business development will be funded by internal sources, with consideration being given to redeployment of the Group's resources through the interchange or reorganization of projects outside the target market.



## LIQUIDITY AND FINANCIAL REVIEW

At the period end, the Group maintained cash and bank balances amounting to HK\$9,659,000. Current ratio, quick ratio and gearing ratio were 0.98:1, 0.93:1 and 36.7% respectively, the latter calculated based on total liabilities of HK\$69,662,000 and total assets of HK\$189,967,000.

## HUMAN RESOURCES

As at 30th June, 2003 the Group employed approximately 200 employees in Hong Kong and the PRC. The Group remunerated the employees based on their performance, experience and prevailing market practice.

## DIRECTORS' INTERESTS IN SHARES AND RIGHTS TO ACQUIRE SHARES

### (i) Shares

At 30th June, 2003, the interests of the directors and their associates in the share capital of the Company as recorded in the register maintained by the Company pursuant to Section 29 of the Hong Kong Securities (Disclosure of Interests) Ordinance ("SDI Ordinance") were as follows:

Name of director	Number of shares			
	Personal interests	Corporate interests	Family interests	Other interests
Shum Siu Mau	—	—	—	—
Wu Hong Cho	—	—	—	54,938,311*
Cen Ziniu	—	—	—	10,987,662*
Cheng Wai Leung	120,000	—	—	—
Cheung Kwan Hung, Anthony	—	—	—	—
Young Wing Chun, Michael Frederick	—	—	—	—

\*Note: These interests reflect the interests in the 1,098,766,210 shares of the Company held by Uniocean Investments Limited ("Uniocean"). Uniocean is owned as to 48.11% by Shum Siu Hung (brother of Shum Siu Mau), 45.89% by the spouse of Shum Siu Hung, 5% by Wu Hong Cho and 1% by Cen Ziniu.



**(ii) Options**

At 30th June, 2003, the directors had personal interests in share options to subscribe for shares in the Company pursuant to the Company's share option scheme as follows:

Name of directors	Date of grant (dd/mm/yy)	Outstanding at 01.01.2003	Granted during the period	Outstanding at 30.06.2003	Exercise price per share (HK\$)	Exercisable period (dd/mm/yy)
Cen Ziniu	03.03.2000	30,000,000	—	30,000,000	0.180	04.09.2000-02.09.2005
	04.03.2002	30,000,000	—	30,000,000	0.130	15.09.2002-14.09.2007
Wu Hong Cho	03.03.2000	15,000,000	—	15,000,000	0.180	04.09.2000-02.09.2005
	20.06.2001	10,000,000	—	10,000,000	0.100	21.12.2001-20.12.2006
Cheng Wai Leung	20.06.2001	40,000,000	—	40,000,000	0.100	21.12.2001-20.12.2006

Save as disclosed above and other than nominee shares in certain subsidiaries held by certain directors in trust for the Group, neither the directors nor the chief executives nor any of their respective associates, had any interests in any securities of the Company or any of its associated corporations as defined in the SDI Ordinance, and neither the directors nor the chief executives nor any of their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right during the period.



## **SUBSTANTIAL SHAREHOLDERS**

Other than the interests disclosed above under the heading “Directors’ Interests in Shares and Rights to Acquire Shares”, the register of substantial shareholders maintained by the Company pursuant to Section 16(1) of the SDI Ordinance shows the following persons as having an interest of 10% or more in the issued share capital of the Company as at 30th June, 2003:—

<b>Name of Shareholder</b>	<b>Number of Shares Held</b>
Uniocean Investments Limited	1,098,766,210
Shum Siu Hung	99,627,790

## **PURCHASE, SALE AND REDEMPTION OF THE COMPANY’S LISTED SECURITIES**

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities during the six months ended 30th June, 2003.

## **AUDIT COMMITTEE**

The audit committee of the Company has reviewed with management the accounting principles and practices adopted by the Group and discussed financial reporting matters including the review of the unaudited interim financial statements for the six months ended 30th June, 2003.

## **CORPORATE GOVERNANCE**

None of the directors of the Company is aware of any information that would reasonably indicate that the Company is not, or was not for any part of the six months ended 30th June, 2003, in compliance with the Code of Best Practice as set out in Appendix 14 of the Rules Governing the Listing of Securities (“Listing Rules”) on The Stock Exchange of Hong Kong Limited (“Stock Exchange”).





**PUBLICATION OF INFORMATION ON THE STOCK EXCHANGE'S WEBSITE**

All the information required by paragraphs 46(1) to 46(6) of Appendix 16 of the Listing Rules was published on the website of the Stock Exchange ([www.hkex.com.hk](http://www.hkex.com.hk)).

By order of the Board  
**Shum Siu Mau**  
*Chairman*

Hong Kong, 29th August, 2003

**NewOcean Green Energy Holdings Limited**

新海環保能源集團有限公司

