



NEW SMART ENERGY GROUP LIMITED

駿新能源集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 91)

RETIREMENT OF AUDITOR

The Board announces that it has received a notice from PricewaterhouseCoopers that they will not offer themselves for reappointment as the auditor of the Company at the AGM to be held on 25 June 2008.

The board of directors (the "Board") of the Company announces that it has received a notice from PricewaterhouseCoopers ("PwC") that they will retire as auditor of the Company and not offer themselves for reappointment at the forthcoming annual general meeting of the Company ("AGM") to be held on 25 June 2008. The reason for retirement of the Company's auditor and not seeking for reappointment is due to the fact that the Company and PwC could not reach a consensus about the auditor's remuneration for the financial year ending 31 December 2008.

Other than the circumstances as stated above, PwC, the Board and the Audit Committee of the Company confirmed that there were no disagreements or unresolved issues between the Company and PwC and there were no circumstances connected with PwC's intention for not seeking for reappointment as auditor of the Company which PwC, the Board and the Audit Committee consider should be brought to the attention of the shareholders of the Company.

PwC has not commenced any audit work on the financial results of the Company for the financial year ending 31 December 2008. The Board is in the course of identifying suitable auditor to fill the vacancy caused by the retirement of PwC. The Company will finalise the appointment of auditor as soon as practicable, subject to the approval of the shareholders of the Company.

In the event that no suitable auditor is identified before the AGM, the chairman of the AGM would propose, before the resolution dealing with the appointment of auditor is discussed, with the consent of the meeting, the adjournment of the AGM until such time as new auditor can be appointed and at the adjourned AGM, the resolution of the appointment of the auditor be considered and, if thought fit, pass the ordinary resolution to approve the appointment of new auditor, to hold office until the conclusion of the next annual general meeting of the Company.

By order of the Board
New Smart Energy Group Limited
Tong Nai Kan
Chairman

Hong Kong, 8 May 2008

As at the date of this announcement, the Executive Directors of the Company are Mr. Tong Nai Kan, Ms. Chow Sim Chu, Shirley and Mr. Tan Chuanrong, the Non-executive Director is Mr. Ko Ming Tung, Edward and the Independent Non-executive Directors are Dr. Tang Tin Sek, Mr. Liu Ngai Wing, Mr. Lam Yat Fai and Mr. Chan Kin Sang.